

ANNUAL REPORT 2021



*Fostering creativity and innovation for social-economic growth of our
Member States through an effective Intellectual Property System*

ARIPO

ANNUAL REPORT

2021

ARIPO
Harare, Zimbabwe
2022



ARIPO IN BRIEF

The African Regional Intellectual Property Organization (ARIPO) is an inter-governmental organization (IGO) established, *inter alia*, to promote, harmonize and develop intellectual property systems in Africa.



VISION

To be Africa's leading intellectual property Organization that promotes socio-economic development.



OUR CORE VALUES

Integrity
Engagement
Client-focus
Agility
Diversity
Accountability



MISSION

To foster creativity and innovation for socio-economic growth of our Member States through an effective intellectual property system.

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ABBREVIATIONS

AfriPI	Intellectual Property Rights and Innovation Project in Africa
AJIP	African Journal of Intellectual Property
ARDI	Access to Research for Development and Innovation
ARIPO	African Regional Intellectual Property Organization
ARPET	ARIPO Regional Patent Examination Training
AU	African Union
BRELA	Business Registration and Licensing Authority
CIPA	Companies and Intellectual Property Authority
CMOs	Collective Management Organizations
COSBOTS	Copyright Society of Botswana
CPVO	Community Plant Variety Office
CSIR	Council of Scientific and Industrial Research
DL	Distance Learning
DOAB	Directory of Open Access Books
DOAJ	Directory of Open Access Journals
ECA	Economic Commission for Africa
EPO	European Patent Office
EUIPO	European Union Intellectual Property Office
FIAPF	International Federation of Film Production Association
GI	Geographical Indication
ICHIP	International Computer Hacking and Intellectual Property
ICT	Information Communication Technologies
IFPI	International Federation of the Phonographic Industries
IFRRO	International Federation of Reproduction Rights Organizations
IGO	Inter-governmental organization
IIPCIC	International Intellectual Property Crime Investigation College
INTA	International Trademark Association
IP	Intellectual Property
IPA	International Publishers Association
IPAS	Intellectual Property Automation System
IPDL	Intellectual Property Digital Library
IPOS	Intellectual Property Office of Singapore
IPR	Intellectual Property Rights



IPTI	Intellectual Property Training Institutions
JFIT	Japan-Funds in Trust
JPO	Japan Patent Office
KOICA	Korean International Cooperation Agency
KNUST	Kwame Nkrumah University of Science and Technology
MIP	Master in Intellectual Property
NISCAIR	National Institute of Science Communication and Information Resources
NORCODE	Norwegian Copyright Development Association
OAPI	Organisation Africaine de la Propriété Intellectuelle
OPDAT	Office of Overseas Prosecutorial Development Assistance and Training
PRV	Swedish Intellectual Property Office
R&D	Research and Development
SARPCCO	Southern African Regional Police Chiefs Cooperation Organization
SME	Small and Medium-sized Enterprises
SWOT	Strengths, Weaknesses, Opportunities and Threats
UDSM	University of Dar es Salaam
USD _o J	United States Department of Justice
USPTO	United States Patent and Trademark Office
WAO	WIPO/ARIPO/OAPI (WAO) Tripartite Agreement
WINIPE	World Intellectual Property Organization International Network for Intellectual Property and Education
WIPO	World Intellectual Property Organization

FOREWORD

2021 has been a very exciting year for ARIPO and I am proud of how the organization swiftly reinvented itself to turn around its fortunes and continue responding to the global pandemic. As we moved from a position of resilience to strength and excellence, I want to express my immense appreciation to the Governing Bodies of the African Regional Intellectual Property Organization (ARIPO) for the tremendous support rendered to the Secretariat and to me from the moment I commenced my tenure as Director General in January 2021.

I began by building on the Value and Growth Transformation Strategic Plan 2016-2020, which was extended by the Administrative Council for an extra year to cover 2021, allowing me to settle and develop a strategy for the next five years. The new Strategic Plan (2022-2026) has been approved by the Governing Bodies. It is ready for implementation. Through it, we seek to create value for all our Member States and ensure we are Africa's leading intellectual property Organization.

As we work daily to position the Organization as a premier performer, I am delighted to highlight our registered membership growth. The Republic of Seychelles became the 21st Member State of ARIPO effective 1 October 2021. The Protocols of ARIPO continued to become more appealing to the Member States, partly attributable to the premium we put on communicating our mandate and demonstrating the value we create. The Republic of The Gambia acceded to the Banjul Protocol on 3 May 2021.

On the partnerships front, there was real progress through a deliberate engagement drive to expand our cooperation not just in numbers but also in value. New engagements with the World Intellectual Property Organization (WIPO) have opened another world of possibilities. We are working together towards organizing, among other things, a Conference of Heads of Intellectual

Property (IP) Offices that we intend to have as an annual event going forward. Through WIPO, The Japan Patent Office (JPO) is working with us to organize engagements with all MIP Alumni entirely funded by the JPO. The re-engagement with the United States Patent and Trademark Office (USPTO) continues to deliver impact. Since the beginning of the year, we co-organized eight mutually selected webinars looking at the Member States' training needs assessment.

We have reviewed our strategies to strengthen our partnerships focusing on impact. ARIPO is working with the Intellectual Property Rights and Innovation Project in Africa (AfRIPI), a pan-African project that aims to support the European Union in creating, administering, utilising, protecting and enforcing intellectual property rights across Africa. It is funded and directed by the European Union, co-funded and implemented by the European Union Intellectual Property Office (EUIPO). It has an initial duration of five years, starting from February 2020. This cooperation framework brings the necessary impact that the continent needs.

The European Patent Office (EPO) has continued to support us and our activities to the hilt. Our joint activities have been broadened and recalibrated to respond to the needs of the Member States. EPO continues to be instrumental to the ARIPO Regional Patent Examiner Training (ARPET) program and avails the necessary technical and human resources to deliver it. Through EPO, we introduce what the ARIPO Member States have always asked for: training that will galvanize the Universities into adopting practical aspects of intellectual property.

As ARIPO, we are deeply inspired by the support we continue to receive from political leadership. The Diplomatic Conference in Kampala, Uganda that adopted the Kampala Protocol on Voluntary Registration of Copyright and Related Rights, was graced by

H.E.
Gen.
Yoweri
Kaguta
Museveni, President
of the Republic of
Uganda, and a record number
of Ministers attended. In the
18th Session of the ARIPO Council of
Ministers held in Victoria Falls, Zimbabwe,
H.E. Cde Emmerson Dambudzo Mnangagwa,
President of the Republic of Zimbabwe, officially
opened the Council of Ministers. These are some of
the gains we draw inspiration from, and they are
fairly traceable to the intentional communication
efforts and engagements with the Member States.

We are further pleased to report that performance
of ARIPO is in a strong position to ensure financial
sustainability. On behalf of ARIPO Secretariat,
guided by our strategic priorities, I wish to commit
to engaging all our Member States to serve them
better as we continue to evolve, enhance and
innovate our services.

Bemanya Twebaze
Director General





SECTION 1: ORGANIZATIONAL STRUCTURE

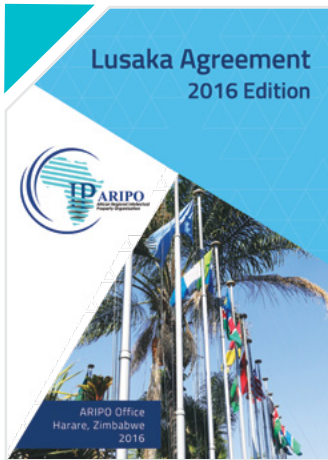
Membership and Treaties

Membership

Membership to ARIPO is open to Member States of the Economic Commission for Africa (ECA) or the African Union (AU). As of 31 December 2021, the ARIPO membership was at 21 Member States.



Treaties and their Status of Signature/Ratification



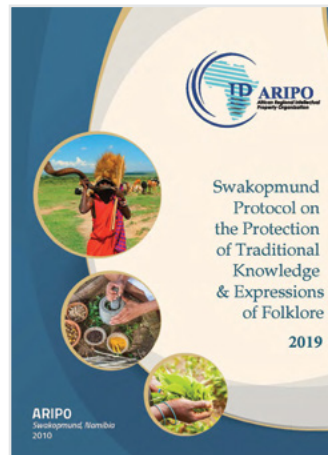
LUSAKA AGREEMENT



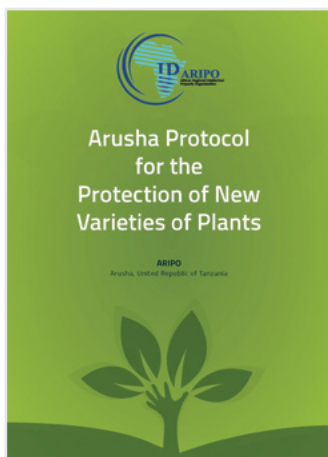
THE HARARE PROTOCOL



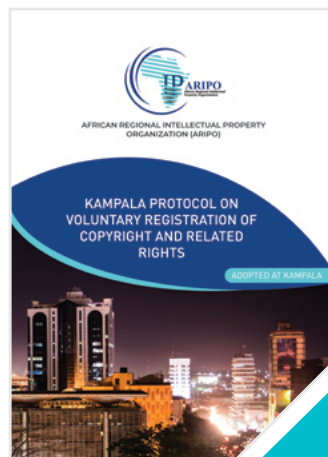
THE BANJUL PROTOCOL



SWAKOPMUND PROTOCOL



THE ARUSHA PROTOCOL



THE KAMPALA PROTOCOL

The table below shows the current status of Member States of ARIPO, the dates they joined the Organization, and the dates when they became Contracting States to the Protocols that are in force or when they signed those that are yet to be in force (Arusha and Kampala Protocols).

MEMBER STATE	LUSAKA AGREEMENT	HARARE PROTOCOL	BANJUL PROTOCOL	SWAKOPMUND PROTOCOL	ARUSHA PROTOCOL	KAMPALA PROTOCOL
Botswana 	6 February 1985	6 May 1985	29 October 2003	28 March 2012		
Kingdom of Eswatini 	17 December 1987	17 March 1988	17 March 1988			
The Gambia 	15 February 1978	16 January 1986	3 August 2021	11 February 2015		10 December 2021
Ghana 	15 February, 1978	25 April 1984				28 August 2021
Kenya 	15 February, 1978	24 October 1984				
Kingdom of Lesotho 	23 July 1987	23 October 1987	12 February 1999			
Liberia 	24 December 2009	24 March 2010	24 March 2010	25 October 2016		28 August 2021
Malawi 	15 February 1978	25 April 1984	6 March 1997	20 December 2012		28 August 2021
Mozambique 	8 February 2000	8 May 2000	15 August 2020			28 August 2021
Mauritius 	25 September 2020					

Table 1: ARIPO Member States and the dates when they became Contracting States to the Protocols that are in force or when they signed those that are yet to be in force (Arusha and Kampala Protocols).

MEMBER STATE	LUSAKA AGREEMENT	HARARE PROTOCOL	BANJUL PROTOCOL	SWAKOPMUND PROTOCOL	ARUSHA PROTOCOL	KAMPALA PROTOCOL
Namibia 	14 October 2003	23 April 2004	14 January 2004	11 February 2015		10 December 2021
Rwanda 	24 June 2011	24 September 2011		16 July 2012	Accession 7 June 2019	
São Tomé & Príncipe 	19 May 2014	19 August 2014	27 November 2015		Ratification 29 September 2020	28 August 2021
Seychelles 		1 October 2021				
Sierra Leone 	5 December 1980	25 February 1999				28 August 2021
Somalia 	10 December 1981					
Sudan 	2 May 1978	25 April 1984				28 August 2021
Tanzania 	12 October 1983	1 September 1999	1 September 1999			28 August 2021
Uganda 	8 August 1978	25 April 1984	21 November 2000			28 August 2021
Zambia 	15 February 1978	26 February 1986		28 August 2015		10 December 2021
Zimbabwe 	11 November 1980	25 April 1984	6 March 1997	22 April 2013		

Table 1: ARIPO Member States and the dates when they became Contracting States to the Protocols that are in force or when they signed those that are yet to be in force (Arusha and Kampala Protocols).

ORGANS OF ARIPO

Overview

ARIPO is governed through various organs. These organs are; the Council of Ministers, Administrative Council, Board of Appeal, and the Secretariat. The Administrative Council has subsidiary committees that come under two broad categories, namely, Administrative Committees and Technical Committees.

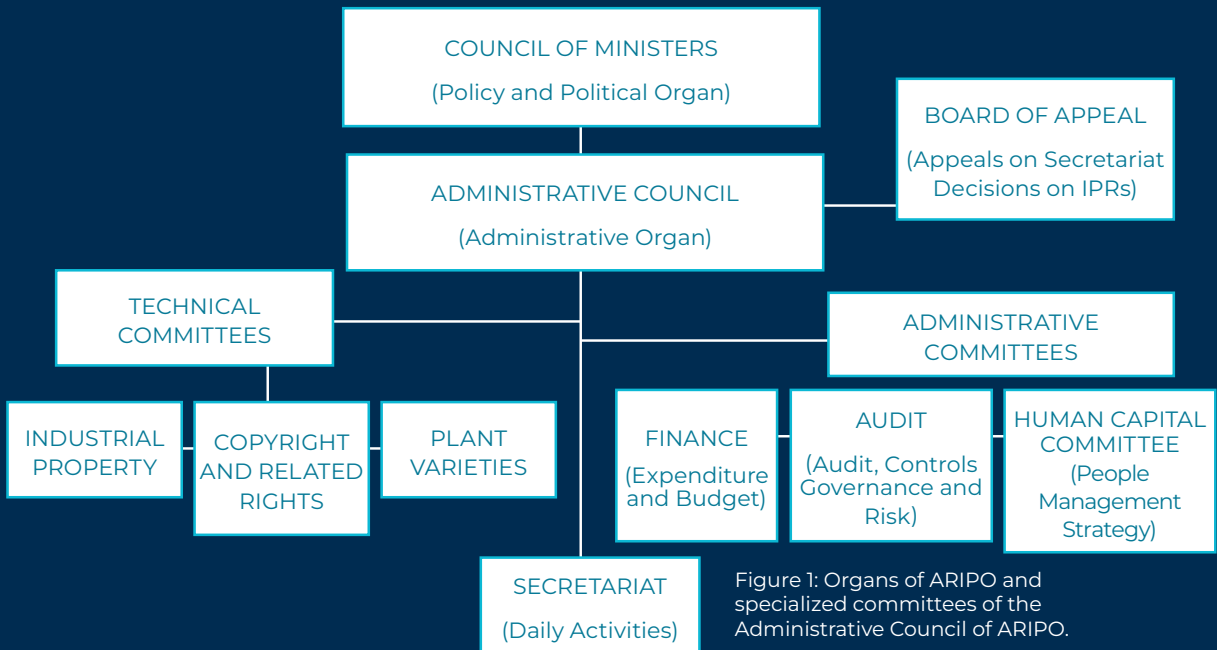


Figure 1: Organs of ARIPO and specialized committees of the Administrative Council of ARIPO.

COUNCIL OF MINISTERS

The Council of Ministers comprises Ministers of governments of the ARIPO Member States responsible for the administration of intellectual property laws in their respective countries. It is the supreme organ of the Organization. The Republic of Zimbabwe is the current Chairperson of the Council of Ministers.

