

# 2022 ANNUAL REPORT



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



## 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.



### Mission

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



### Our Core Values

- Integrity
- Engagement
- Client-focus
- Agility
- Diversity
- Accountability

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## ABBREVIATIONS

<b>AfriPI</b>	African Intellectual Property Rights and Innovation
<b>ARIPO</b>	African Regional Intellectual Property Organization
<b>ARPET</b>	ARIPO Regional Patent Examination Training
<b>AU</b>	Africa University
<b>BIPA</b>	Business and Intellectual Property Authority
<b>BRELA</b>	Business Registration and Licensing Authority
<b>BSC</b>	Balanced Scorecard
<b>CMOs</b>	Collective Management Organizations
<b>DGIP</b>	Directorate of Intellectual Property of Indonesia
<b>EPO</b>	European Patent Office
<b>EUIPO</b>	European Union Intellectual Property Office
<b>HIPOC</b>	Heads of Intellectual Property Offices Conference
<b>HIT</b>	Harare Institute of Technology
<b>IFPI</b>	International Federation of the Phonographic Industries
<b>INTA</b>	International Trademark Association
<b>INTERPOL</b>	International Criminal Police Organization
<b>IP</b>	Intellectual Property
<b>IPAS</b>	Intellectual Property Automation System
<b>IPR</b>	Intellectual Property Rights
<b>JPO</b>	Japan Patent Office
<b>KOICA</b>	Korean International Cooperation Agency
<b>KNUST</b>	Kwame Nkrumah University of Science and Technology
<b>MIP</b>	Master in Intellectual Property
<b>NORCODE</b>	Norwegian Copyright Development Association
<b>OAPI</b>	Organisation Africaine de la Propriété Intellectuelle
<b>PATLIB</b>	Patent Libraries
<b>SADC</b>	Southern African Development Community
<b>SME</b>	Small and Medium-sized Enterprises
<b>TISC</b>	Technology and Innovation Support Centre
<b>UDSM</b>	University of Dar es Salaam
<b>USDoJ</b>	United States Department of Justice
<b>USPTO</b>	United States Patent and Trademark Office
<b>WIPO</b>	World Intellectual Property Organization



# FOREWORD

The year 2022 marked a turning point in my tenure as Director General of ARIPO. We kicked off the year by implementing the new Strategic Plan 2022 – 2026 that was approved during the 45<sup>th</sup> Administrative Council, in Victoria Falls, Zimbabwe in 2021. The Strategic Plan seeks to serve all our Member States and ensure that we consolidate our position as Africa’s leading intellectual property Organization that promotes socio-economic development. The Plan’s approval was also an assignment to implement and deliver impactful results. It is my pleasure to report that we then embarked on a programme to team up with the Member States and other stakeholders to co-create and deliver value, shifting focus from austerity to driving the Organizational mandate.

In this regard, we have made great progress on all fronts. As such we are rejuvenated because we are confident about the future of our Organization. It is, therefore, my great delight to detail the many successful programmes in the report, to demonstrate that ARIPO ably responded to a growing demand for IP protection while investing in knowledge transfer with cooperation partners, and leading capacity building for the Member States.

As we drove sensitization of the ARIPO system through High-Level Missions amongst other efforts, the accession of Cabo Verde to ARIPO and to all the ARIPO Protocols in July 2022 is a much-celebrated testimonial. Cabo Verde joined the ARIPO family to make the 22-strong Member States of this mighty Organization. We continue relentless efforts to increase this number. In equal measure, we continue promoting the ARIPO protocols, having done so in Seychelles and Tanzania.



**ARIPO Director General  
Bemanya Twebaze**

Through various initiatives, we have enhanced relationships with our Cooperating Partners. We are grateful to them for the invaluable support they continue to extend to ARIPO and the Member States. There are several individual achievements recorded with the World Intellectual Property Organization (WIPO). Of note is the maiden Heads of Intellectual Property Offices Conference (HIPOC) organized in Kingdom of Eswatini to provide a platform for the Heads of national IP offices to engage in candid discussions on leadership and emerging IP issues. WIPO also supported the IP School Clubs copyright initiative, which promotes respect for IP, IP education and awareness for the youth. This is part of several collaborative initiatives to develop copyright and related rights, whose highlight was the adoption of the Kampala Protocol Implementing Regulations by the 46<sup>th</sup> Administrative Council held in Maputo, Mozambique.

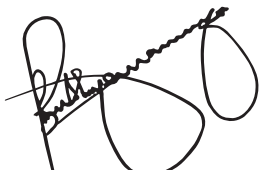
The African Intellectual Property Rights and Innovation (AfrIPI) framework also worked with us to deliver several impactful programs. These include the training for Government Communicators aimed at enhancing the accuracy of how IP messages is communicated due to the technical nature of IP. AfrIPI further supported several training programmes like the ARIPO patent examination training (ARPET) in Zanzibar, which was delivered with technical expertise from the European Patent Office (EPO). In that connection, further collaboration with the EPO has yielded immense support for our Member States and Observer States universities to provide them training in various fields such as patent knowledge, prior-art search, technology transfer and IP commercialisation, in addition to expert mentoring on the implementation of best practices.

