

Program and Budget Committee

Thirty-Fifth Session
Geneva, May 22 to 26, 2023

PRELIMINARY RESULTS FOR THE YEAR ENDED DECEMBER 31, 2022

prepared by the Secretariat

1. The current document provides the preliminary end of 2022 figures, which are subject to audit and will be reported on formally at the June 2023 session of the Program and Budget Committee (PBC) as audited financial statements for 2022.

2. It is recalled that, since 2010, WIPO's financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) whilst the Organization's budget has continued to be prepared on a modified accrual basis ("budgetary basis"), in accordance with the Organization's Financial Regulations and Rules. Tables presented below show both income and expenditure on a modified accrual basis, together with their corresponding IPSAS adjustments, where relevant.

3. The Program and Budget Committee (PBC) took note of the contents of the document (WO/PBC/35/INF/1).

[Preliminary Overview of WIPO's Financial Performance in 2022 follows]

Preliminary Overview of WIPO's Financial Performance in 2022 (Unaudited)

1. Table 1 provides preliminary results and financial parameters as of end 2022¹.

Table 1. Preliminary Results and Financial Parameters as at end of 2022
(in millions of Swiss francs)

Key Financials	2022/23 PoW&B	2022 Actuals	2022 Actuals compared to PoW&B
Income			
Fees			
PCT	736.9	380.8	52%
Madrid	160.0	85.3	53%
Hague	12.2	7.2	59%
Lisbon	0.2	0.0	2%
<i>Sub-total</i>	909.3	473.3	52%
Contributions (unitary) ¹	35.0	17.7	51%
Arbitration	3.4	2.9	87%
Publications	1.0	0.4	41%
Miscellaneous Income	3.1	(2.3)	-73%
<i>Sub-total</i>	42.5	18.7	44%
Total Income after IPSAS adjustments	951.8	492.0	52%
Expenditure			
Personnel Expenditure	476.5	220.8	46%
Non-Personnel Expenditure	317.3	136.2	43%
Total Expenditure (budgetary basis)	793.8	357.0	45%
IPSAS adjustments to Expenditure	58.3	31.5	54%
Total Expenditure after IPSAS adjustments	852.1	388.5	46%
Operating Result	99.7	103.5	
Reserve-funded projects ²	34.5	12.0	35%
IPSAS adjustments on Reserve-funded projects	(5.7)	(4.1)	
Reserve-funded projects after IPSAS adjustments	28.9	7.8	
Special Accounts IPSAS result³	-	0.0	
Investment gains/(losses)⁴	-	(88.1)	
Overall Result	70.8	7.7	
<i>Note: Lisbon fee income (in thousands of Swiss francs)</i>	150.0	3.0	

¹ Contributions include IPSAS adjustments of 69,584 Swiss francs in 2022.

² Budget for 2022/23.

³ Special Accounts IPSAS result amounted to 30,543 Swiss francs in 2022.

⁴ The investment gains/(losses) estimate for 2022/23 is excluded from the income estimates for the biennium due to the volatility of the expected yields on the longer-term investment portfolios (core and strategic cash).

¹ Figures in tables may not add up due to rounding.

2. Table 2 presents figures on the levels of registration activities undertaken under the PCT, Madrid and the Hague Systems.

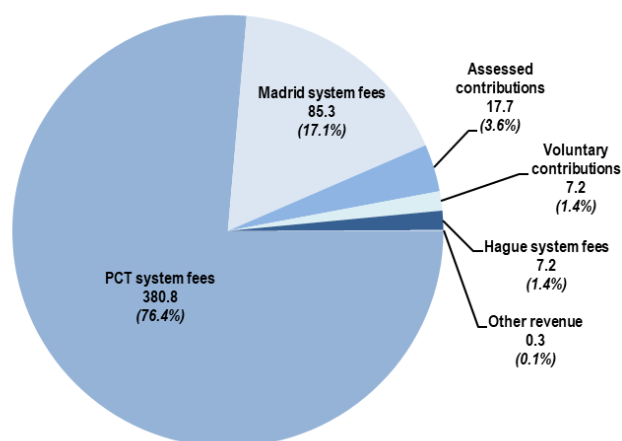
Table 2. Estimates vs. Actuals Demand for Services under the PCT, Madrid and the Hague Systems in 2022

	2022/23 PoW&B Demand Estimates	2022 Actuals ¹	2022 Actuals compared to PoW&B
PCT System			
IAs Filed	593,800	278,100	47%
Madrid System			
Applications	145,200	69,000	48%
Registrations	138,700	68,589	49%
Renewals	66,400	38,265	58%
Hague System			
Applications	15,470	7,973	52%
Registrations	14,620	7,725	53%
Renewals	9,070	5,284	58%

¹ 2022 Actuals as per the Chief Economist.