ADMINISTRATIVE COUNCIL AND ITS SUBSIDIARY COMMITTEES

The Administrative Council is composed of Heads of offices responsible for Industrial Property and Copyright in the Member States. The Administrative Council is subordinate to the Council of Ministers. The Republic of Zimbabwe is the current Chairperson of the Administrative Council.

Subsidiary Committees of the Administrative Council

The Administrative Council has subsidiary

Committees in place to administer the affairs of ARIPO. These come under two broad categories, namely; the Technical Committees and the Administrative Committees. Under the former, there are three committees, which are Technical Committee on Industrial Property, Technical Committee on Copyright & Related Rights, and Technical Committee on Plant Variety Protection.

Similarly, under Administrative Committees, ARIPO also has three Committees, namely, Audit Committee, Finance Committee and Human Capital Committee.

BOARD OF APPEAL

The Board of Appeal is established to hear, and review appeals against the administrative decisions of the ARIPO Office in the implementation of the ARIPO protocols. It is independent of any organ of the Organization.

THE SECRETARIAT

The Secretariat is responsible for the day-to-day activities of the Organization and the implementation of policies adopted by the Administrative Council and the Council of Ministers. It is headed by a Director General who is the principal executive officer of the Organization. The holder of the office must be a citizen of an ARIPO Member State.

ARIPO'S LEGAL INSTRUMENTS

THE LUSAKA AGREEMENT

ARIPO was established under the Lusaka Agreement, which was signed in Lusaka, Zambia, on 9 December 1976. The objectives are, *inter alia*, to promote, harmonize and develop intellectual property systems in Africa. To carry out its functions, ARIPO administers five Protocols.



THE HARARE PROTOCOL

The Harare Protocol on Patents and Industrial Designs was adopted on 25 April 1984, empowering ARIPO to grant patents and register industrial designs and utility models on behalf of the Protocol's contracting states.



Currently, the Protocol is in force in all the Member States except Mauritius and Somalia.

THE BANJUL PROTOCOL

Adopted in 1993, this Protocol empowers ARIPO to register marks on behalf of the Contracting States. Twelve Member States are currently party to the Protocol. These are Botswana, Kingdom of Eswatini, The Gambia, Kingdom of Lesotho, Liberia, Malawi, Mozambique, Namibia, São Tomé & Príncipe, Tanzania, Uganda and Zimbabwe.



THE SWAKOPMUND PROTOCOL

The Swakopmund Protocol on the Protection of Traditional Knowledge and Expressions of

Folklore was adopted in 2010 and entered into force on 25 May 2015. The Protocol aims at protecting the traditional knowledge and expression of folklore in Africa and to ensure that they are properly utilized for the welfare of her people. Eight Member States have ratified the Protocol. These are Botswana, The Gambia, Liberia, Malawi, Namibia, Rwanda, Zambia and Zimbabwe.



THE ARUSHA PROTOCOL

The Arusha Protocol for the Protection of New Variety of more Plants was adopted by a Diplomatic Conference that was held in Arusha, Tanzania on 6 July 2015. The Protocol aims at providing the Member States with a regional plant variety protection system that recognizes the need to provide growers and farmers with improved varieties of plants for sustainable agriculture.

The Protocol received five signatures from The Gambia, Ghana, Mozambique, São Tomé and Príncipe, and the United Republic of Tanzania. Rwanda and São Tomé and Príncipe have ratified the Protocol. The Protocol will only enter into force 12 months after four States have ratified it. Currently only two Member States, Rwanda and São Tomé and Príncipe have accessed/ratified it.

THE KAMPALA PROTOCOL

The Kampala Protocol on Voluntary Registration of Copyright and Related Rights was adopted on 28 August 2021 at a Diplomatic Conference held in Kampala, Uganda. The Protocol establishes a regional voluntary registration of Copyright and Related Rights. It will enhance protection of the ARIPO Member States' and Africa's creative industry by ensuring that the creators benefit from their creative works.



So far, twelve ARIPO Member States have signed the Protocol namely: The Gambia, Ghana, Liberia, Malawi, Mozambique, Namibia, São Tomé and Príncipe, Sierra Leone, Sudan, United Republic of Tanzania, Uganda and Zambia. The Protocol will enter into force once five Member States have deposited their instruments of ratification or accession with the Director General of ARIPO.





President of the Republic of Zimbabwe, H.E. Cde Emmerson Dambudzo Mnangagwa.

SECTION 2: 2021 HIGHLIGHTS - OUR YEAR IN PERSPECTIVE

THE ARIPO GOVERNING BODIES' MEETINGS

The 45th Session of the ARIPO Administrative Council and the 18th Session of the ARIPO Council of Ministers were held from the 6th to 8th and the 9th to 10th December 2021, respectively. The Government of the Republic of Zimbabwe hosted the Sessions at the Elephant Hills Resort in Victoria Falls.

The President of the Republic of Zimbabwe, His Excellency, Cde. Emmerson Dambudzo Mnangagwa, officiated at the opening of the 18th Session of the Council of Ministers.

The Council of Ministers was preceded by the Administrative Council which was officially opened by the Minister of Justice, Legal and Parliamentary Affairs, Hon. Ziyambi Ziyambi on the 6th of December 2021.

The Council of Ministers, which is the supreme organ of ARIPO is responsible for policy issues while the Administrative Council of Ministers is responsible for, *inter alia*, supervising the execution of the Organization's policies, approving the Strategic Plan, the budget, and all the supporting programmes of activity.

The Republic of Zimbabwe, represented by the Minister of Justice, Legal and Parliamentary Affairs, was elected as Chairperson of the Council of Ministers taking over from Liberia that served from 2019 to 2021. At the same time, the Deputy Chief Registrar of the Companies and Intellectual Property of Zimbabwe (CIPZ) became the Chairperson of the Administrative Council of ARIPO for a two-year term effective 8 December 2021.

The Administrative Council Session amongst other things discussed proposals to amend the Harare Protocol on Patents and Industrial Designs and the Banjul Protocol on Marks to make them more user-friendly and align them to relevant international treaties and best practices. They also approved the proposed budget and programme of activities for

the year 2022 and the proposed 2022-2026 Strategic Plan.

The Director General of ARIPO reported on the main achievements of ARIPO in 2021 and the statistics on industrial property applications received and granted by the Organization.



CIPZ presents the President of Zimbabwe, H.E. Cde. Emmerson Dambudzo Mnangagwa with a Trademark.



Some of the members of the Administrative Council at its 45th Session.



Min. of Justice, Legal and Parliamentary Affairs of Zimbabwe, Hon. Ziyambi Ziyambi addressing the Council of Ministers.



ARIPO DG presents a gift to H.E. President of Zimbabwe.



Council of Ministers photograph with H.E. Cde. Emmerson Dambudzo Mnangagwa.



AfriPI makes a presentation at the Administrative Council.

Communique of the Eighteenth Session of the Council of Ministers of ARIPO held in Victoria Falls, Republic Of Zimbabwe, from 9 to 10 December 2021

1. The Council of Ministers of the African Regional Intellectual Property Organization (ARIPO) held its Eighteenth Session at the Elephant Hills Resort, Victoria Falls, Zimbabwe, from 9 to 10 December 2021.
2. His Excellency Dr Emmerson Dambudzo Mnangagwa, President of the Republic of Zimbabwe, officially opened the Session. In his speech, His Excellency Mnangagwa stressed the importance of encouraging and supporting innovation with a view to having competitive businesses. The President of the Republic called upon ARIPO Member States to build ecosystems and structures that fully support creativity and innovation in schools, institutions of higher learning, industry and within communities in general.
3. The Council of Ministers elected new members to serve as Officers for the 2022/2023 biennium as follows:
 - Chair: **Zimbabwe**
 - First Vice-Chairman: **Botswana**
 - Second Vice-Chairman: **The Gambia**
4. The Delegations of The Gambia, Ghana, Malawi, Namibia, Uganda, United Republic of Tanzania, and Zambia delivered statements commending ARIPO for its contribution to the development of the national and regional Intellectual Property systems and highlighted the efforts that have been made by their respective Governments towards the advancement of the Intellectual Property agenda at national level. The Delegations reiterated the commitment of their Governments to support the Organization's work.
5. The Council of Ministers considered and took note of the following documents that were presented by the Secretariat:
 - Report of the Director General on the Activities Undertaken in 2020 and 2021 under the Value and Growth Transformation Strategic Plan 2016-2020 that was extended for one year; and
 - Report of the Chairman of the Administrative Council.
6. The Council of Ministers expressed its gratitude to the Government of the Republic of Zimbabwe for the warm hospitality and excellent arrangements made for the Eighteenth Session of the Council of Ministers as well as the Forty-Fifth Session of the Administrative Council. The Council particularly expressed appreciation to The President of the Republic of Zimbabwe, His Excellency Dr Emmerson Dambudzo Mnangagwa for having granted exemption for ARIPO Governing Bodies' sessions to proceed despite the COVID-19 pandemic induced disruptions.
7. The Council of Ministers expressed its appreciation and gratitude to the cooperating partners of ARIPO for their continued support and participation in the Eighteenth Session of the Council of Ministers.
8. During the Eighteenth Session of the Council of Ministers, three (3) Countries signed the Kampala Protocol on Voluntary Registration of Copyright and Related Rights, namely: The Gambia, Namibia, and Zambia.
9. The Council endorsed the Delegation of Botswana's offer to host the Nineteenth Session of the Council of Ministers at a date which will be communicated in due course.

COPYRIGHT AND RELATED RIGHTS

Kampala Protocol on Voluntary Registration of Copyright and Related Rights

A Diplomatic Conference for the Adoption of the draft ARIPO Protocol on Voluntary Registration of Copyright and Related Rights was held in Kampala, Uganda, from 27 to 28 August 2021. The Kampala Protocol on Voluntary Registration of Copyright and Related Rights, named after the host country's capital city, was adopted by the Council of Ministers on 28 August 2021. Currently, the Kampala Protocol has been signed by twelve (12) ARIPO Member States namely; The Gambia, Ghana, Liberia, Malawi, Mozambique, Namibia, São Tomé and Príncipe, Sierra Leone, Sudan, United Republic of Tanzania, Uganda and Zambia. The Protocol will come into force once five (5) Countries have deposited their instruments of ratification or accession with the Director General of ARIPO.



President of the Republic of Uganda, H.E. Gen. Yoweri Kaguta Museveni.



Outgoing Chairperson of the Council of Ministers, Hon. Mawine G. Diggs, Minister of Commerce and Industry, Republic of Liberia at the Diplomatic Conference.



Some members of the Council of Ministers at the opening ceremony of the Diplomatic Conference.



Chairperson of the Council of Ministers and the Director General at the Diplomatic Conference.



Uganda President H.E. Yoweri Museveni addressing the Diplomatic Conference on Adoption of the Kampala Protocol.



ARIPO Director General addressing the Conference.



The Kampala Protocol.



Diplomatic Conference, Kampala, Uganda .



Diplomatic Conference Delegates from some of the ARIPO Member States.



The Gambia signing the Kampala Protocol.



Ghana signing the Kampala Protocol.



Liberia signing the Kampala Protocol.



Malawi signing the Kampala Protocol.



Mozambique signing the Kampala Protocol.



Namibia signing the Kampala Protocol.



Sao Tome and Principe signing the Kampala Protocol.



Sierra Leone signing the Kampala Protocol.



Sudan signing the Kampala Protocol.



Tanzania signing the Kampala Protocol.



Uganda signing the Kampala Protocol.



Zambia signing the Kampala Protocol.

Resolution Adopted by the Diplomatic Conference for the Adoption of the draft ARIPO Protocol on Voluntary Registration of Copyright and Related Rights

The Diplomatic Conference for the adoption of the draft ARIPO Protocol on Voluntary Registration of Copyright and Related Rights adopted the following Resolution:

The Diplomatic Conference, having met on 27 and 28 August 2021 in Kampala, Republic of Uganda, for the purpose of adopting an ARIPO Protocol for the Voluntary Registration of Copyright and Related Rights;

Aware of the benefits to be derived from a regional system for voluntary registration of Copyright and Related Rights;

Recognizing the need to provide to copyright holders means of presumption of ownership of rights;

Hereby resolves as follows:

1. Member States should take the necessary steps to ensure a rapid ratification or accession to the Protocol.
2. Call on the Administrative Council to develop the necessary implementing regulations under Article 18 of the Protocol, in order to ensure a prompt and efficient implementation of the Protocol;
3. Call on Member States, Cooperating Partners and other stakeholders to provide financial and material support for the effective implementation of the Protocol;
4. The name of the adopted Protocol is: **THE KAMPALA PROTOCOL ON VOLUNTARY REGISTRATION OF COPYRIGHT AND RELATED RIGHTS**

Adopted in Kampala, Uganda, on 28 August 2021, by the Member States of ARIPO represented at the Diplomatic Conference.

Strengthening the Administration of Copyright Offices, Collective Management Organizations and Enforcement Agencies

INTERPOL Virtual Regional Workshop on Combating Counterfeits and Piracy in Southern Africa Region

ARIPO participated in the INTERPOL Regional Bureau for Southern Africa, and the Southern African Regional Police Chiefs Cooperation Organization (SARPCCO) regional workshop on combating counterfeit and piracy in Southern Africa held virtually from 15 to 16 April 2021.

The main objective was to enhance information sharing and capacity building among police officers dealing with IP Crimes and brand owners in the Southern Africa Region.

The workshop adopted ten recommendations, and key amongst them is to *“Encourage the enrollment of Law Enforcement Agencies and cooperating partners for the International Intellectual Property Crime Investigation College (IIPCIC) given and to complete their courses as well as using ARIPO-WIPO investigating and prosecuting IP crime toolkit as training materials thereby capacitating their officers”*.

Virtual Follow-Up Regional Workshop for Judicial Instructors

ARIPO, in partnership with the United States Department of Justice (USDoJ) and the United States Patent and Trademark

Office (USPTO), organised a virtual follow-up Training for Judicial Instructors on 6 May 2021. Participants were drawn from alumni of the first workshop for Judicial Instructors held in April 2019 in Gaborone, Botswana.

The main objective of the regional follow-up workshop was to bolster the Member and Observer States Judiciaries regarding Intellectual Property Rights (IPR) and advance the next steps discussed during the 2019 program.

The workshop discussed topics such as IP Law essentials for the Judiciary, counterfeits, and piracy in the COVID-19 era: Regional perspective, case study on complex cases; and understanding of the collection and handling of electronic evidence that was meant to aid the Judiciary awareness, understanding, application of digital evidence, and managing the evidence in the context of a judicial proceeding. It was agreed that a Judicial Bench Book on IPR is developed, and Kenya was identified for the project's pilot phase. The Judges committed to contributing to the process.

A total of 41 participants were present. Amongst the participants were 17 high-profile Judges of the High Court and Justices of the Courts of Appeal, five Magistrates from Subordinate Courts from 12 ARIPO Member States and one Observer State.

High-Level Meeting for Policy Makers on Copyright & Related Rights

On 28 October 2021, ARIPO, in collaboration with WIPO and OAPI, held a High-level meeting for Policymakers dealing with Copyright and Related Rights. The meeting aligned with the Nairobi Strategic Plan (2019), an outcome of the Tripartite Agreement between WIPO, ARIPO and OAPI, commonly known as the WAO Agreement.

The objective of the meeting was to acquaint

Policy Makers with the Nairobi Strategic Plan that seeks to guide African countries to develop effective and efficient copyright and related rights systems in the continent.

A total of 43 African countries were in attendance, including 16 ARIPO Member States Policy makers and Heads of Copyright Offices. Two Ministers from the Central African Republic and Mauritania graced the meeting. Recommendations were made on the actions/activities to implement the Nairobi Strategic plan effectively.