The Japan Patent Office (JPO) continued to support our Masters program at Africa University to contribute to IP human resource development. Through the Japanese Funds-in-Trust at WIPO, they also funded the Master in Intellectual Property (MIP) Conference of 2022, held in Zimbabwe, which showcased alumni in IP entrepreneurship mentoring the completing students at Africa University and 50 other invited graduates.

The general performance of ARIPO has exceeded projections, as shown in the Financial Management section of this Annual Report. Industrial Property applications increased by 26%, while the revenue generation surpassed the target by 30%. Compared to last year, revenue generation grew by 19%. Into the bargain, these statistics then become base targets as we work to achieve greater success in 2023.

I would also like to appreciate the IP Agents' work to support the industrial property systems. Truly indeed, their contribution adds tremendous value in many ways and, as ARIPO, we will remain at their disposal in enhancing our system and deepening our collaboration.

Finally, the support and contribution of the Member States in this journey cannot be described in broad strokes. ARIPO exists for and because of its Member States. I therefore want to appreciate them for their leadership through technical committees and their guidance through successive Administrative Councils and Councils of Ministers. Together we shall achieve a balanced IP system conducive for innovation and sustainable socio-economic development in our Member States for the African Continent.



**Bemanya Twebaze**  
Director General

# SECTION 1: THE ORGANIZATION

## MEMBERSHIP AND THE LEGAL FRAMEWORK

ARIPO was established by the Lusaka Agreement, adopted by a Diplomatic Conference held in Lusaka, Zambia, on 9 December 1976. The Lusaka Agreement spells out the mandate of the Organization. ARIPO was mainly created to pool together resources of its Member States for the promotion, development and harmonisation of Intellectual Property laws and policies.

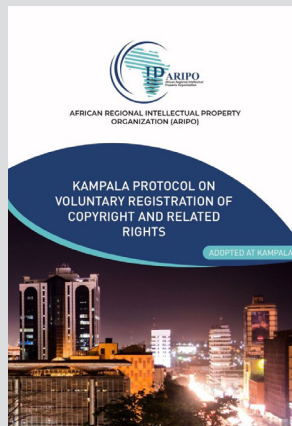
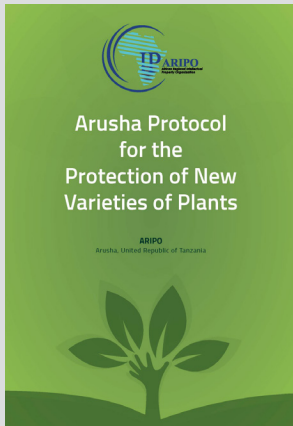
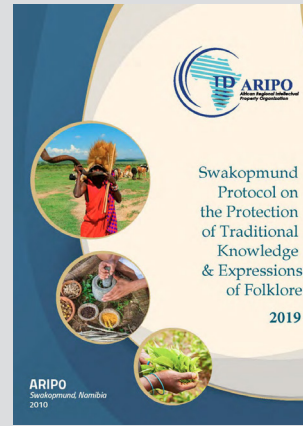
Since its signing, aspirations of the Lusaka Agreement have been expounded into practical implementation by protocols, each focusing on a specific subject of intellectual property. These protocols are:

1. the Harare Protocol on Patents and Industrial Designs,
2. the Banjul Protocol on Marks,
3. the Swakopmund Protocol on the Protection of Traditional Knowledge and Expressions of Folklore,
4. the Arusha Protocol for the Protection of New Varieties of Plants, and
5. the Kampala Protocol on Voluntary Registration of Copyright and Related Rights



Fig 1: ARIPO Member States map

## Protocols and their Status





The table below shows the status of Member States of ARIPO, when 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).

*Table 1: ARIPO Member States and the dates when they became Contracting States to the ARIPO Protocols*