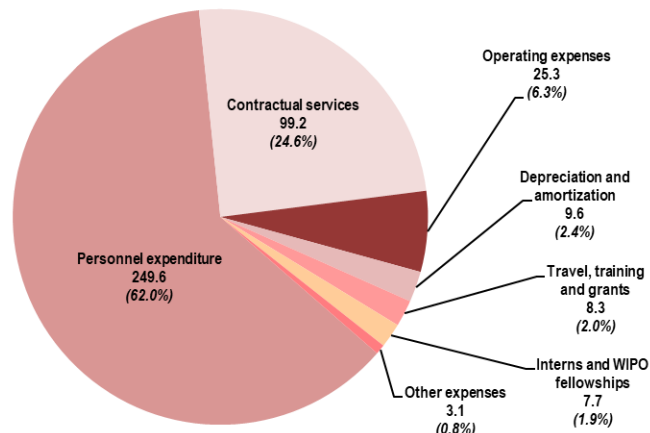
3. Chart 1 provides information on the breakdown of WIPO's income on an IPSAS basis in 2022.

Chart 1: Income by Type in 2022
(in millions of Swiss francs)



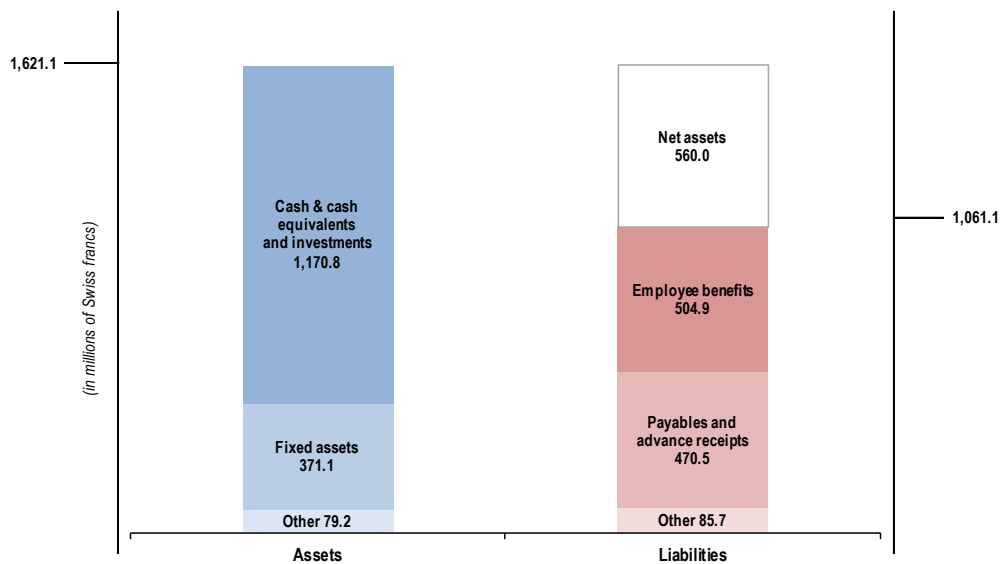
4. Chart 2 provides information on the breakdown of expenditure on an IPSAS basis by type in 2022.

Chart 2: Expenditure by Type in 2022
(in millions of Swiss francs)



5. Chart 3 provides a summary of the Statement of Financial Position on an IPSAS basis of the Organization at the end of 2022.

Chart 3: Total Assets, Total Liabilities and Net Assets at end of 2022
(in millions of Swiss francs)



6. Table 3 presents budget utilization figures by Sector in 2022.

Table 3. Budget vs. Expenditure by Sector in 2022
(in thousands of Swiss francs)

Sector	2022/23 PoW&B	2022/23 Budget after Transfers	2022 Expenditure ¹	Budget Utilization ²
Patents and Technology	230,374	226,770	103,525	46%
Brands and Designs	80,430	80,951	37,596	46%
Copyright and Creative Industries	31,735	33,166	14,843	45%
Regional and National Development	69,145	73,690	31,322	43%
Infrastructure and Platforms	37,682	37,758	16,768	44%
Global Challenges and Partnerships	25,480	26,213	11,656	44%
IP and Innovation Ecosystems	43,975	45,374	20,531	45%
Administration, Finance and Management	263,023	262,207	120,731	46%
Unallocated	11,946	7,664	-	-
TOTAL	793,792	793,792	356,971	45%

¹ 2022 Expenditure refers to actual expenditure pre-IPSAS adjustments.

² Budget Utilization reflects 2022 expenditure as compared to the 2022/23 Budget after Transfers.

Note: The 2022/23 Budget after Transfers reflect the adjusted budgets of Programs as at December 31, 2022, in line with Financial Regulation 3.4.

7. Table 4 provides the 2022 preliminary results by Union (Contribution-financed Unions, PCT Union, Hague Union and Lisbon Union).