Capacity Building Initiatives

CIPA Virtual Induction Workshop for Board Members of COSBOTS

ARIPO provided training to the Copyright Society of Botswana (COSBOTS) on Collective Management in the ARIPO Member States. The induction workshop was organized by the Companies and Intellectual Property Authority (CIPA) from 5 to 6 May 2021 for the COSBOTS Board Members. The purpose of the workshop was to ensure that the COSBOTS Board is fully informed about the responsibilities of the Board in running COSBOTS and to provide clarity about expectations on COSBOTS and its working relations with CIPA.

Presentations were made by resource persons from ARIPO, CIPA and the International Federation of the Phonographic Industries (IFPI). They covered the legislative obligations of COSBOTS under both the Companies Act and the Copyright and Neighbouring Rights Act, governance issues with a focus on the role of the Board, as well as sharing experiences from ARIPO and other Countries.

Copyright Publications

In March 2021, the Secretariat published the *ARIPO Online Collective Management Organizations (CMOs) Report* and the *Guidelines for the Development of a Business Plan for ARIPO Member States CMOs*. The two documents aim at providing the Member States with relevant information to inform policy decisions and the development of Collective Management of Copyright and Related Rights.

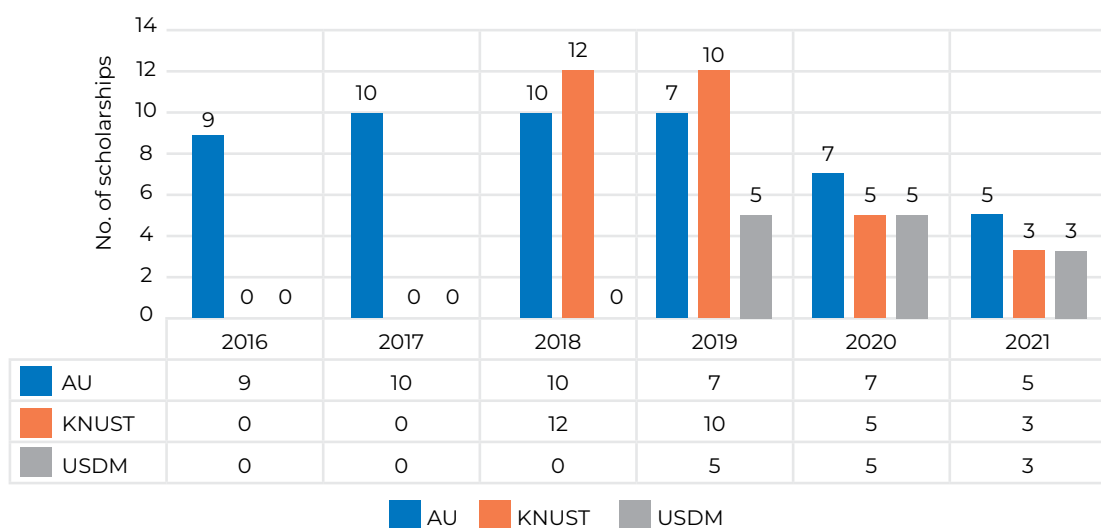
The Online CMOs Report highlighted key findings from information received from 14 CMOs in ten ARIPO Member and one Observer States. The Guidelines to the Development of a Business Plan can inform the Member States and the public on how CMOs can be operated as professional businesses and encourage the CMOs to develop strategic business plans to guide their operations.



IP KNOWLEDGE ARIPO-Affiliated Academic Programs

ARIPO continued to support the Masters in Intellectual Property (MIP) programs at the Africa University (AU) in Zimbabwe; at Kwame Nkrumah University of Science and Technology (KNUST) in Ghana; and at the University of Dar es Salaam (UDSM) in Tanzania. ARIPO scholarships to the Universities are shown in Figure 1 below. The programs were also promoted on social media pages of the Organization such as Facebook, Twitter, advertised in the Member States and further promoted in media of the hosting countries.

Figure 2: The distribution of ARIPO MIP scholarships by institution from 2016 to 2021



Masters Degree In Intellectual Property at Africa University, Mutare, Zimbabwe

The MIP at Africa University is now in its 14th year. ARIPO has provided a total of 93 scholarships to students from the Member States to pursue the MIP program at Africa University.

Besides the ARIPO scholarships, some students have pursued the MIP with scholarships offered by WIPO and JPO through the Japan-Funds in Trust (JFIT) held in WIPO. The total number of WIPO/JFIT scholarships is 288 as detailed in Figure 5.

Master of Philosophy Degree in Intellectual Property at KNUST, Kumasi, Ghana

The MIP at KNUST is offered jointly by the University in partnership with ARIPO and the IP Office of Ghana. It is a two-year MPhil program. The program is in its 4th year. The current cohort (4th) has students sponsored by ARIPO from the Kingdom of Eswatini, The Gambia, Ghana, Malawi, and Sierra Leone.

Masters Degree in Intellectual Property at UDSM, Tanzania

The MIP program at the University of Dar es Salaam is jointly offered by the university in partnership with ARIPO and the Business Registration and Licensing Agency (BRELA). The 18-month program is divided into three

phases: the WIPO-administered Distance Learning (DL) 101 for a period of six weeks; a four-month residential phase and the research phase for the rest of the period.



Internal training for staff of the ARIPO Secretariat

In 2021, the internal training program was successfully launched on April 27, 2021. The following topics were delivered to staff virtually: ARIPO Performance Management; Office 365; An ARIPO Patent Specification; and Diplomatic Privileges and Immunities.

Evaluation of the Internal Training program shows that staff appreciate the new knowledge imparted by the different departments. ARIPO through the Academy will continue to organize internal trainings for the Secretariat staff on topics of interest to promote cross-departmental knowledge acquisition and skills development.

Utilization of ARIPO e-Learning Service

In 2021, ARIPO continued to make use of the ARIPO e-Learning Service. ARIPO incorporated e-learning into the existing capacity building activities. The Academy programs that have currently been transitioned to the e-learning platform are the Joint Academic Programs with Universities; programs offered by ARIPO and cooperating partners; internal training programs and the ARPET program.

From the standpoint of transitioning them to the virtual platforms, the Joint Academic programs dimension took into account a range of issues such as curriculum development, teaching material, impact on scholarship costs and research. The long-term future of the MIP programs is also considered along the possibility of introducing a fully online Masters program.

Publications

Online Publication of the African Journal of Intellectual Property (AJIP)

Due to the impact of the pandemic, the AJIP journal experienced challenges in terms of submission of articles and meetings by the Editorial Committee and only one journal was published in 2021.

Updating of the ARIPO Directory of IP Professionals

ARIPO updated the Directory of Intellectual Property with 2021 graduates from AU and KNUST. The Directory provides a rich pool of expertise from which the Organization and National IP Offices can draw resource persons for training programmes and other IP related activities.

Partnerships and Cooperation with Other IP Institutions

ARIPO continuously fosters effective partnerships and collaborations with universities and other IP institutions to ensure cohesion and achieve maximum impact through shared resources. The following were some of the cooperation or joint activities undertaken between 2020-2021.

WIPO-ARIPO Project for ARIPO Regional Training Center of Excellence

ARIPO developed and submitted a Project Document to WIPO that aims at partnering with WIPO in transforming the ARIPO Academy into a Regional IP Training Centre of Excellence. This partnership has led to three regional trainings of trainers on methodologies for IP teaching for the Centre co-organized with WIPO in Harare (Zimbabwe), Accra (Ghana) and Dar es Salaam (Tanzania) from 2019 to 2021.

There will be a follow-up practical module to provide the trainers with the opportunity to consolidate and apply the knowledge acquired in the training module on methodologies for IP teaching. This will be achieved through the delivery of previously selected topics by each of the trainers, according to their specific area of expertise. The trainers will then be given certificates that duly certify them as IP trainers.

In addition, ARIPO participated in the global WIPO IP Training Institutions (IPTI) training titled *e-Learning and Online Teaching Methodologies*. The training was organized to equip IP trainers for the Center of Excellence, among others from IP offices with delivering online training. Participants were nominated from southern Africa, West Africa and East Africa by ARIPO.

This training program was necessitated by the COVID-19 pandemic. Its objective was to ensure that there will always be continuity in delivering training activities. The training duration was six months. Participants were certified as WIPO certified e-learning trainers.

ARIPO will continue to partner with WIPO in delivering joint programs. With trained and qualified experts in all the three regions of ARIPO, it is expected that the Secretariat will use their services and ultimately not have to spread itself thin across the continent in delivering training.

Annual Sub Regional Workshop – MIP Program, Africa University

Held on 2 to 3 June, 2021, the workshop is an annual activity organized by WIPO in collaboration with ARIPO and Africa University. It provided a platform to discuss the opportunities that exist within the IP system for the management of university research outcomes, including issues involved in commercialization. It also presented an opportunity for some alumni to share their post-graduation experiences in commercialization of research outcomes. The forum also provided an insight into the factors that determine success in university-led IP commercialization and shed light on how benefits from innovation can be achieved.

Launch of the WIPO International Network for IP and Education (WINIPE)

WINIPE was launched during a workshop that was held from 21 to 22 June, 2021. The network was established for all WIPO joint Masters Programs to hold a Colloquium for all the Deans/Directors, Coordinators, Professors and Experts teaching in all the WIPO joint Masters Programs. It served as a platform for exploring on IP Teaching and skills development during and after the COVID-19 pandemic era. The Director General of ARIPO delivered a presentation titled *MIP at Africa University and Skills Development Programs offered by ARIPO*.

Collaboration with USPTO

In the framework of the ARIPO-USPTO Workplan 2015-2020, which was renewed in December 2020, ARIPO collaborated with the USPTO to deliver webinars for the ARIPO region. The webinars were developed under the ARIPO e-Learning Service, which was introduced to counter the disruptions of

COVID-19 in delivery of training to the Member States. Commenced in August 2020, the activities were resumed in 2021. The 2020-2021 webinar series were conducted by speakers from USPTO, ARIPO Member States and other experts from USA and Africa.

Collaboration with IPOS on Small and Medium-sized Enterprises (SMEs)

ARIPO and WIPO collaborated with the Intellectual Property Office of Singapore (IPOS) to deliver the Regional Webinar for Enterprises in Intangible Asset Management for Member States of ARIPO from 31 May to 2 June 2021. The primary objective of the webinar was to introduce SMEs from the ARIPO region to the fundamental aspects of the management of intangible assets.

Collaboration with EPO on ARPET

ARIPO continued with its partnership with EPO within the framework of the Reinforced Partnership. Through the partnership, EPO assisted ARIPO to augment the ARPET training. ARPET was boosted with expert trainers from EPO who acted as coaches for the trainees. It was launched on 8 September, 2021 and delivered virtually.

ARPET training was extended to include Ethiopia and Angola. The Directors of the Ethiopian IP Office and Angolan IP Office joined EPO President and Director General of ARIPO to launch ARPET at a well-attended opening ceremony. The event attracted over 100 participants from the ARIPO region, Ethiopia and Angola.

The first phase (Module A) of the training was delivered successfully from 8 September, 2021 to 8 October, 2021. The revised format of the training saw four groups formed, which led to the four parallel sessions. The groups were: Pharmaceutical and Biotechnology, Engineering, ICT and the Portuguese (Lusophone) group. The Portuguese group ensured that there was inclusion of participants from São Tomé and Príncipe, Mozambique and Angola.

At the end of Module A, ARIPO and EPO organised a program review session with all the participants to evaluate the program and map the way forward. Module B was then conceived to be possibly a physical meeting in the first quarter of 2022.

LEGAL AND INTERNATIONAL COOPERATION

IP Legal Framework Development

The Secretariat developed proposals to amend the Harare Protocol on Patents and Industrial Designs and the Banjul Protocol on Marks in a bid to render them more user-friendly and in tandem with international standards. The proposed amendments were approved by the ARIPO Administrative Council at its 45th Session that was held in Victoria Falls, Zimbabwe, from 6 to 8 December 2021. The amendments came into force effective 1 January 2022.

International Cooperation

In collaboration with ARIPO's cooperating partners, several initiatives were undertaken especially with the support of the European Union funded project, the IP Rights & Innovation in Africa project (AfrIPI). Virtual and physical workshops were organized for the benefit of ARIPO Member States, including a Conference on Geographical Indications that was held from 10 to 12 November, 2021 with the support of AfrIPI. Other activities were carried out in collaboration with WIPO, IPOS,

USDoJ, USPTO, JPO, CPVO, IFPI, NORCODE, IFRRO, FIAPF, and PRV.

High-level Engagements

The Director General held virtual high-level meetings with Cooperating Partners including WIPO, OAPI, EUIPO, EPO, JPO, and CPVO.

In the margins of the 62nd Series of meetings of the WIPO Assemblies, ARIPO had engagements with several stakeholders including the Director General of WIPO and members of the Organization's Senior Management Team. One of the many outcomes from the meetings at WIPO was the discussion about a possible forum for ARIPO Heads of Intellectual Property Offices. The Forum is proposed to be a joint initiative with WIPO whereby Heads of IP Offices from ARIPO Member States will meet annually to discuss and share experiences and best practices regarding IP Office Management, Governance, accountability, among other issues. It was agreed that the concept would be developed and shared with members of the Administrative Council for consideration in due course.

ARIPO STRATEGIC PLAN (2022-2026)

Strategic Planning Process

In February 2021, the Organization commenced the work of developing its Strategic Plan for the period 2022 to 2026. The exercise started with the Director General, appointing a seven-member Strategic Planning Committee to facilitate the planning process.

The Committee's work commenced with a situation analysis to comprehensively assess ARIPO's internal and external environments with a view to identifying the Organization's strengths, weaknesses, opportunities and threats (SWOT) that impact or can impact on the delivery of its services and mandate. Online questionnaires were developed and administered to the Organization's different stakeholders, namely, the Member States' National IP offices, Copyright Offices, CMOs, IP Agents, Cooperating Partners, Universities, Research and Development (R&D) institutions, SMEs and the Secretariat Staff. The responses to the online situation analysis questionnaires were analysed and the results formed the basis upon which the strategic options were selected.

The next step involved the development of the ARIPO Strategic Direction comprising vision, mission, core values, strategic goals and objectives. The strategic direction was validated by Management and all Secretariat

Staff during a four-workday workshop held from 2 to 7 June 2021 at the ARIPO Secretariat.

After validation of the Strategic Direction, all Secretariat Staff grouped by departments embarked on the development of five-year activities for each strategic objective. The activities developed during the workshop were consolidated and streamlined by the Strategic Planning Committee. Then the first draft of the Strategic Plan was developed and submitted to Management and Secretariat Staff for review.

The Organization also engaged a consultant who conducted an expert review and gap analysis of the draft Strategic Plan and provided recommendations which were used to enhance the draft Strategic Plan. As part of the consultative review process, the Draft Strategic Plan was presented to Technical and Administrative Committees of the Administrative Council of ARIPO which met from September to October 2021. The comments from the Committees were used to enhance the Strategic Plan before its submission to the Administrative Council for approval. The Administrative Council approved the Strategic Plan during its 45th Session held in Victoria Falls, Zimbabwe from 6 to 8 December 2021.

Vision, Mission and Values

The Strategic Plan was developed in pursuit of the following vision, mission and core values:

VISION

To be Africa's leading Intellectual Property Organization that promotes socio-economic development.

MISSION

To foster creativity and innovation for socio-economic growth of our Member States through an effective Intellectual Property System.