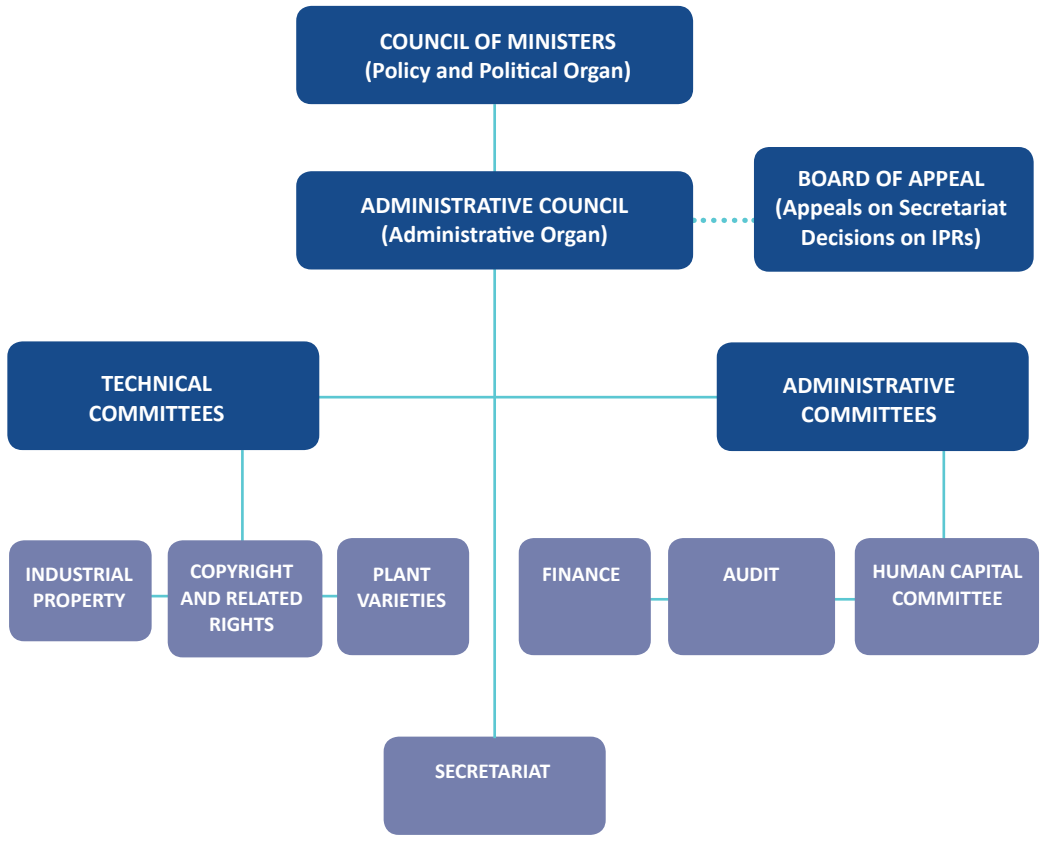
Country	Lusaka Agreement	Harare Protocol	Banjul Protocol	Swakopmund Protocol	Arusha Protocol	Kampala Protocol
<b>Botswana</b>	6 February 1985	6 May 1985	29 October 2003	28 March 2012		
<b>Cabo Verde</b>	14 July 2022	14 July 2022	14 July 2022	14 July 2022	14 July 2022	
<b>Kingdom of Eswatini</b>	17 December 1987	17 March 1988	17 March 1988			
<b>The Gambia</b>	15 February 1978	16 January 1986	3 August 2021	11 February 2015		04 December 2021
<b>Ghana</b>	15 February 1978	25 April 1984				28 August 2021
<b>Kenya</b>	15 February 1978	24 October 1984				
<b>Kingdom of Lesotho</b>	23 July 1987	23 October 1987	12 February 1999			
<b>Liberia</b>	24 December 2009	24 March 2010	24 March 2010	25 October 2016		28 August 2021
<b>Malawi</b>	15 February 1978	25 April 1984	6 March 1997	20 December 2012		28 August 2021
<b>Mozambique</b>	8 February 2000	8 May 2000	15 August 2020			28 August 2021
<b>Mauritius</b>	25 September 2020					
<b>Namibia</b>	14 October 2003	23 April 2004	14 January 2004	11 February 2015		04 December 2021
<b>Rwanda</b>	24 June 2011	24 September 2011		16 July 2012	7 June 2019	
<b>São Tomé &amp; Príncipe</b>	19 May 2014	19 August 2014	27 November 2015		29 September 2020	28 August 2021
<b>Seychelles</b>	1 October 2021	1 October 2021				
<b>Sierra Leone</b>	5 December 1980	25 February 1999				28 August 2021
<b>Somalia</b>	10 December 1981					
<b>Sudan</b>	2 May 1978	25 April 1984				28 August 2021
<b>Tanzania</b>	12 October 1983	1 September 1999	1 September 1999			28 August 2021
<b>Uganda</b>	8 August 1978	25 April 1984	21 November 2000			28 August 2021
<b>Zambia</b>	15 February 1978	26 February 1986		28 August 2015		04 December 2021
<b>Zimbabwe</b>	11 November 1980	25 April 1984	6 March 1997	22 April 2013		

# ORGANS

## Overview

ARIPO is governed by various organs which 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: Administrative Committees and Technical Committees.

Figure 2: 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 IP 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 and 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 subsidiary committees of the Administrative Council, namely the Technical Committees and the Administrative Committees are in place to consider technical and administrative matters of ARIPO for consideration by the Administrative Council. Under the former, there are three committees: Technical Committee on Industrial Property, Technical Committee on Copyright & Related Rights, and Technical Committee on Plant Varieties Protection.

Similarly, under Administrative Committees, ARIPO has three Committees: 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 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 organization's day-to-day activities and the implementation of policies issued by the Administrative Council and the Council of Ministers.