Table 4. Results by Union in 2022 (unaudited)
(in thousands of Swiss francs)

	Unions					
	CF	PCT	Madrid	Hague	Lisbon	Total
Income	18,279	378,001	87,402	8,021	243	491,946
IPSAS adjustments to Income	70	-	-	-	-	70
Income after IPSAS adjustments	18,349	378,001	87,402	8,021	243	492,016
Expenditure (Budgetary)	20,310	245,329	73,007	16,683	1,642	356,971
IPSAS adjustments to Expenditure	1,788	21,689	6,433	1,468	144	31,522
Expenditure after IPSAS adjustments	22,098	267,018	79,440	18,151	1,786	388,493
Operating Result	(3,749)	110,983	7,962	(10,130)	(1,543)	103,523
Reserve-funded projects	45	8,897	1,926	1,094	-	11,962
IPSAS adjustments on Reserve-funded projects	(25)	(2,922)	(301)	(881)	-	(4,129)
Reserve-funded projects after IPSAS adjustments	20	5,975	1,625	213	-	7,833
Investment gains/(losses)	(1,999)	(79,734)	(6,322)	-	-	(88,055)
Overall Result	(5,768)	25,274	15	(10,343)	(1,543)	7,635

Note: The methodology for the allocation of income and expenditure by Union is described in Annex IV of the Program of Work and Budget 2022/23.

Note: 2022 Overall Result excludes Special Accounts.

8. Table 5 provides an outlook for the 2022/23 biennium taking into account the financial results for the year ended December 31, 2022.

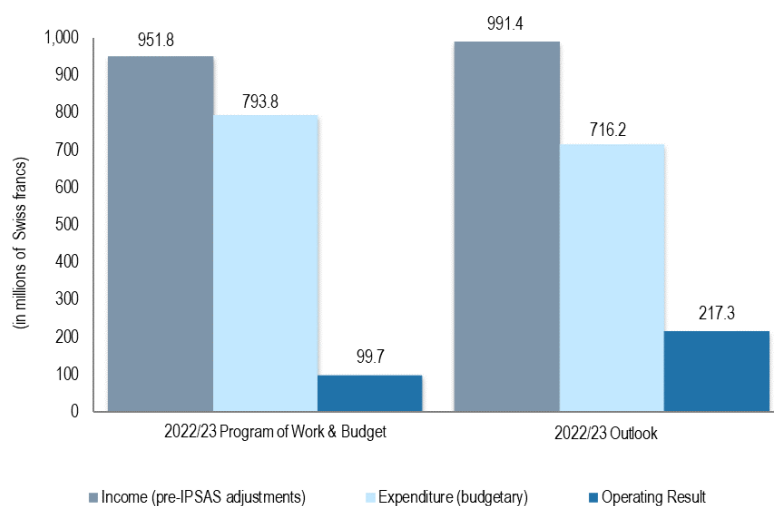
Table 5. Current Financial Outlook for 2022/23
(in millions of Swiss francs)

	2022/23 PoW&B	2022/23 Outlook			Outlook as % of Budget
		2022 Actuals (Unaudited)	2023 Forecast ¹	Total	
Income	951.8	492.0	499.4	991.4	104%
Expenditure (budgetary)	793.8	357.0	359.3	716.2	90%
<i>IPSAS adjust. to expenditure</i>	(58.3)	(31.5)	(26.4)	(57.9)	
Operating Result	99.7	103.5	113.8	217.3	
Reserve expenditure	34.5	12.0	16.4	28.4	
<i>IPSAS adjust. to Reserve expd.</i>	(5.7)	(4.1)	(5.7)	(9.8)	
Special Accounts IPSAS result ²	-	0.0	-	0.0	
Investment gains/(losses)	-	(88.1)	-	(88.1)	
Overall Result	70.8	7.7	103.0	110.7	

¹2023 forecast: (i) Income fee estimates for the PCT, Madrid and the Hague Systems as per the January 2023 Forecast by the Chief Economist. All other income for the second year of the biennium is estimated based on the annual budgets reflected in Annex VII of the Program of Work and Budget (PoW&B) 2022/23; (ii) Expenditure for the second year of the biennium is estimated based on the annual budgets reflected in Annex VII of the PoW&B 2022/23 and expenditure patterns in the first year of the biennium; (iii) IPSAS adjustments to regular budget are estimated based on Table 1 of the PoW&B 2022/23; (iv) Reserve expenditure reflects the 2023 forecasted expenditure on approved Capital Master Plan projects; (v) IPSAS adjustments to Reserve expenditure has been pro-rated based on 2022 Actuals; and (vi) Investment gains/(losses) estimate for 2022/23 is excluded from the income estimates for the biennium due to the volatility of the expected yields on the longer-term investment portfolios (core and strategic cash).

²Special Accounts IPSAS result amounted to 30,543 Swiss francs in 2022.

Chart 4: Income, Expenditure and Operating Result for 2022/23
(in millions of Swiss francs)



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