The following core values will guide the implementation of this Strategic Plan:

CORE VALUES

- Integrity**
Staff demonstrate honesty and adherence to high moral standards.
- Engagement**
Staff demonstrate high level of commitment as well as mental and emotional connection to the Organization.
- Client-Focus**
Commitment to listen and respond positively to the needs of our customers.
- Agility**
Adaptive to rapidly changing environments for continuous service delivery.
- Diversity**
Understanding that every individual is unique and respecting our differences.
- Accountability**
Staff perform their duties with responsibility.

STRATEGIC PILLARS

The Strategic Plan is anchored on four key pillars.

- 01** STRENGTHENED AND HARMONIZED LEGAL FRAMEWORK
- 02** GROWTH STRATEGY AND SUSTAINABILITY
- 03** INTELLECTUAL PROPERTY PROMOTION
- 04** HUMAN CAPITAL DEVELOPMENT

STRATEGIC GOALS

THE STRATEGIC PLAN HAS NINE STRATEGIC GOALS THAT FALL UNDER THE FOUR PILLARS AS FOLLOWS:

Strategic Pillars	Strategic Goals
01 Strengthened and harmonized legal framework	Strategic Goal 1: Efficient delivery of quality IP rights.
	Strategic Goal 2: Promote the development of IP policies, laws and systems appropriate to the needs of the Organization's Stakeholders.
	Strategic Goal 3: Strengthen stakeholder engagement, membership drive, strategic partnerships, regional and international cooperation.
02 Growth strategy and sustainability	Strategic Goal 6: Enhance service delivery through optimal use of digital tools.
	Strategic Goal 7: Effective and efficient communication and marketing.
	Strategic Goal 8: Achieve greater financial sustainability.
03 Intellectual Property promotion	Strategic Goal 1: Efficient delivery of quality IP rights.
	Strategic Goal 4: Strengthen the regional IP information hub and capacity building.
04 Human Capital Development	Strategic Goal 5: Strengthen the regional IP information hub and capacity building.
	Strategic Goal 9: Enhance governance, risk and control effectiveness.

Implementation, Performance Monitoring and Review of the Strategic Plan

Implementation of the Strategic Plan commenced in January 2022. Quarterly and annual performance assessments will be undertaken for every employee as means of monitoring and evaluating implementation. The assessments will be based on annual workplans developed by employees on relevant strategic goals at the beginning of the year.

The implementation of the Strategic Plan will be subjected to two evaluations, namely,

Mid-term Review and End of Term Review. The Mid-term Review will specifically seek to assess progress, mitigate challenges, and to exploit new opportunities that may arise mid-term. The End of Term Review will focus on building on progress, draw lessons learnt and provide accountability for development impact to stakeholders and form a basis for the development of the next Strategic Plan.

INFORMATION AND COMMUNICATION TECHNOLOGIES

ARIPO Online Services

ARIPO continued to offer effective and efficient services to the stakeholders although COVID-19 continued to affect most business operations, especially during the first part of the year. This was due to the infrastructure and information systems that have been put in place. The online service platform was continuously available for the users' convenience.

The ARIPO online services provide IP information service for the stakeholders and have a functionality that allows applicants to submit their IP applications without physically visiting the ARIPO offices by providing e-filing and e-payment through e-service. They also provide functions of online file inspection, filing of follow-up documents, the Intellectual Property Digital Library (IPDL), journal search and download of forms & fees information.

The eService platform especially proved to be very effective during the COVID-19 induced lockdowns that were experienced in different parts of the World as it ensured business continuity. There was a high uptake of the online services with 83% of all new applications received in 2021 filed online. Individually, patents recorded the highest percentage with 96% of the applications filed online.

ARIPO Member States Module

ARIPO is implementing the MS module which allows for online data exchange between POLite+ of ARIPO and Intellectual Property Automation System (IPAS) of its Member States. The module allows for paperless exchange of information and through it, ARIPO and its Member States are able to exchange all types of notifications, forms and documents online.

The module was implemented in The Gambia in 2021. With this addition, the module has now been implemented in 13 Member States namely Botswana, The Gambia, Ghana, Kenya, Malawi, Mozambique, Namibia, Rwanda, São Tomé and Príncipe, Tanzania, Uganda, Zambia and Zimbabwe. The module is being implemented with support from WIPO.

ARIPO Regional IP Database

The ARIPO Regional IP Database that was officially launched in September 2018 now contains more than 600,000 IP titles from ARIPO and 13 ARIPO Member States, namely: Botswana, Kingdom of Eswatini, The Gambia, Ghana, Kenya, Malawi, Mozambique,

Namibia, Rwanda, Tanzania, Uganda, Zambia and Zimbabwe. The database was developed with the aim of easing access to published IP titles from the ARIPO Office and its Member States.

Virtual Meetings

As face to face interactions and physical meetings were being discouraged due to the COVID-19 outbreak, work communications became more virtual. ARIPO successfully hosted all the Technical and Administrative Committee meetings virtually as well as the Kampala Diplomatic Conference, the 45th Administrative Council Meeting and the 18th Session of the Council of Ministers in a hybrid format.

Upgrade of the POLite+ System

The Organization has embarked on a project

to upgrade its IP Administration system, POLite+ and the eService platform which were launched in March 2015 supported by the Korean International Cooperation Agency (KOICA). This is in line with new technological trends and to meet the user requirements. A phased approach has been adopted with the most critical and urgent issues being addressed first. The first phase was completed in December 2021.

Virtualization of ARIPO Servers

The Organization initiated a project of virtualizing its server environment to reduce operating costs, minimize downtime, improve efficiency and disaster recovery. The project is expected to be completed by end of June 2022.

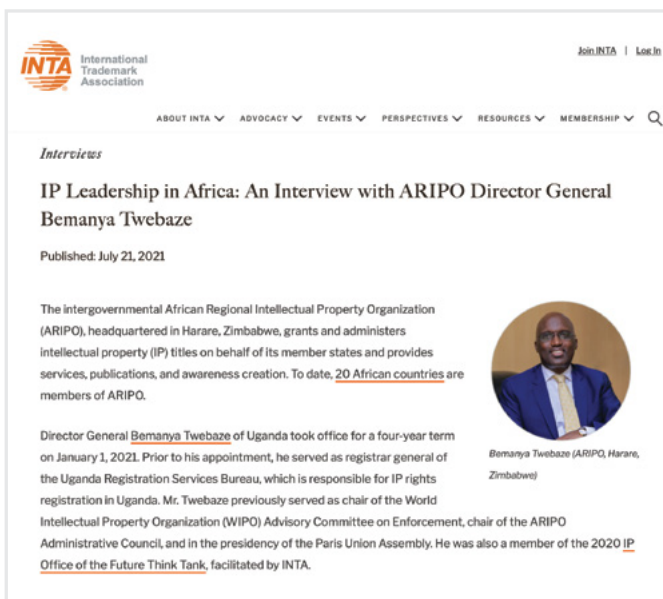
VISIBILITY

The beginning of 2021, we refocused energies on accelerated communication and publicity with all our stakeholders including using social media platforms. An interview with the Director General was published in the International Trademark Association (INTA) Daily Bulletin titled IP Leadership in Africa on 21 July 2021, among other engagements.

On 22 January 2021, ARIPO started issuing a weekly newsletter on IP-related information. This has since been shared on email every Friday. By the end of 2021, 39 weekly newsletters had been issued.

In 2021, the use of social media to communicate continued to be a critical channel for sharing information and interacting with existing and prospective stakeholders as the Covid-19 pandemic lockdowns persisted. The number of followers on ARIPO social media also continued

to rise; Twitter recorded a 64.53% increase from 2342 followers to 4054 by 31 December 2021, Facebook 47.89% from 4071 to 6021 and LinkedIn 32.37% from 1934 to 2520 followers.



The screenshot shows a webpage from the International Trademark Association (INTA). The page features the INTA logo and navigation menu at the top. The main content is an article titled "IP Leadership in Africa: An Interview with ARIPO Director General Bemanya Twebaze", published on July 21, 2021. The article text describes the ARIPO organization and mentions that 20 African countries are members. It also includes a circular portrait of Bemanya Twebaze and a detailed biography of him, listing his roles at ARIPO, the Uganda Registration Services Bureau, and the WIPO Advisory Committee on Enforcement.

The number of engagements with ARIPO using social media grew exponentially with many followers and inquiries coming through social media.

The ARIPO website was continuously updated with articles that promote innovation and IP from its Member States and on ARIPO activities and achievements as well as virtual events.

Anderson Ray Zikonda Library

ARIPO maintained its subscription of the Anderson Ray Zikonda Library for free online access to Open Access Resources such as the Research4Life databases, the Access to Research for Development and Innovation (ARDI), Directory of Open Access Journals and Books (DOAJ and DOAB), Council of Scientific and Industrial Research–National Institute of Science Communication and Information Resources (CSIR–NISCAIR), National Academy of Sciences featuring Elsevier Science and Science Direct. The library is accessible to all through the ARIPO website.

International Exhibitions and Events

To ensure an increase in ARIPO's visibility, usage, and uptake of the ARIPO Protocols, the Office participates in international exhibitions and forums. This year ARIPO's participation is as follows:

- i. African Union Webinar on Traditional Medicines and Medicinal Plants, 27 May 2021.
- ii. The Zimbabwe International Trade Fair (ZITF), Bulawayo, Zimbabwe, 21 - 24 September 2021. The Director General also participated in the maiden Diplomat Summit that was organized on the side-lines of the ZITF.
- iii. International Intellectual Property Lawyers Association (IIPLA) 2021 USA Virtual IP Summit was held from 04 to 05 November 2021.
- iv. INTA 2021 Virtual Annual Meeting was undertaken from 15 to 19 November 2021. ARIPO was a Silver-Level sponsor of the Brand Marketplace and advertised its services for five days in the INTA Daily Newspaper.

World Intellectual Property Day

In commemoration of the 2021 World IP Day themed *IP and SMEs – 'Taking Your Ideas to Market'*, a two-week social media campaign was undertaken. Daily posts were shared on social media to raise awareness on how SMEs can benefit from their IP rights and safely take their ideas to the market. ARIPO

also collaborated with partners such as WIPO to organize a webinar on *'Growing brands - evolving opportunities'* for African SMEs, held on the 22 April 2021. These events were climaxed with a video message from the Director General of ARIPO on the 26 April 2021 shared through various social media platforms.



ARIPO Director General, Bemanya Twebaze, World IP Day 2021 Address

320 views 26 Apr 2021 In this video, the ARIPO DG talks about the important role SMEs play in the African economy and the opportunity presented for growth under the African Continental...more

OUR PEOPLE

Organizational Review and Job Reclassification

The ARIPO Secretariat undertook an Organizational Review and Job Reclassification exercise to re-align the organizational structure and workflow with the broader strategic focus of the Organization. The process involved structural strength and gap analysis, job description and job grading review and benchmarking with other regional and international organizations. The exercise resulted in a new organizational structure that is geared to assure optimal performance, better service delivery to the various stakeholders and shall also strengthen ARIPO's responsiveness to global issues, technology-induced disruptions among others.

The review also re-aligned the organizational structure with the pillars on which the Strategic Plan: 2022-2026 is based namely: strengthened and harmonized legal framework; growth strategy and sustainability; IP promotion; and human capital development. In the process, structural redundancies were addressed to enhance efficiency and strengthen accountability for strategy implementation in pursuit of the ARIPO mandate as enshrined in the Lusaka Agreement. The

new organizational structure comprises the Office of the Director General to be led by a Chief of Staff and the following Divisions led by Executives reporting to the Director General: Intellectual Property (IP), Corporate Services as well as the Legal and International Cooperation. In addition, is an Internal Audit Department functionally reporting to the Audit Committee and administratively to the Director General. The Communication, Protocol and Strategy functions shall fall under the Office of the Director General. The IP Division comprises four departments namely: Search and Substantive Examination, Formality Examination, Copyright and Related Rights and the ARIPO Academy. The Corporate Services Division comprises three Departments namely: Finance, Human Capital and Information & Communication Technologies. New posts created include: Chief of Staff, Legal & International Cooperation Executive, IP Emerging Issues Officer, Research & Development Officer, Strategy Officer, and a Risk Management Associate. The vacant posts shall be filled gradually in accordance with the approved recruitment plan, subject to organizational priorities and budgetary provisions.

Staff Appointments

The following staff were appointed in December 2021 to join the Secretariat in 2022 as detailed below:



Mr Ben Mulenga, Head Finance
(Master of Commerce in Development Finance, Chartered Management Accountant)
 Appointed effective 1 February 2022

Mrs. Eleanor Larbie, Legal Officer
(Master in Intellectual Property and Bachelor of Laws Degree)
 Appointed effective 1 January 2022



Miss Chengetai A Nyagweta, Communications Associate: Content Creation
(Master of Commerce, Post Graduate Diploma in Management and Bachelor of Business Degree)
 Appointed effective 1 January 2022

Employee Wellness

The Organization continued to implement employee wellness strategies as it believes that employee health and wellness are a major component of a positive work environment that drives employee productivity and performance. Top on the agenda for 2021 was COVID-19 mitigation to reduce the spread of the coronavirus and the risk of infection. Mitigation strategies

implemented included implementation of World Health Organization prescribed protocols, procurement of care packages for all staff and facilitating staff vaccinations as well as specialist counselling services for infected and affected staff members. Additionally, the Organization implemented a well-structured leave plan to promote work-life balance.

Member State representation and Gender Diversity

The Organization continues to strive towards enhancing Member State representation for international recruited posts and currently 13 out of the 21 Member States are represented

at the Secretariat. In terms of gender diversity, the male: female ratio stood at 52%: 48% as at 31 December 2021.



SECTION 3: INDUSTRIAL PROPERTY

Summary

In 2021 there was a high uptake of the online services with 83% of all new applications received filed online. Individually, patents recorded the highest percentage with 96% of the applications filed online.

Patents

Patent Applications Filed

The number of patent applications filed increased by 10.5% in 2021 to 833 compared to 754 in 2020. Figure 3 shows the filing trend over the past five years.

The target for 2021 was 740 applications, which was surpassed by 12.5%. Table 3 shows the achievement for 2021.

Year	2017	2018	2019	2020	2021*
Applications filed	747	831	868	754	833

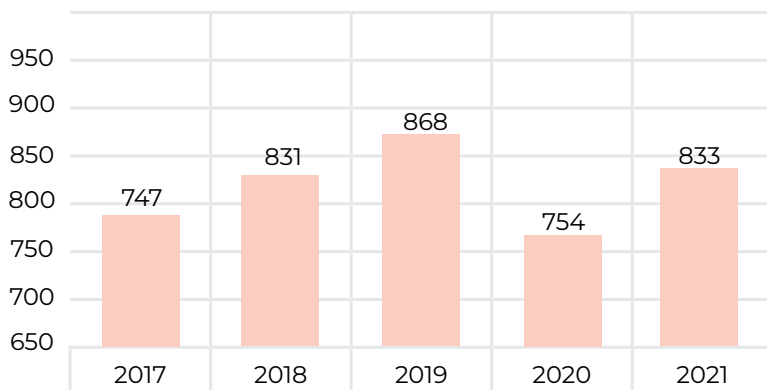


Table 2 and Figure 3: Patent filing trend over the past five years.