It is headed by a Director General, who is the organization's principal executive officer. The holder of the office must be a citizen of an ARIPO Member State. The incumbent is Mr. Bemanya Twebaze, a national of Uganda who assumed office in January 2021.

## ARIPO'S LEGAL INSTRUMENTS

### The Lusaka Agreement

ARIPO was established under the Lusaka Agreement, signed in Lusaka, Zambia, on 9 December 1976. The objectives are, inter alia, to promote, harmonize and develop intellectual property IP 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 Somalia and Mauritius.



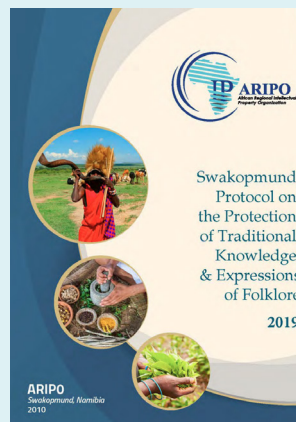
### The Banjul Protocol

Adopted in 1993, this Protocol empowers ARIPO to register marks on behalf of the Contracting States. Thirteen Member States are currently party to the Protocol. These are Botswana, Cabo Verde, Kingdom of Eswatini, The Gambia, Kingdom of Lesotho, Liberia, Malawi, Mozambique, Namibia, São Tomé & Príncipe, United Republic of 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 to protect the traditional knowledge and expressions of folklore of Africa and to ensure that it is properly utilized for the welfare of her people. Nine Member States have ratified the Protocol. These are Botswana, Cabo Verde, The Gambia, Liberia, Malawi, Namibia, Rwanda, Zambia and Zimbabwe.




## Arusha Protocol for the Protection of New Varieties of Plants

ARIPO  
Arusha, United Republic of Tanzania

## The Arusha Protocol

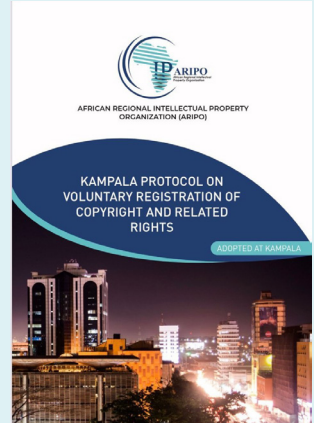
The Arusha Protocol for the Protection of New Varieties of Plants was adopted in Arusha, Tanzania on 6 July 2015. The Protocol aims to provide the Member States with a regional plant variety protection system that recognizes the need to provide growers and farmers with improved varieties of plants to ensure sustainable agricultural production.

The Protocol received five signatures from The Gambia, Ghana, Mozambique, São Tomé & Príncipe, and the United Republic of Tanzania. Cabo Verde, 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.

## The Kampala Protocol

The Kampala Protocol on Voluntary Registration of Copyright and Related Rights was adopted on 28 August 2021 in Kampala, Uganda. The Protocol will establish a regional voluntary registration of copyright and related rights and also create and maintain a regional database for copyright and related rights. It will enhance the 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 come into force once five Member States have deposited their instruments of ratification or accession with the ARIPO Director General.



## SECTION 2: 2022 HIGHLIGHTS – OUR YEAR IN PERSPECTIVE

# STRATEGIC GOAL 1

EFFICIENT DELIVERY OF QUALITY  
IP RIGHTS

## EFFICIENT DELIVERY OF QUALITY IP RIGHTS

Under Strategic Goal 1 on Efficient Delivery of Quality IP Rights, the following was achieved.

### PATENTS

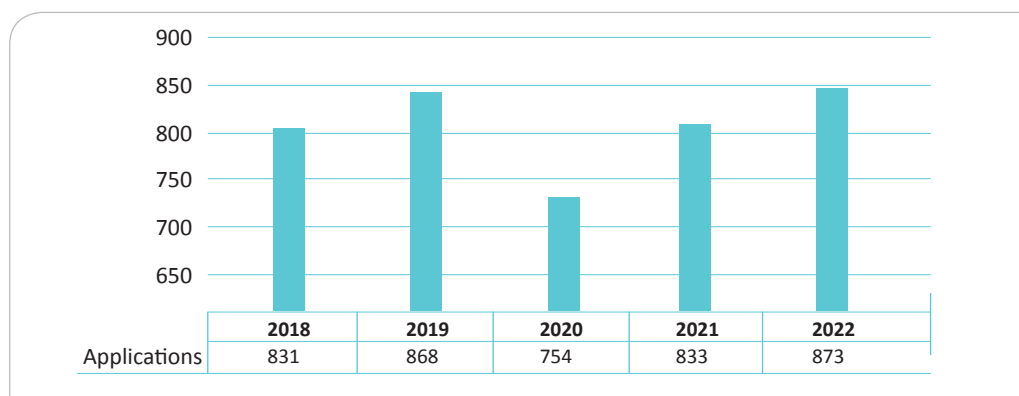




## 1. Patent Applications Filed

A total of 873 patent applications were filed in 2022 compared to 833 filed in 2021, an increase of 4.8%. The monthly average was 73 applications per month.

