

# UNITED NATIONS DEVELOPMENT PROGRAMME



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INTERGOVERNMENTAL WORKING GROUP ON OVERHEAD COSTS  
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## AGENCY OVERHEAD COSTS

### Views of the World Intellectual Property Organization

#### Note by the Administrator

At the request of the President of the Governing Council, the Administrator transmits herewith to the intergovernmental Working Group on Overhead Costs the text of a letter dated 7 December 1977 from the Director General of the World Intellectual Property Organization (WIPO) on the subject of Overhead Costs.

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Communication from the Director General of WIPO to the  
Administrator of UNDP, dated 7 December 1977

With reference to your letter of September 21, 1977, on the subject of agency overhead costs, WIPO has a very limited experience in this field but we would like to state the following:

(a) We continue to believe, as indicated in our letter of January 27, 1977, that option 4 set forth in Annex I of your letter of January 10, 1977, is a particularly well adapted solution for Agencies with smaller programmes.

(b) Quite apart from this, as concerns the definition of "overheads" to which you refer, it should include:

(i) Cost of staff (i.e. salary + related costs) involved directly in the monitoring of projects; this would not include staff who provide "technical backstopping" for particular aspects of projects;

(ii) Cost of travel incurred by all staff referred to in (i) above;

(iii) An agreed percentage of (i) above, or lump sum fee per person, which would be intended to cover the cost of administrative servicing of staff directly involved in the monitoring of projects (personnel and financial services, office space, utilities, etc.);

(iv) An agreed percentage or lump sum fee per expert to cover recruiting expenses.

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