2021 Target	Actual filings	Achievement
740	833	112.5%

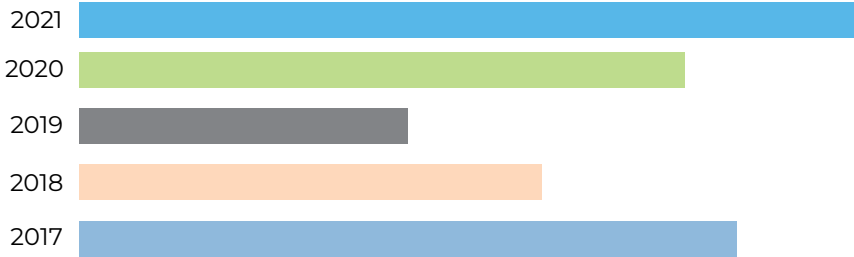
Table 3: Achievement for 2021.

Patent Grants

A total of 568 patents were granted in 2021 compared to 443 in 2020, representing a 28% increase. On average, 47 patents were granted each month in 2021. Figure 4 shows the grants for the period 2017-2021.

A target of 440 patents had been set for 2021, which was surpassed by 29%. Table 5 shows the rate of achievement in 2021.

Year	2017	2018	2019	2020	2021*
Grants	467	453	284	443	568



	2017	2018	2019	2020	2021
Grants	452	284	246	443	568

Table 4 and Figure 4: Patent grants over the past five years.

2021 Target	Actual Grants	Achievement
440	568	129%

Table 5: Rate of achievement in 2021.

Industrial Designs

Industrial Designs Applications Filed

The number of industrial design applications filed decreased by 2.3% in 2021 to 85 compared to 87 in 2020. Figure 5 and Table 6 shows the filing trend over the past five years.

The target for 2021 was 82 applications, which was surpassed by 3.6%. Table 7 shows the achievement for 2021.

Year	2017	2018	2019	2020	2021*
Applications filed	91	111	76	87	85

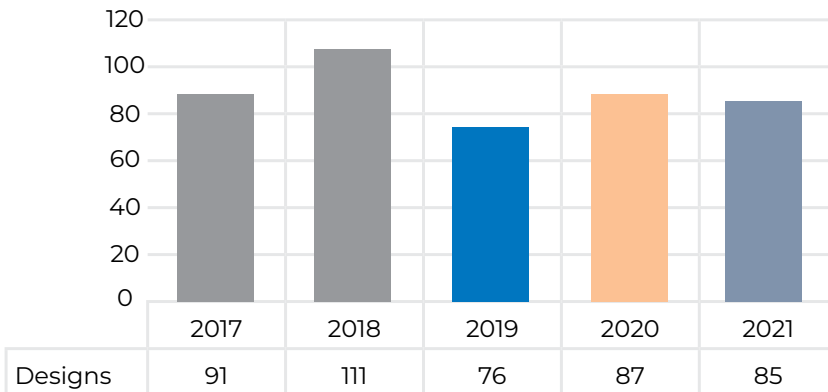


Table 6 and Figure 5: Industrial design filing trend over the past five years.

2021 Target	Actual filings	Achievement
82	85	103.6%

Table 7: Achievement for 2021.

Industrial Designs Registrations

In 2021, 87 industrial designs were registered compared to 72 in 2020, an increase of 20%. A near-constant yearly registration has been maintained for the last five years. A monthly average of 7.2 registrations was realized during the reporting period.

Year	2017	2018	2019	2020	2021*
Registrations	119	69	67	72	87

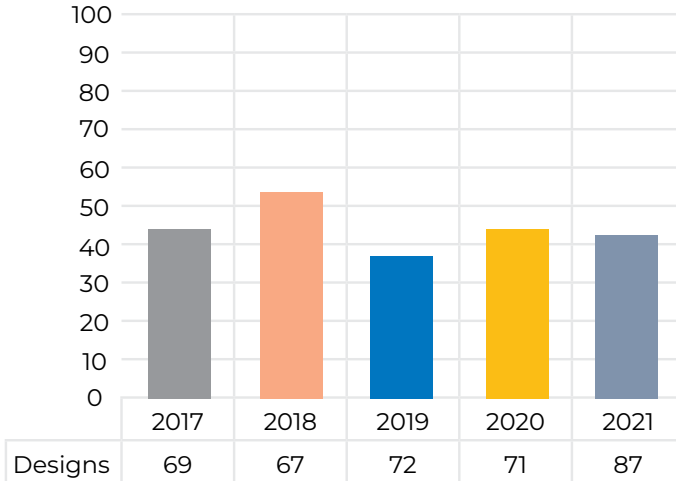


Table 8 and Figure 6: Industrial designs registrations over the past five years.

2021 Target	Actual Registrations	Achievement
72	87	108%

Table 9: Achievement for 2021.

Utility Models

Utility Models Applications Received

The number of utility model applications filed continued to decrease in 2021 by 7.1% to 12 from 14 in 2020. Figure 7 shows the filing trend over the past five years.

The target for 2021 was 18 applications, underachieved by 33.3%. Table 11 shows the performance for 2021.

Year	2017	2018	2019	2020	2021*
Applications filed	17	42	23	14	12

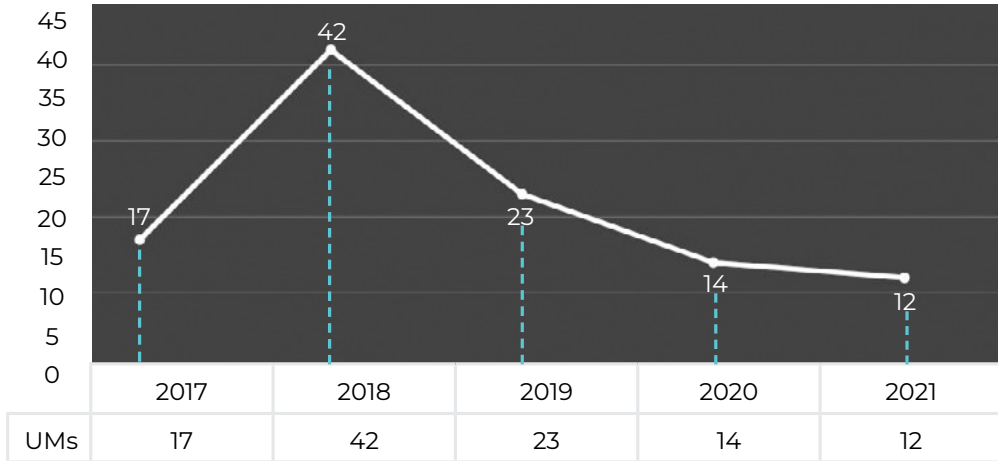


Table 10 and Figure 7: Utility model filing trend over the past five years.

2021 Target	Actual filings	Performance
18	12	66.6%

Table 11: Performance for 2021.

Utility Models Registrations

Nine utility models were registered in 2021 compared to 3 in the previous year. This translates to 200% increase in utility model registrations compared to 2020. A target of 4 registrations had been set for 2021, which was surpassed by 125%.

Year	2017	2018	2019	2020	2021*
Registrations	8	2	12	3	9

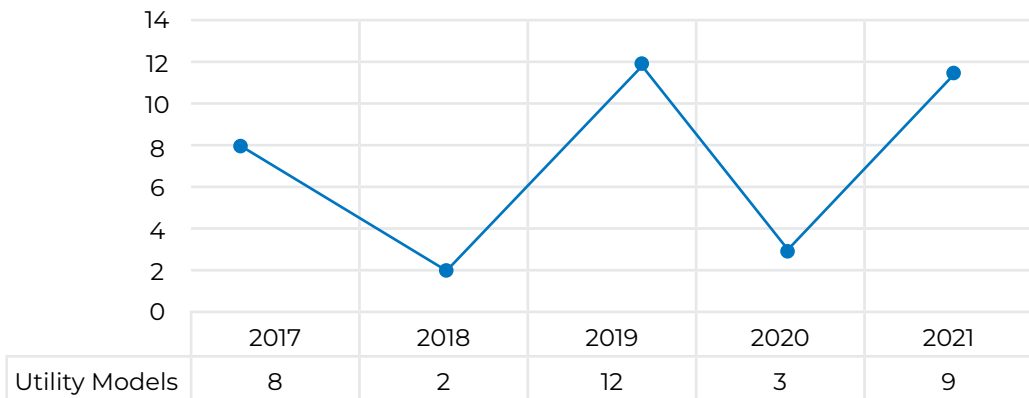


Table 12 and Figure 8: Utility model registrations over the past five years.

2021 Target	Actual Registrations	Achievement
4	9	225%

Table 13: Rate of achievement.

Marks

Mark Applications/Classes Received

The number of mark applications filed in 2021 increased by 49% to 510 from 342 in 2020. The number of classes also increased by 59.35% to 1050 from 659 in 2020. Figure 9 shows the filing trend over the past five years.

The target for mark applications in 2021 was 300 which was surpassed by 70%, whilst that for classes was surpassed by 75% to 1050 for a target of 600. Table 15 shows the achievement for 2021.

Year	2017	2018	2019	2020	2021*
Appl. Filed	381	368	408	342	510
Total Classes	782	653	744	659	1050

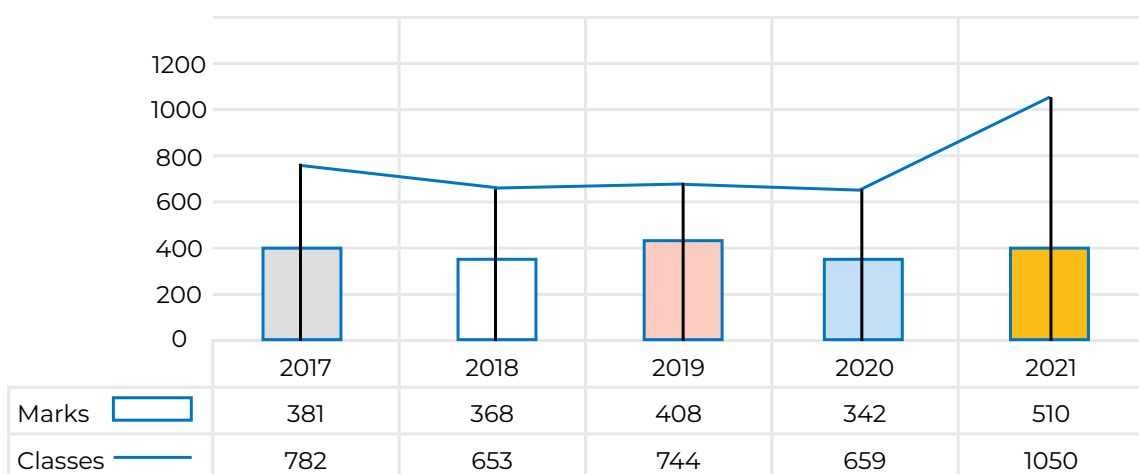


Table 14 and Figure 9: Mark applications/Classes received filing trend over the past five years.

	2021 Target	Actual filings	Achievement
Applications	300	510	170%
Classes	600	1050	175%

Table 15: Achievement for 2021.

Mark Registrations

In the year under review, 305 marks were registered up from 201 in 2020. This indicates a 51.7% increase in mark registrations from 2020. The marks registered in 2020 collectively had 592 classes, a huge increase of 64% from 360 classes in 2020. Figure 10 on the next page shows the total registrations for the past five years.

A target of 200 registrations with 470 classes had been set for 2020. This was overachieved by 152% and 125%, respectively. Table 17 shows the rate of achievement in 2021.

Year	2017	2018	2019	2020	2021*
Registrations	196	299	226	201	305
Classes	364	590	369	360	592

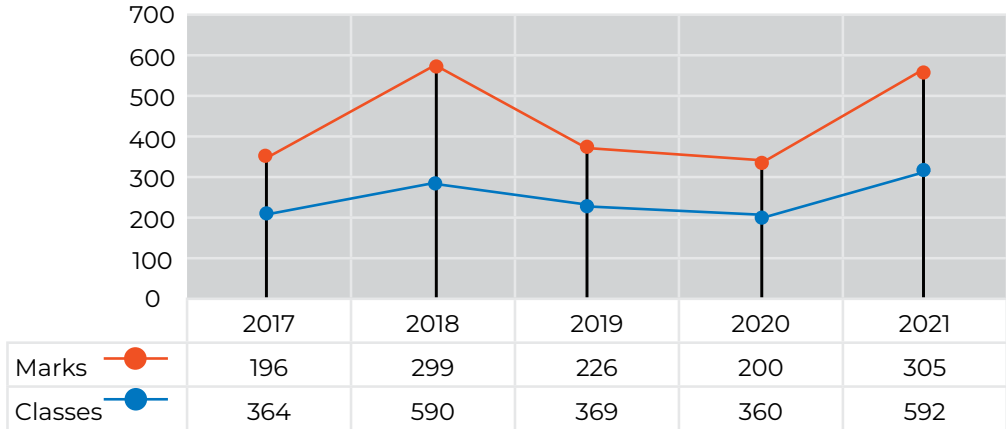


Table 16 and Figure 10: Mark registrations over the past five years.

2021 Target		Actual Registrations	Achievement
Applications	200	305	152.5%
Classes	470	592	125.9%

Table 17: Rate of achievement.

Designations

Average Applications Designations - 2021

According to Table 18.1, 8638 designations were made in the 833 patent applications filed in 2021. This was an average of 18.4 designations per patent application. The 85 industrial design applications received had a cumulative total of 535 designations averaging 6.3 designations per application. The 12 utility model applications in Table 18.2 had 79 designations with an average of 6.6 designations per application. On the other hand, a total of 2893 designations were made from the 510 mark applications filed in 2021. On average, this is 5.7 designations of the eligible Contracting States per application.

Month	Patents			Industrial Designs		
	Designations	Appl. Filed	Monthly Av. per appl.	Designations	Appl. Filed	Monthly Av. per appl.
Jan	511	53	9.6	27	3	9.0
Feb	589	56	10.5	53	4	13.3
Mar	660	70	9.4	52	14	3.7
Apr	705	81	8.7	14	4	3.5
May	926	74	12.51	20	3	6.67
Jun	914	78	11.72	62	5	12.40
Jul	786	73	10.77	21	2	10.50
Aug	791	74	10.69	105	17	6.18
Sep	667	64	10.42	24	6	4.00
Oct	560	66	8.48	3	3	1.00
Nov	718	65	11.05	98	10	9.80
Dec	811	79	10.27	56	14	4.00
Tot	8638	833	10.4	535	85	6.3

Table 18.1

Month	Utility Models			Marks		
	Designations	Appl. Filed	Monthly	Designations	Appl. Filed	Monthly
Jan	0	0	0.0	261	37	7.1
Feb	0	0	0.0	165	26	6.3
Mar	36	2	18.0	268	35	7.7
Apr	4	1	4.0	117	27	4.3
May	1	1	1.0	219	50	4.4
Jun	3	1	3.0	102	24	4.25
Jul	7	2	3.50	173	29	5.97
Aug	6	2	3.00	279	56	4.98
Sep	19	2	9.50	348	58	6.00
Oct	0	0	0.00	423	61	6.93
Nov	3	1	3.00	287	54	5.31
Dec	0	0	0.00	251	53	4.74
Tot	79	12	6.6	2893	510	5.7

Table 18.2

Domain	2021 Target Av. Designations	Actual Av. Designations	Achievement
Patents	11	10.4	94.5%
Designs	8	6.3	57%
UMs	7	6.6	94.2%
Marks	6	5.7	95%

Table 19

Designation of States

The top five most designated states for Patent applications were Kenya, Ghana, Tanzania, Botswana, and Namibia.

For utility models, Zimbabwe, Tanzania and Uganda had seven designations each, followed by Kenya and Rwanda to make the top five most designated for utility model applications.