Figure 3: Patent filings trend over a 5 year period



Considering the post-COVID-19 pandemic trends, the base target set for 2022 was 800 patent applications. The year concluded with a total of 873 received, exceeding the expected target by a factor of 9%.

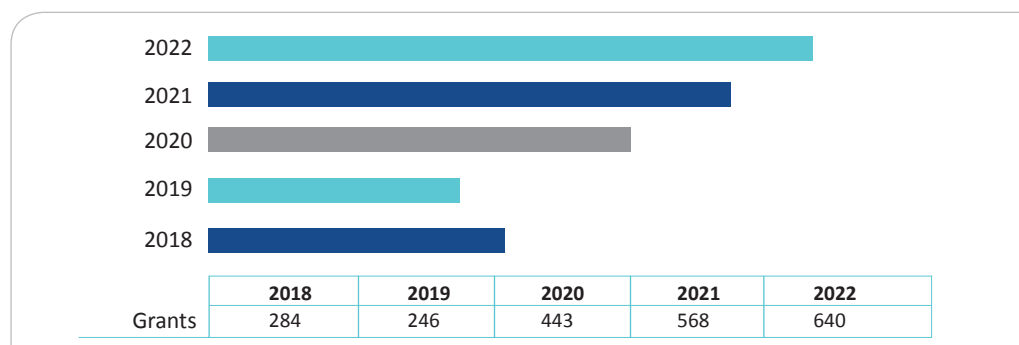
Table 2: Patent applications received in 2022

APPLICATIONS RECEIVED			
Domain	Target	Actual	Achievement
Patents	800	873	109%

## 2. Patents Granted

The number of patents granted during the reporting period rose from 568 in 2021 to 640 in 2022, an increase of 12.7%. The average rate of grant was 53 patents per month.

Figure 4: Patents granted from 2018 to 2022



The target set for grants in 2022 was 600 patents, and 640 were granted, representing an increase of 72 grants from 2021.

Table 3: Number of patents granted in 2022

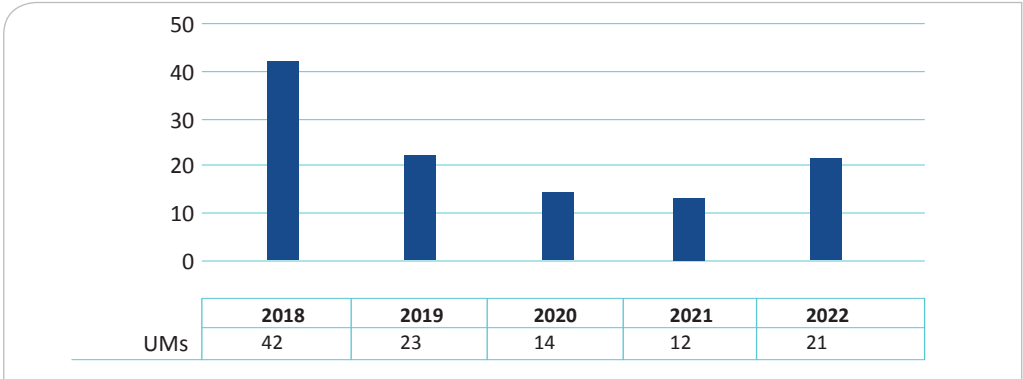
PATENT GRANTS - 2022			
Domain	Target	Actual	Achievement
Patents	600	640	40 grants above target

# UTILITY MODELS

## 1. Utility Models Applications Filed

A total of 21 utility model applications were filed in 2022, an increase of 75% compared to applications filed in 2021.

Figure 5: Number of utility model applications filed from 2018 to 2022



The target set for utility model applications in 2022 was 18 and 21 were received, reflecting an achievement of 117%.

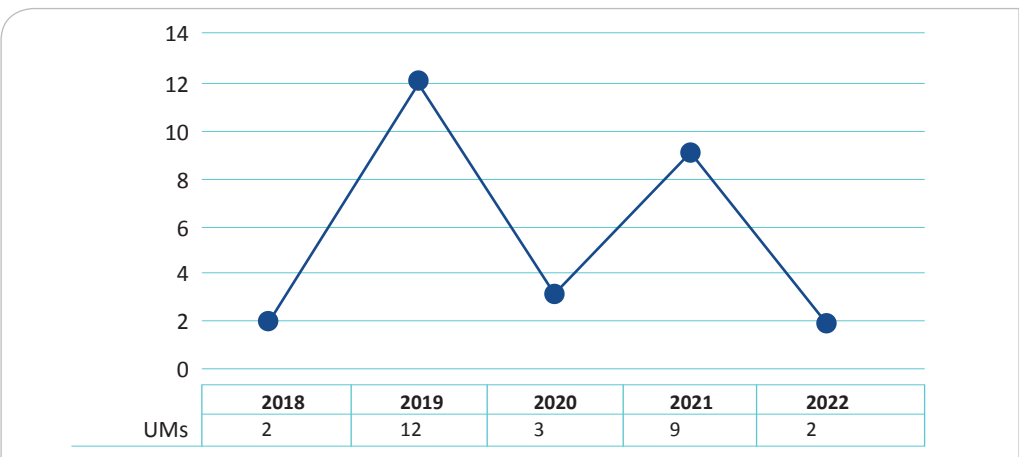
Table 4: Number of utility model applications received in 2022

UTILITY MODEL APPLICATIONS RECEIVED			
Domain	Target	Actual	Achievement
Utility models	18	21	117%

## 2. Utility Model Registrations

Utility models were registered in 2022 compared to 9 in 2021 showing a reduction of 7 from the previous year.

Figure 6: Trends in utility model registrations from 2018 to 2022



The target set for utility model registrations for 2022 was 12, however, only 2 were registered, attaining only 17% of the target.

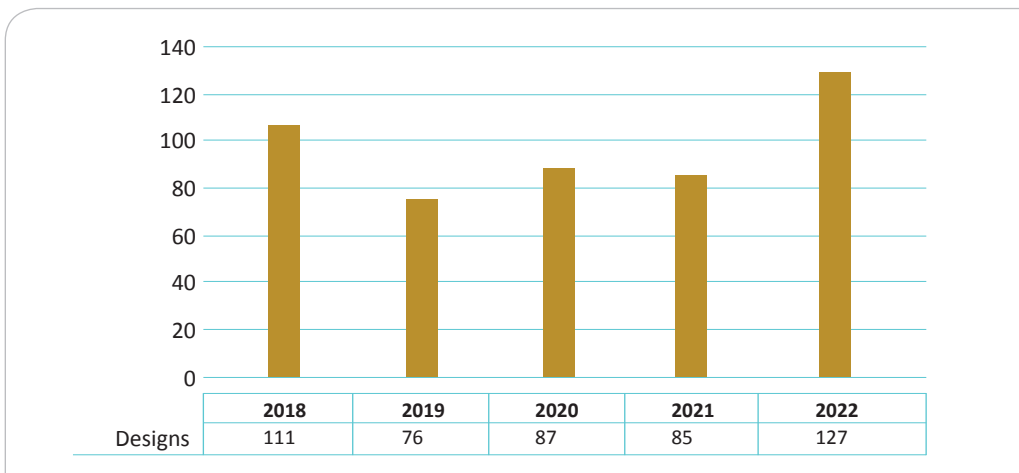
# INDUSTRIAL DESIGNS



## 1. Industrial Designs Filed

A total of 127 industrial design applications were filed in 2022 compared to 85 in 2021, an increase of 49%. This is a significant increase compared to previous years.

Figure 7: Number of industrial design applications filed in 2022



The expected number of applications under this IP category for 2022 was 80 applications, a 6% decline from the 2021 statistic. The total of 127 Industrial Design applications received illustrates a 59% deviation in the positive.

*Table 5: Number of industrial design applications filed in 2022*

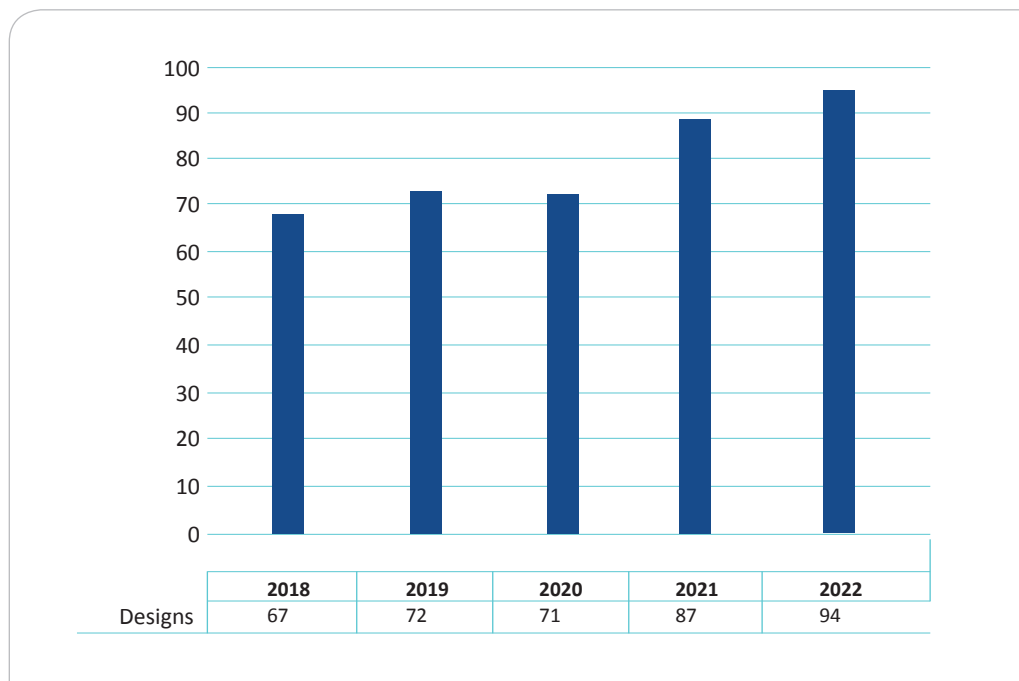
DESIGN APPLICATIONS RECEIVED			
Domain	Target	Actual	Achievement
Industrial designs	80	127	158.8%

## 2. Industrial Design Registrations



Ninety (90) industrial designs were registered in 2022 compared to 87 in 2021 showing an increase of 8%. The registrations have grown steadily over the years.