Regarding industrial designs, the top five were Ghana, Kenya, Tanzania, Zambia, and Zimbabwe.

As for marks, the top five were Zimbabwe, Malawi, Namibia, Tanzania, and Uganda, respectively.

	BW	GH	GM	KE	LR	LS	MW	MZ	NA
Patents	516	598	410	670	413	417	439	502	512
UMs	4	4	3	6	3	3	4	5	5
IDs	29	47	26	45	27	23	24	30	27
Marks	284		57		209	199	274	255	273

	RW	SD	SL	ST	SZ	TZ	UG	ZM	ZW	Total
Patents	434	448	414	392	412	596	466	512	487	8,638
UMs	6	3	3	3	3	7	7	3	7	79
IDs	29	24	26	21	21	42	27	35	32	535
Marks				204	194	268	255		421	2,893

Table 20: Designation of States.

Requests for Examination

Request for substantive examination of patent applications introduced in 2017 has seen a continuous increase in such requests each year. 2021 realised an increase of 651 requests from 639 in 2020. A target of 600 requests was set for 2021 and this was overachieved by 8% to reach 651 requests.

Year	2017	2018	2019	2020	2021*
Total	272	545	740	639	651

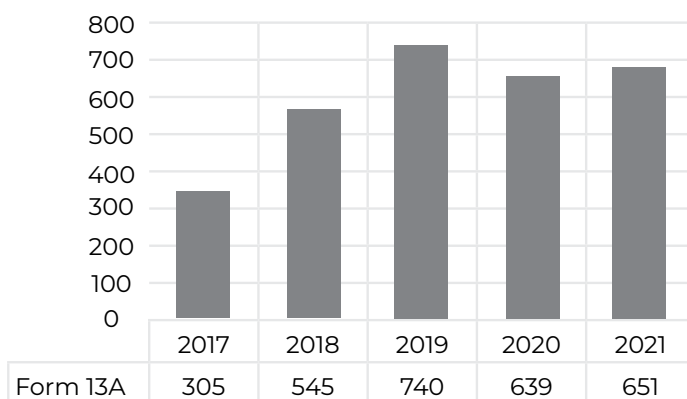


Table 21 and Figure 11: Request for examination over the past five years.

2021 Target	Actual Requests	Achievement
600	651	108%

Table 22: Achievement for 2021.

Search and Substantive Examination

A total annual target of patent applications examination was set at 1426, which was over achieved by 2% to reach 1449 applications.

TOTAL NO. OF FILES UNDERTAKEN	FORM 18 ISSUED	FORM 21 ISSUED	SEARCH REQUESTS	TOTAL NUMBER OF FILES UNDERTAKEN
	749	676	24	1449

Table 23: Search and substantive examination.



SECTION 4: FINANCIAL MANAGEMENT

KEY HIGHLIGHTS OF THE 2020 FINANCIAL PERFORMANCE

FINANCIAL PERFORMANCE ANALYSIS

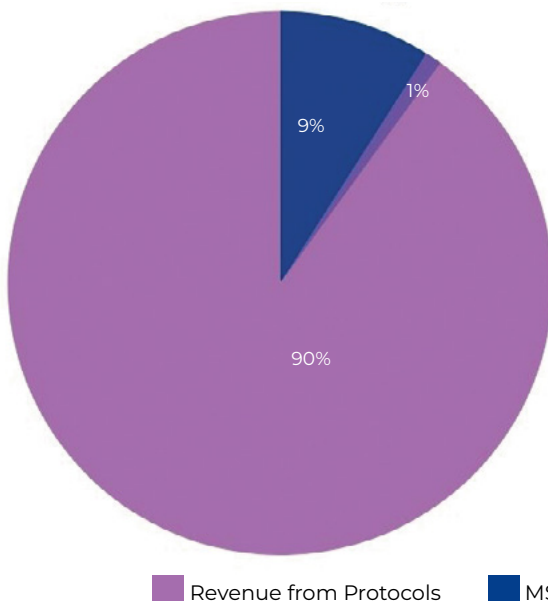
The Organization's performance for the 2020 financial year showed a surplus of US\$1,186,168 after depreciation and amortisation compared to a deficit position of US\$174,498 in 2019. This represents a 780% year-on-year improvement. This improvement is largely attributed to cost cutting and optimization as well as the marginal increase in revenue collection.

Revenue

- The Organization's total revenue before share of fees with the Member States increased by 5% from US\$10,386,187 in 2019 to US\$10,889,873 in 2020.
- The Member States share of fees for the year totalled US\$4,091,247

compared to US\$4,074,220 in 2019, translating to a modest increase of 1%.

- After the sharing of fees between ARIPO and its Member States, the total revenue due to ARIPO for the year was US\$6,798,627, compared to US\$6,347,203 in 2019, representing an increase of 7.1%.
- The Pie chart below and table on the next page give a highlight of the 2020 revenue composition. The largest source of revenue was the Protocols (Harare Protocol 95% and Banjul Protocol 5%).



2020 Revenue Composition

Figure 12: Comparison with Prior Year.

	2020	2019	Net Change	% Change
Revenue from Protocols	6,117,892	5,640,655	477,237	8%
Member States Contributions	592,200	592,200	-	0%
Miscellaneous Income	88,535	114,348	(25,813)	-23%

Table 24: Comparison with previous year.

Expenditure

- Total expenditure for the 2020 financial year was US\$5,612,458 compared to US\$6,521,701 in 2019, representing a decrease of 13.9%. The expenditure was inclusive of depreciation and amortisation of US\$843,629 in 2020

and US\$940,961 in 2019. The reduction in expenditure is attributed to cost containment measures and reduced activities arising from restrictions posed by the Covid-19 pandemic.

- The pie chart and table below highlights the 2020 expenditure composition.

2020 Revenue Composition

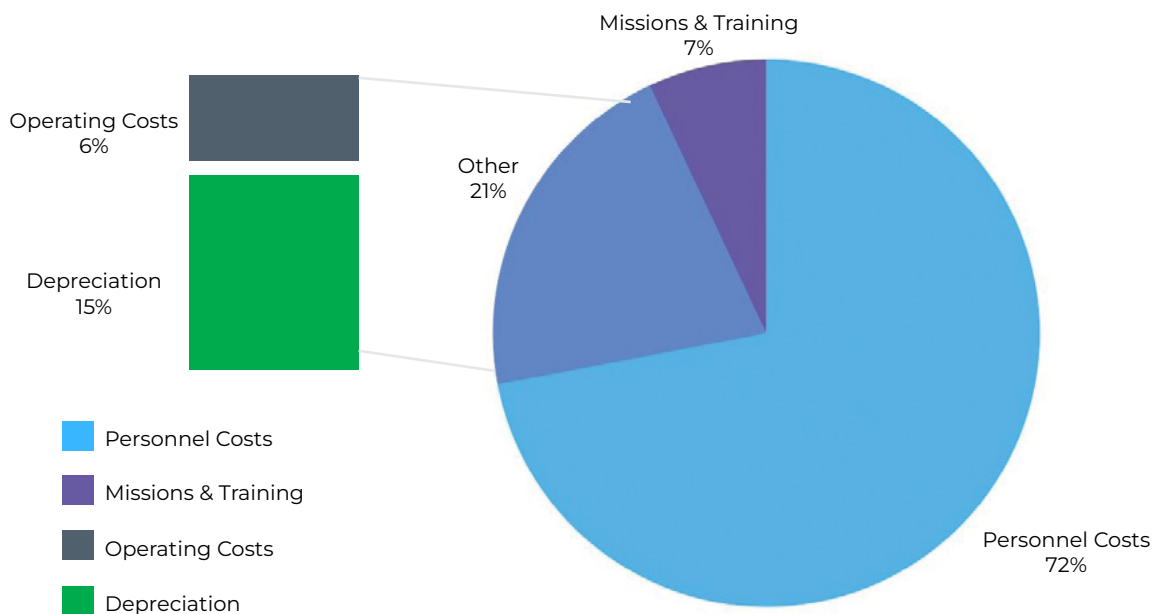


Figure 13 and Table 25: Comparison with previous year.

	2020	2019	Net Change	% Change
Personnel Costs	4,032,599	3,990,176	42,423	1%
Missions & Training	403,228	1,070,525	(667,297)	-62%
Operating Costs	333,001	520,039	(187,038)	-32%
Depreciation & Amortisation	843,629	940,961	(97,332)	-10%

Financial Position Analysis

- As at 31 December 2020, the Organization’s total assets were US\$18,805,739 while the total liabilities were US\$13,029,595, resulting in net assets of US\$5,776,144. The total assets include Member States Trust Fund account of US\$8,408,518. As at 31 December 2019, the Organization assets totalled US\$15,592,020 while total liabilities were US\$11,002,044, which resulted in net assets of

US\$4,589,976. There has been an overall net asset improvement of 25.8% due to significant increase of the Member States trust fund account from US\$4,447,284 in 2019 to US\$8,408,518 in 2020.

- The Figure below highlights the Organization’s assets and liabilities. The fixed assets decreased by 6.9%, current assets increased by 76.7% while the total liabilities increased by 18.4%.

2020 Financial Position

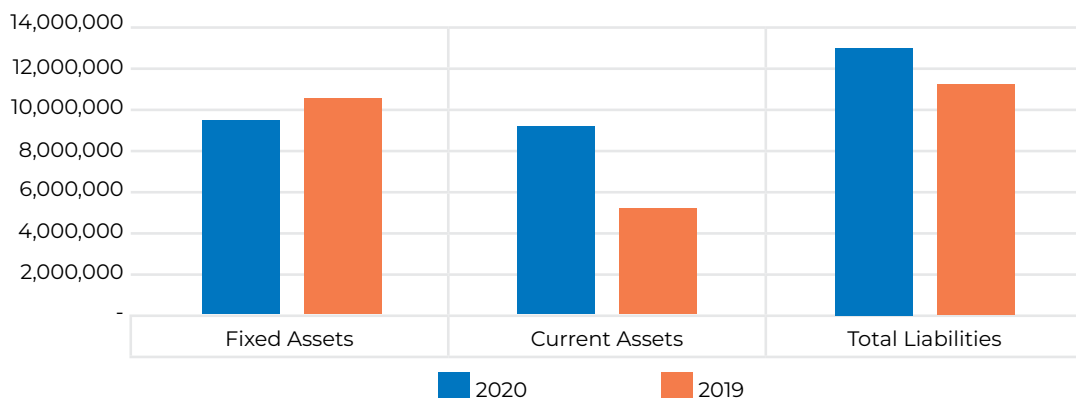


Figure 14 and Table 26: Comparison with previous year.

	2020	2019	Net Change	% Change
Fixed Assets	9,735,415	10,457,954	(722,539)	-7%
Current Assets	9,070,324	5,134,066	3,936,258	77%
Total Liabilities	13,029,595	11,002,044	2,027,551	18%

Cashflow Statement

- During the 2020 financial year, the net cash flow generated from operating activities amounted to US\$4,206,998. This was an increase of 451.7% from US\$762,521 net cash flow generated from operating in 2019.
- The net cash outflow from investing activities was US\$114,793 in 2020 compared to US\$2,168 in 2019. The increase is mainly attributed to the procurement of computer equipment.
- The overall net cash flow for the Organization as at 31 December 2020 increased by US\$4,092,205 resulting

in cash and cash equivalents of US\$8,726,499. This amount includes Member State trust fund totalling US\$8,408,518.

Analysis of Statement of Comparison of Budget and Actuals

- The Organization’s projected revenue for the year 2020 amounted to US\$10,434,622 while the actual revenue realised was US\$10,889,873 thus surpassing the projection by 4.4%. Of the total revenue realised, US\$4,091,247 pertained to share of fees earned by the Member States.
- The total budgeted expenditure for the year, including capital

expenditure totalled US\$5,442,090 while the actual expenditure was US\$4,768,831, translating to 87.6% utilization of the budget.

BDO Zimbabwe independently audited these financial statements, and their independent report on the audit of the 2020 financial statements together with their opinion has been annexed to this document.

REPORT ON THE ARIPO TRUST FUNDS FOR THE PERIOD ENDING 31 DECEMBER 2020

The Organization currently administers the Member States Trust Fund for the of purpose keeping Member States share of fees until such fees are recalled by the respective Member States, and the Reserve Fund established for purposes of infrastructural development at the ARIPO Office.

The chart below highlights the percentage share for each Member State from the total share of fees generated as at 31 December 2020. The peak allotment is at 7.4% for Member States with the most designations. The more designations a Member States receives, the higher the allotment percentage.

Member States Trust Fund

Member States earnings grew modestly by 1% from US\$4,038,984 in 2019 to US\$4,091,247 in 2020. In the year under review, all Member States earned enough fees to offset their annual assessed contributions of US\$27,900 except for Mauritius and Somalia that are yet to join the Harare and/or Banjul Protocol.

Reserve Fund

The Reserve Fund annual contribution per Member State currently stands at US\$5,000. The Fund balance as at 31 December 2020 stood at US\$179,925.

MEMBER STATES SHARE OF FEES AS AT 31 DECEMBER 2020

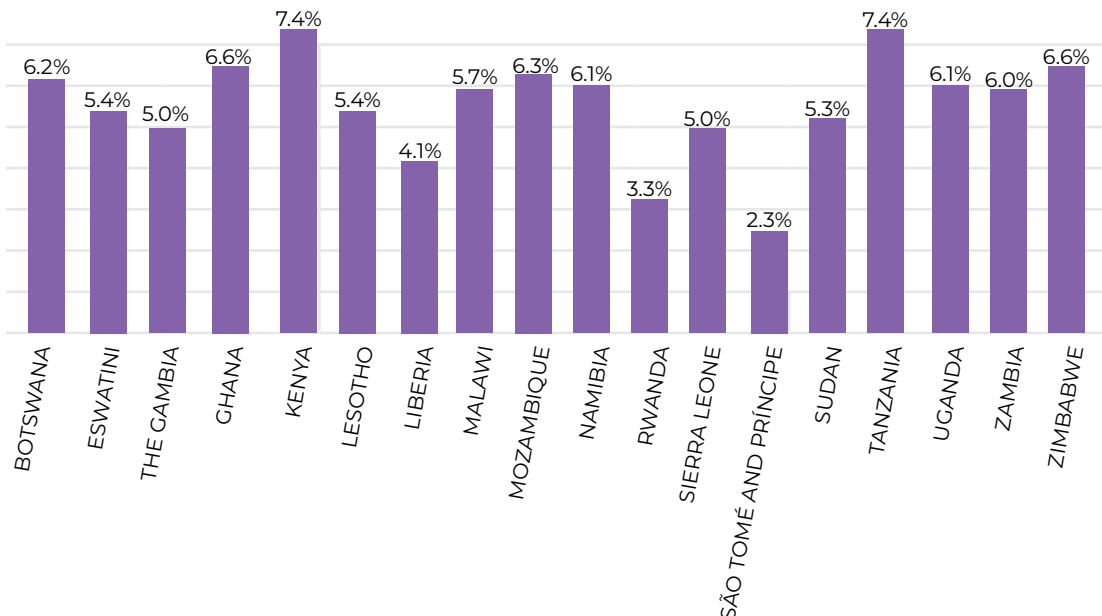


Figure 15: Member States share of fees.



ANNEXES

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANISATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NATURE OF BUSINESS:

The African Regional Intellectual Property Organization (“ARIPO”) functions are, the modernization, harmonization and development of the Intellectual Property Laws of Member States; fostering the establishment of a close relationship between the Member States in Intellectual Property Matters; the establishment of common services and organs for the modernization, harmonization and development of Intellectual Property activities affecting the Member States; and promotion and evolving of a common view and approach to Intellectual Property matters and assisting the Member States in the acquisition and development of Intellectual Property related technology.