Figure 8: Trends of industrial design registrations between 2018 and 2022



The target for industrial design registrations for 2022 was 95 and a total of 94 were registered, marking an achievement of 98.9%.

Table 6: Number of industrial design applications registered in 2022

DESIGN REGISTRATIONS			
Domain	Target	Actual	Achievement
Industrial Designs	95	94	99%

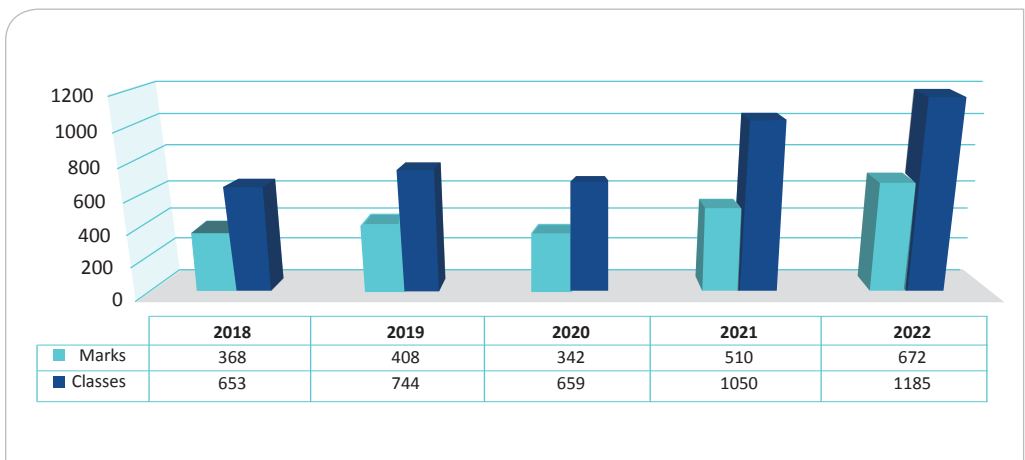
# MARKS

## 1. Mark Applications Filed



During the reporting period, mark applications filed rose to 672 from 510 in 2021, representing an increase of 32%. The average was 56 applications per month. The applications comprised a total of 1,185 classes compared to 1,050 in 2021.

Figure 9: Trends in mark applications and classes filed in 2022





The target set for mark applications in 2022 was 300 while the actual number of mark applications received was 672. The marks were expected to contain a total of 600 classes but the marks had a total of 1185 classes instead. For the mark applications and the classes, this performance surpassed the targets by 224% and 197% respectively.

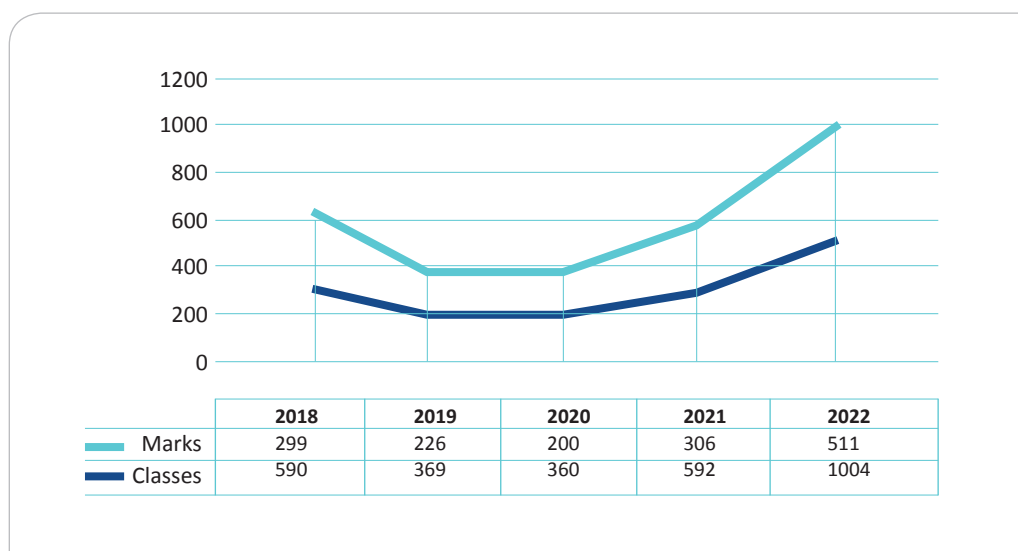
*Table 7: Number of mark applications and classes received in 2022*

MARK APPLICATIONS RECEIVED			
Domain	Target	Actual	Achievement
Mark applications	300	672	224%
Mark classes	600	1,185	197%

## 2. Mark Registrations

The number of marks registered during the reporting period rose from 305 in 2021 to 511 in 2022, an increase of 66%. The average registration rate was 45 marks per month.