GOVERNING ORGANS:

Council of Ministers

The Council of Ministers consists of Ministers of the Governments of Member States who are responsible for the administration of Intellectual Property.

Administrative Council

The Administrative Council consists of the Heads of Offices dealing with the administration of Intellectual Property in the Member States.

SENIOR MANAGEMENT TEAM (SECRETARIAT):

Mr. Bemanya Twebaze (Director General)
 Mr. Fernando Dos Santos (Director General) - Outgoing
 Mrs. Hilary Arko-Dadzie (Corporate Services Executive)
 Mr. Emmanuel Sackey (IP Development Executive)
 Mr. John Kabare (IP Operations Executive)

ADDRESS:

11 Natal Road.
 Belgravia,
 Harare, Zimbabwe

MAIN BANKERS:

Swiss Bank Corporation
 UBS SA, Castle Postale
 CH1121, Geneva 2
 Geneva 2, Switzerland

Stanbic Bank Zimbabwe Limited
 Belgravia branch
 Harare
 Zimbabwe

INDEPENDENT AUDITORS:

BDO Zimbabwe Chartered Accountants
 3 Baines Avenue
 Harare

ATTORNEYS:

Honey & Blackenburg
 200 Herbert Chitepo Avenue
 Harare

INDEX TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Contents	Page
Administrative Council's responsibility statement	57
Independent auditor's report	58
Statement of financial position	61
Statement of financial performance	62
Statement of changes in reserves	62
Statement of cashflows	63
Notes to the financial statements	64 - 77
Statement of comparison of budget and actual amounts	77 - 78

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANISATION

ADMINISTRATIVE COUNCIL'S RESPONSIBILITY STATEMENT

The Administrative Council is required to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the Organisation as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with International Public Sector Accounting Standards.

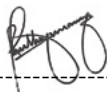
The Administrative Council acknowledges that it is ultimately responsible for the system of internal financial control established by the Organisation and places considerable importance on maintaining a strong control environment. To enable it to meet these responsibilities, the Administrative Council sets standards for internal control aimed at reducing the risk of fraud or error in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Organisation and all employees are required to maintain the highest ethical standards in ensuring the Organisation's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Organisation is on identifying, assessing, managing and monitoring all known forms of risk across the Organisation. While operating risk cannot be fully eliminated, the Organisation endeavours to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Administrative Council is of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, but not absolute, assurance against material misstatement or loss.

In preparing the financial statements, the Administrative Council is responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so. The Administrative Council has assessed the ability of the Organisation to continue operating as a going concern and believes that the preparation of the financial statements on a going concern basis is appropriate as disclosed in Note 15 to the financial statements.

The external auditors are responsible for independently auditing and reporting on the Organisation's financial statements. The financial statements and related notes have been audited by the Organisation's external auditors and their report is presented on pages 3 to 5.

The audited annual financial statements set out on pages 6 to 23 were approved by the Administrative Council on 08 December 2021 and were signed on its behalf by:



Bemanya Twebaze

DIRECTOR GENERAL



Willie Mushayi

CHAIRPERSON

08 December 2021

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE ADMINISTRATIVE COUNCIL OF
AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANISATION
REPORT ON THE AUDITED FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of the AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANISATION set out on pages 6 to 23, which comprise the statement of financial position as at 31 December 2020, statement of financial performance, statement of changes in reserves and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANISATION as at 31 December 2020, its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organisation in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B), together with other ethical requirements that are relevant to our audit of the financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Relating to Going Concern

We draw attention to Note 15 to the financial statements which indicates that the Organisation's current liabilities exceeded its current assets by US\$3,935,636 (2019:US\$5,784,165). This condition indicates the existence of a material uncertainty that may cast significant doubt about the Organisation's ability to continue operating as a going concern. Our opinion is not qualified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and our response to each matter below does not represent a separate opinion on each of these matters. In addition to the matter described in the material uncertainty relating to going concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Completeness and accuracy of revenue	How our audit addressed the Key Audit Matter
<p>The Organisation's revenue is derived from industrial property registrations and annual maintenance fees. The fees earned are based on a number of protocols. Annual maintenance fees are at times paid for more than one financial year and some of the revenue is deferred to future years. The intellectual property registration process for applications is automated and also involves some online interface.</p> <p>The revenue recognition process is complex as it involves the apportioning of fees received amongst multiple stakeholders i.e. Member States. The completeness and accuracy of revenue was thus a key audit matter.</p>	<p>We performed the following audit procedures among others with the assistance of our information systems auditors:</p> <ul style="list-style-type: none"> • Performed general application control reviews for the operating system to verify operational effectiveness of the controls. • Performed test of controls on the revenue cycle focusing on key controls and segregation of duties in the validation of applications. • Evaluated the Organisation's revenue recognition policy for compliance with International Public Sector Accounting Standard 9. • Vouched applications verifying rates as promulgated in the various Protocols. • Reviewed management's measurement and recognition of deferred revenue relating to future period maintenance fees

Responsibilities of the Administrative Council for the financial statements

The Administrative Council is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards, and for such internal control as the Administrative Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Administrative Council is responsible for assessing the Organisation's ability to continue operating as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Administrative Council either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Administrative Council's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Administrative Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Administrative Council with a statement that we have complied with relevant ethical requirements regarding independence and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the Administrative Council, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Davison Madhigi.



.....
BDO Zimbabwe Chartered Accountants
3 Baines Avenue,
Harare

Davison Madhigi CA(Z)
Partner
Registered Public Auditor

08 December 2021

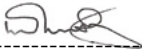
AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

STATEMENT OF FINANCIAL POSITION

as at 31 December 2020

		2020	2019
ASSETS	Note	US\$	US\$
Current assets			
Cash and cash equivalents	5	8,726,499	4,634,294
Trade and other receivables	6	343,825	499,772
		<u>9,070,324</u>	<u>5,134,066</u>
Non-current assets			
Intangible asset	7	1,750,368	2,197,270
Motor vehicles, furniture and equipment	8	508,850	677,748
Land and buildings	8	7,476,197	7,582,936
		<u>9,735,415</u>	<u>10,457,954</u>
Total assets		<u>18,805,739</u>	<u>15,592,020</u>
LIABILITIES			
Current liabilities			
Member States payables	9	10,308,540	8,524,909
Other payables		94,876	37,898
Fees received in advance-deferred	10	1,848,337	1,710,619
Receipts from agents not allocated		336,976	187,668
Employee benefits	11	418,122	457,138
		<u>13,006,850</u>	<u>10,918,231</u>
Non-current liabilities			
Fees received in advance-deferred	10	22,745	83,813
Total liabilities		<u>13,029,595</u>	<u>11,002,044</u>
Net assets		<u>5,776,144</u>	<u>4,589,976</u>
RESERVES			
Revaluation reserve		1 728 060	1 728 060
Accumulated surplus fund		4 048 084	2 861 916
Total equity		<u>5,776,144</u>	<u>4,589,976</u>

-----)  Bemanya Twebaze
Director General

-----)  Willie Mushayi
Chairperson

} 8 December 2021

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 December 2020

REVENUE	Note	2020 US\$	2019 US\$
Fees from protocols		6,117,892	5,640,655
Contributions from member states		502,200	502,200
Member states contribution to reserve fund		90,000	90,000
Other income	12	88,535	114,348
Total revenue		6,798,627	6,347,203
Expenses			
Mission and training costs		403,228	1,117,451
Personnel Costs		4,032,599	3,990,176
Depreciation and amortisation		843,629	940,961
Other operating expenses	13	333,001	473,113
Total expenses		5,612,458	6,521,701
Surplus for the year before depreciation and amortisation		2,029,798	766,463
Surplus/(Deficit) for the year after depreciation and amortisation		1,186,168	(174,498)

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

STATEMENT OF CHANGES IN RESERVES

for the year ended 31 December 2020

	Revaluation Reserve	Accumulated surplus	Total
	US\$	US\$	US\$
Balance as at 01 January 2019	1,728,060	3,036,414	4,764,474
Deficit for the year	-	(174,498)	(174,498)
Balance as at 31 December 2019	1,728,060	2,861,916	4,589,976
Surplus for the year	-	1,186,168	1,186,168
Balance as at 31 December 2020	1,728,060	4,048,084	5,776,144

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

CASH FLOW STATEMENT

for the year ended 31 December 2020

		2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES	Note	US\$	US\$
Surplus/ (deficit) for the year		1 186 168	(174,498)
Adjusted for :			
- Property and equipment depreciation		396,727	456,817
- Ammortisation		446,902	484,146
- Opening balance adjustment		-	-
- Profit on disposal of property and equipment		(6,004)	(3,572)
- Interest income		(291)	(5,721)
		<u>2,023,502</u>	<u>757,172</u>
Changes in working capital:			
Decrease in trade and other receivables		155,947	167,788
Increase in member states and other payables		1,840,609	255,965
Increase/(decrease) in fees received in advance-deferred		76,649	(13,124)
Increase/(decrease) in receipts from agents not allocated		149,308	(75,461)
Decrease in employee benefits liability		(39,016)	(329,820)
Net cash flows generated from operating activities		<u>4,206,998</u>	<u>762,521</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease in investments		-	16,680
Interest income received		291	5,721
Additions to property and equipment		(121,758)	(28,141)
Proceeds from sale of property and equipment		6,673	3,572
Net cash flows used in investing activities		<u>(114,793)</u>	<u>(2,168)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		4,092,205	760,353
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		4,634,294	3,873,941
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	<u>8,726,499</u>	<u>4,634,294</u>

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. OBJECTIVES OF THE ORGANIZATION

African Regional Intellectual Property Organization (“ARIPO” or “the Organization”) was established in 1976.

The objectives of the Organization are:

- promoting the harmonisation and development of the intellectual property laws;
- fostering the establishment of a close relationship between its members in matters relating to intellectual property
- establishing such common services or organs as may be necessary or desirable for the co-ordination, harmonisation and development of Intellectual Property.

ARIPO carries out a wide variety of tasks related to the protection of IP rights including working with Member States to develop IP laws; managing regional registration systems for trademarks, industrial designs and appellations of origin and a filing system for patents; providing dispute resolution services; and acting as a forum for informed debate and for the exchange of expertise.

The Organization is an inter-governmental organization established by the Lusaka Agreement signed in Lusaka, Zambia on December 9, 1976. The Organization operates and is governed according to the provisions of the Lusaka Agreement. The Membership of the Organization is open to the member states of the Member States of the Economic Commission for Africa (UNECA) or the African Union (AU) and currently has 20 member countries

ARIPO is governed by the following constituent bodies:

- the Council of Ministers, which is the supreme body of the Organization, consists of Ministers of Governments of the member states;
- the Administrative Council, which is responsible for the administration of intellectual property in the Member States;
- and
- the Secretariat, which reports to the Administrative Council and performs duties as delegated by the Administrative Council.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared on an accrual and going-concern basis and in accordance with International Public Sector Accounting Standards (“IPSAS”).

The principal accounting policies applied in the preparation of these financial statements are set out below. The accounting policies have been consistently applied to all years presented, unless otherwise stated.

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

2.1 Changes in accounting policy and interpretations.

2.1 New standards, interpretations and amendments not yet effective

IPSAS 41 Financial instruments

This standard is effective for annual periods beginning on or after 1 January 2023, with earlier application encouraged. IPSAS 41 replaces IPSAS 29, while providing entities a transition option to continue to apply the hedge accounting requirements of IPSAS 29.

Sets out requirements for recognition and measurement of financial instruments, including impairment,

derecognition and general hedge accounting.

IPSAS 42 Social benefits

The effective date of this standard is 1 January 2023, with earlier adoption encouraged. This standard is to help users of the financial statements and general purpose financial reports assess the nature of social benefits provided by the entity, the features of the operation of social benefit schemes; and the impact of social benefits on the entity's financial performance, financial position and cash flows.

Exposure Draft (ED) 78 - Property, Plant, and Equipment

This ED proposes updates to the principles drawn from IPSAS 17, Property, Plant, and Equipment by proposing new

requirements for heritage assets, infrastructure assets, and measurement of property, plant, and equipment. ED 78, Property, Plant, and Equipment proposes the following:

- (a) Additional general measurement guidance and options when accounting for assets within its scope;
- (b) Characteristics to identify heritage and infrastructure assets; and
- (c) Additional guidance on how heritage and infrastructure assets should be recognized and measured

The Organisation has not yet assessed the impact of adopting the standards and amendments.

2.2 Foreign currency translation

(a) Functional and presentation currency

The financial statements are presented in the United States of America Dollar ("US\$"), which is the Organization's functional and presentation currency.

2.3 Cash and cash equivalents

Cash and cash equivalents comprise balances with less than three months maturity from the date of acquisition, including cash on hand and demand deposits with banks.

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

2.4 Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method and represent amounts due from staff or customers for services performed in the ordinary course of business.

Other receivables are measured at the fair value of the consideration received or receivable, less an allowance for impairment. An allowance for impairment of other receivables is established when there is objective evidence that the Organization will not be able to collect all amounts due according to the original terms of the agreement. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The allowance is recognised in the statement of financial performance.

2.5 Property and equipment

Property and equipment are valued at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Organization and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of financial performance during the financial period in which they are incurred.

Land and buildings are initially recognized at cost, but are subject to revaluation to fair value by an external independent valuer. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Land is not depreciated. Property and equipment are depreciated on the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Buildings	40 years
Furniture and fittings	10 years
Computer equipment	4 years
Motor vehicles	5 years
Software	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. There has been no change to the estimated useful lives from those applied in the previous financial year.

2.6 Borrowing costs

Borrowing costs consist of interest and other costs that the organisation incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)****FOR THE YEAR ENDED 31 DECEMBER 2020**

necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are expensed in the period in which they are incurred.

2.7 Receipts from agents not allocated

Receipts from agents not allocated represent annual maintenance fees paid in the current financial year for IP protection that extends to the next financial year.

2.8 Employee benefits*a) Pension obligations*

The Organization has a defined contribution plan, which is a pension plan under which the Organization pays fixed contributions to a separate fund. The Organization has no legal or constructive obligation to pay further contributions if the entity does not hold sufficient assets to pay all employees the benefits relating to the employee service in the current and prior periods.

b) Termination benefits

Termination benefits are payable when employment is terminated by the Organization before the normal retirement date or whenever the employee accepts voluntary redundancy in exchange for these benefits.

c) Other benefits

The Organization recognises provisions for the value of accumulated leave deferred at the reporting date and for gratuity payable at the reporting date.

2.9 Member State payables and other payables

The Organization collects maintenance fees on behalf of member states. The Organization holds these funds on a temporary basis until they are transferred to the Member States. These funds are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business). Other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

2.10 Revenue

Fees from protocols comprise fees charged for applications for registration of patents, trademarks and industrial designs; and annual maintenance fees for the protection of the patents, trademarks and industrial designs.

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

All revenue from fees related to the processing of IP Rights will be recognized when the application is due for service. All revenue from fees such as renewals, modifications, abandonment, transfers, confirmations and adjustments will be recognized when the service has been performed.

Revenue from other fees will be recognized when ARIPO's services have been provided.

The distribution of fees between ARIPO Office and Member states is as follows:

- 5% of the application fees shall be due to the Member state in which the application is filed and 95% shall be due to ARIPO Office;
- 50% of the designation fee shall be due to the designated member state and 50% shall be due to ARIPO office;
- 50% of the annual maintenance fee shall be due to the designated member state and 50% shall be due to the ARIPO Office.

Fees due to Member States are held in favour of the Member States and, on request, are transmitted to the Member States.

Contributions from Member States are recognized as revenue at the beginning of the financial year to which they relate.

2.11 Operating expenses

Expenses are recognised when incurred rather than when paid.

2.12 Taxation

The Organization's receipts and accruals are exempt from income tax in terms of paragraph 2(e) of the Third Schedule of the Zimbabwe Income Tax Act (Chapter 23:06).

3 CRITICAL JUDGEMENTS IN APPLYING THE ORGANISATION'S ACCOUNTING POLICIES

In preparing the financial statements, the Administrative Council is required to make estimates and assumptions that affect the amounts presented in the financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgments include:

a) Impairment testing

At the reporting date, the Organisation reviews the carrying amounts of the assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). The determination of value in use requires the estimation of future cash flows and a discount rate.

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

b) Useful lives of property and equipment

The Organisation reviews the estimated useful lives of property and equipment at the end of each reporting period considering expected physical wear and tear.

c) Going concern

The Organisation assesses the appropriateness of the going concern assumption at each statement of financial position date. The assessment requires judgmental estimates and assumptions regarding future cash flows and the discount rate used to determine the present value of cash flows.

(d) Functional currency

During the year the organisation has been operating in an environment where a combination of United States Dollars (USD) and the local currency were in use. The organisation, based on the requirements of IPSAS 4, assessed its functional currency and adopted the United States Dollar (USD) as its functional currency.

4 FINANCIAL RISK MANAGEMENT

The Organization's activities expose it to a variety of financial risks: market risk including price risk, credit risk and liquidity risk.

a) Market risk

(i) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Organization is not exposed to price risks as it does not hold any equity securities or commodities.

(ii) Foreign exchange risk

The Organization is exposed to foreign exchange risk arising from bank account balances denominated in ZWL. The ZWL balances were: 2020: ZWL40,811.50 (US\$499.00) [(2019: ZWL97,000.60 (US\$5,783.00)]. The

Organization manages this risk by maintaining the bulk of its cash balances in United States Dollar (US\$) bank accounts and only liquidating funds into local ZWL on a need basis.

(iii) Interest rate risk

Interest rate risk is the risk that the Organization will be adversely affected by the changes in the level of volatility of market interest rates. The Organization has fixed interest-bearing assets or liabilities therefore has no significant exposure to interest rate risk.

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation.

Credit risk arises from cash and cash equivalents held at banks and accounts receivable. The Organization's receivables are mostly from its Member States, representing governments and from staff. Therefore the risk related to credit is insignificant.

	2020	2019
	US\$	US\$
5 CASH AND CASH EQUIVALENTS		
Member States Trust Fund	8,408,518	4,447,284
Stanbic Bank Zimbabwe RTGS	5	1,470
Stanbic Bank Zimbabwe FCA	2,986	31,872
UBS AG Switzerland	9,882	94
Swiss Bank Reserves	179,925	90,013
Stanbic Bank Zimbabwe Revolving Fund RTGS	-	9
Stanbic Bank Zimbabwe Revolving Fund FCA	546	43,911
CBZ Bank Zimbabwe RTGS	494	4,304
CBZ Bank Zimbabwe FCA	122,858	14,668
Petty cash	1,285	669
	8,726,499	4,634,294
6 TRADE AND OTHER RECEIVABLES		
Staff debtors	264,504	381,292
Member States receivable (note 6.1)	6,480	69,452
Value Added Tax (VAT) Refundable	59,767	49,028
Other receivables	13,074	-
	343,825	499,772
6.1 Member States receivable		
Arrear contributions:		
Sao Tome & Principe	6 480	69,452

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Administrative Council agreed that the fees earned by Member States from maintenance fees should be utilised towards the Member States current contributions and the balance should be utilised against the arrears of Member States.

US\$

7 INTANGIBLE ASSET

Carrying amount as at 01 January 2019	3,128,318
Gross carrying amount - valuation	4,469,024
Accumulated amortisation	(1,787,608)
Amortisation for the year	(484,146)
Carrying amount as at 31 December 2019	2,197,270
Gross carrying amount - valuation	4,469,024
Accumulated amortisation	(2,271,754)
Amortisation for the year	(446,902)
Carrying amount as at 31 December 2020	1,750,368
Gross carrying amount - valuation	4,469,024
Accumulated amortisation	(2,718,656)

The Intangible asset relates to POLITE + application system, a customised Intellectual Property Rights system that was developed by the Korean International Cooperation Agency (KOICA).

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 PROPERTY AND EQUIPMENT

	Land	Buildings	Computers and equipment	Furniture and fittings	Motor Vehicles	TOTAL
	US\$	US\$	US\$	US\$	US\$	US\$
Carrying amount as at 31 December 2018	262,708	7,528,607	277,693	559,726	60,626	8,689,360
Gross carrying amount-cost/valuation	262,708	8,335,149	1,300,394	709,214	210,649	10,818,114
Accumulated depreciation	-	(806,542)	(1,022,701)	(149,488)	(150,023)	(2,128,754)
Additions at cost	-	-	6,340	-	21,801	28,141
Retention fee adjustment	-	-	-	-	-	-
Depreciation for the year	-	(208,379)	(138,254)	(93,847)	(16,337)	(456,817)
Disposals at carrying amount	-	-	-	-	-	-
Disposals at cost	-	-	-	-	(16,810)	16,810
Disposals accumulated depreciation	-	-	-	-	16,810	16,810
Carrying amount as at 31 December 2019	262,708	7,320,228	145,779	465,879	66,090	8,260,684
Gross carrying amount-cost/valuation	262,708	8,335,149	1,306,734	709,214	215,640	10,829,445
Accumulated depreciation	-	(1,014,921)	(1,160,955)	(243,335)	(149,550)	(2,568,761)
Additions at cost	-	101,641	20,117	-	-	121,758
Depreciation for the year	-	(208,380)	(108,020)	(62,320)	(18,007)	(396,727)
Disposals at carrying amount	-	-	(668)	-	-	(668)
Disposals at cost	-	-	(6,800)	-	(59,829)	66,629
Disposals accumulated depreciation	-	-	6,132	-	59,829	65,961
Carrying amount as at 31 December 2020	262,708	7,213,489	57,208	403,559	48,083	7,985,046
Gross carrying amount-cost/valuation	262,708	8,436,790	1,320,051	709,214	155,811	10,884,574
Accumulated depreciation	-	(1,223,301)	(1,262,843)	(305,655)	(107,728)	(2,899,527)

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

9	MEMBER STATES PAYABLE	2020 US\$	2019 US\$
	Botswana	187 980	184,234
	Gambia	503 687	337,222
	Ghana	586 307	459,087
	Kenya	79 936	140,594
	Lesotho	2 089 067	1,903,181
	Liberia	72 104	29,246
	Malawi	980 301	800,172
	Mozambique	170 425	149,679
	Namibia	106 559	122,426
	Rwanda	302 961	200,927
	Sierra Leone	111 821	93,019
	Sudan	1 228 684	1,046,038
	Kingdom of Eswatini	2 323 072	2,159,011
	Tanzania	684 226	413,784
	Uganda	462 657	247,380
	Zambia	73 858	134,179
	Zimbabwe	344 894	104,730
	Sao Tome & Principe	-	-
		10,308,540	8,524,909
10	FEES AND MEMBER STATES CONTRIBUTIONS RECEIVED IN ADVANCE- DEFERRED		
	Fees received in advance		
	Balance as at 1 January	1,794,433	1,807,556
	Fees earned in the current period, deferred from the following periods:		
	2017	-	(24,958)
	2018	(24,632)	(1,721,170)
	2019	(1,710,619)	-
	Fees received in 2019, deferred to the following periods:		
	2021	22,386	-
	Fees received in current period, deferred to the following periods:		
	2020	-	1,710,619
	2021	1,766,769	22,386
	2022 and beyond	22,745	-
	Balance as at 31 December	1,871,081	1,794,433

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

Split as follows:

Current	1,848,337	1,710,619
Non-current	22,745	83,813
Total	1,871,081	1,794,432

11 EMPLOYEE BENEFITS

Employee benefits comprise of short-term employee benefits that include salary, allowances, grant on initial assignment, grants for the education of dependent children and paid annual leave.

The Organization has recognized liabilities for the following short-term benefits, the value of which is based on the amount payable to each staff member at the reporting date:

Accumulated leave – staff members are eligible for 30 days annual leave and may accumulate up to a maximum of 60 days leave. The Director General is eligible for 34 days annual leave and may accumulate up to a maximum of 68 days leave.

Gratuity - contract employees are eligible to an annual gratuity of 25% of their annual base salary up to a maximum of four years for staff members on four year contracts and maximum of five years for staff members on five year contracts. Gratuity is expensed as it accrues and subsequently paid out into a Gratuity Fund Account. Gratuity liability relates to gratuity expense accrued in prior periods and was not paid out at the time.

	Leave pay provision	Gratuity	Total
	US\$	US\$	US\$
Balance as at 1 January 2019	132,328	654,630	786,958
Payments made during the year	(54,058)	(696,681)	(750,739)
Provisions made during the year	54,494	366,426	420,920
Balance as at 31 December 2019	132,763	324,375	457,138
Balance as at 1 January 2020	132,763	324,375	457,138
Payments made during the year	(58,867)	(369,965)	(428,832)
Provisions/Accruals made during the year	127,977	261,840	389,817
Balance as at 31 December 2020	201,873	216,250	418,122

	2020	2019
	US\$	US\$
12 OTHER INCOME		
Interest income	291	5,721
Search request fees	3,667	9,218
Subscription to ARIPO Journal	-	150

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

Profit on disposal of property and equipment	6,004	3,572
Hire of ARIPO facilities	27,143	10,133
Staff revolving loan interest	19,131	20,831
Academy	571	13,794
EUIPO	22,800	11,736
Tax and Duty Rebates	4,918	39,193
Exchange Gain	4,009	-
	88,535	114,348

	2020	2019
13 OTHER OPERATING EXPENSES	US\$	US\$
Audit Fees	11,926	16,306
Bank charges	41,273	36,150
Communication costs	81,723	57,961
Exchange loss	4,595	90,175
Supplies and consumables	31,243	76,658
Insurance	26,178	28,856
Office Expenses	48,586	49,580
Security	38,569	44,269
Repairs and maintenance - fixtures and fittings	2,532	5,765
Repairs and maintenance - buildings	25,589	10,691
Repairs and maintenance - equipment	11,207	23,950
Repairs and maintenance - vehicles	7,397	8,371
Miscellaneous expenses	2,184	24,383
	333,001	473,113

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 RELATED PARTIES

The Organization is governed by the Administrative Council composed of representatives of all member countries. They do not receive remuneration from the Organization. The Organization is managed by a Director General and by officers (key management personnel) who are remunerated by the Organization. The aggregate remuneration paid to key management personnel includes salaries, allowances, travel and other entitlements paid in accordance with the ARIPO Staff Rules and Regulations and applicable to all staff.

The Organization key management personnel are as follows:

Bemanya Twebaze - Director General - Incoming 2021

Fernando Dos Santos - Director General - Outgoing 2020

Emmanuel Sackey - IP Development Executive

John Kabare - IP Operations Executive

Hilary Arko-Dadzie - Corporate Services Executive

Their combined aggregate annual remuneration and post employment benefits are as follows:

	2020	2019
	US\$	US\$
Short-term employee benefits (annual salaries and allowances)	593,825	592,924
Medical benefits paid for the year	13,183	10,130
Long-term employee benefits (leave days accrued and gratuities due)	304,348	238,916
	911,356	841,970

14.1 Receivables from key management

Staff loans	-	60,246
Staff advances	1,244	-
	1,244	60 246

Staff loans are extended to purchase vehicles, furniture or other requisites. Interest on loans is at 5% per annum.

15 GOING CONCERN

As at 31 December 2020, the organization's current liabilities exceeded its current assets by \$3,936,526. Member states were owed about US\$10,308,540 while the Organization had a balance of US\$8,408,518 in the Member States Trust Fund bank account.

The Organization has successfully implemented specific measures that are addressing its financial situation .

The following are strategies employed to ensure that the Organisation will continue to operate as a going concern.

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Organisation has adopted cost cutting and optimization measures to ensure that it is able to pay its liabilities. The following cost containment measures have been adopted:

- Freezing the recruitment of staff for the period 2020 to 2022.
- Repayment of \$100,000 staff loan revolving fund back to the organisation.
- Half-day team building sessions will be undertaken for the period 2020-2022 as opposed to weekend annual retreats.
- Encashment of leave days to be suspended for the 2 year period to 2022. Staff will be encouraged to go on leave.
- Repayment of staff advances in the year advanced to avoid liquidity issues.

As a result of the implementation of the above measures, it is estimated that expenditure will be significantly reduced.

It is on this basis that the Administrative Council believes that the preparation of the financial statements on a going concern basis is appropriate.

16 EVENTS AFTER THE REPORTING DATE

16.1 Approval of financial statements

The financial statements were approved for issue by the Administrative Council on 8 December 2021.

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Original Budget	Final Budget	Actual Amounts	Difference: Final budget and actual
	US\$	US\$	US\$	US\$
REVENUE				
Fees from Protocols	9,742,422	9,742,422	10,208,815	466,393
Contributions from Member States	502,200	502,200	502,200	-
Contributions to reserve fund	90,000	90,000	90,000	-
Other Revenue	100,000	100,000	88,535	(11,465)
	10,434,622	10,434,622	10,889,549	454,927

AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (Cont'd)

FOR THE YEAR ENDED 31 DECEMBER 2020


PROGRAMME TITLE				
IP operations	22,000	22,000	2,309	19,691
IP ecosystem for growth	120,800	120,800	7,590	113,210
IP knowledge	270,000	270,000	182,556	87,444
Policy and legal	19,500	19,500	1,529	17,971
People and organization transformation	29,400	29,400	14,758	14,642
Information and communication technology	50,000	50,000	59,851	(9,851)
Marketing, customer engagement and Cooperation	40,700	40,700	12,772	27,928
Financial and management accounting	14,000	14,000	2,956	11,044
Internal audit	3,000	3,000	2,293	707
RUNNING COSTS				
Personnel costs	4,029,490	4,029,490	3,904,620	124,870
Operating Costs	380,000	380,000	335,262	44,738
Annual meetings and conferences	269,000	269,000	116,615	152,385
Capital expenditure	194,200	194,200	57,737	136,463
TOTAL EXPENDITURE	5,442,090	5,442,090	4,700,848	741,242
Surplus as per actual budget statement				6,188,701
IPSAS adjustments to surplus/ (deficit) for the year:				
Member States share of fees				(4,088,662)
Depreciation and amortisation				(843,629)
Provisions for leave days				(127,979)
Capital expenditure				57,737
Adjusted surplus for the year per IPSAS				1 186 168


ARIPO's budget and financial statements are prepared using two different bases. The Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Net Assets and Cash Flow Statement are prepared on a full accrual basis, whereas the Statement of Comparison of Budget and Actual Amounts is prepared on a modified accrual basis in accordance with ARIPO's Financial Regulations and Rules.


As required by IPSAS-24, the actual amounts presented on a comparable basis to the budget shall, where the financial statements and the budget are not prepared on a comparable basis, reconciled to the actual deficit amount presented in the Statement of Financial Performance as shown above.



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 ARIPO