*Figure 10: Trends of mark applications and classes registered between 2018 and 2022*



The target set for mark registrations for 2022 was 350 with a total of 800 classes, however, a total of 511 were registered, with 1,004 classes, marking an achievement of 140% and 125% respectively.

*Table 8: Number of marks registered*

MARK REGISTRATIONS			
Domain	Target	Actual	Achievement
Mark registrations	350	511	140%
Mark classes	800	1004	125.5%

## Designation of States in Applications Filed

### a. Patents

A total of 8841 designations were made in 2022. The average designations stood at 10 states per application. The top five most designated states were Kenya 713 (8.1%), Ghana 633 (7.2%), Tanzania 566 (6.4%), Namibia 520 (5.9%) and Botswana 515 (5.8%).

Table 10: Member States designations in patents

State	BW	GH	GM	KE	LR	LS	MW	MZ	NA	RW	SC	SD	SL	ST	SZ	TZ	UG	ZM	ZW
2022	515	633	429	713	435	428	455	501	520	444	6	457	431	396	428	566	481	514	489
Designation %	5.8	7.2	4.9	8.1	4.9	4.8	5.1	5.7	5.9	5.0	0.1	5.2	4.9	4.5	4.8	6.4	5.4	5.8	5.5

### b. Utility Models

There were 266 designations made for utility models in 2022 with an average of 13 states per application. The top five designated states were: Tanzania 18 (6.8%), Ghana, Kenya and Zambia 17 (6.4%) each, and Rwanda and Uganda with 16 (6%) each.

Table 11: Member States designations in utility models

State	BW	GH	GM	KE	LR	LS	MW	MZ	NA	RW	SD	SC	SL	ST	SZ	TZ	UG	ZM	ZW
Since 1984	15	17	13	17	13	13	11	14	14	16	11	11	13	13	11	18	16	17	13
Designation %	5.6	6.4	4.9	6.4	4.9	4.9	4.1	5.3	5.3	6	4.1	4.1	4.9	4.9	4.1	6.8	6	6.4	4.9

### c. Industrial Designs

There were 1,035 designations in industrial design applications made during 2022, averaging 8 designations per application. The top five (5) designated states were: Zimbabwe 80 (7.7%), Botswana and Kenya 69 (6.7%) each, (Tanzania 68 (6.6%), and Uganda 64 (6.2%).

Table 12: Member States designations in industrial designs

State	BW	CV	GH	GM	KE	LR	LS	MW	MZ	NA	RW	SC	SD	SL	ST	SZ	TZ	UG	ZM	ZW
2022	69	1	64	38	69	53	55	54	59	58	63	16	51	35	34	39	68	64	62	80
Designation %	6.7	0.1	6.2	3.7	6.7	5.1	5.3	5.2	5.7	5.6	6.1	1.5	4.9	3.4	3.3	3.8	6.6	6.2	6	7.7

### d. Marks

3,738 designations were made in 2022 in the 672 applications received reflecting an average of 6 designations per application. The top five designated states during the reporting period were Zimbabwe 571 (15.3%), Botswana 445 (11.9%), Namibia 380 (10.2%), Malawi 382 (10.2%), and Mozambique 377 (10.1%).

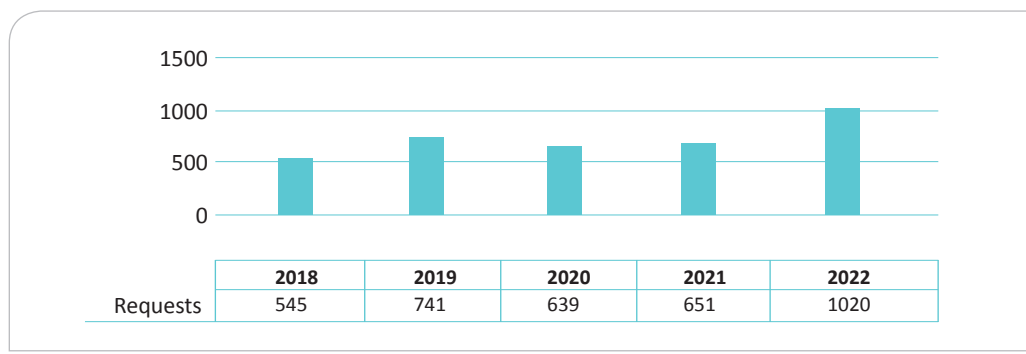
Table 13: Member States designations in marks

State	BW	CV	GM	LR	LS	MW	MZ	NA	ST	SZ	TZ	UG	ZW
2022	445	46	171	235	219	382	377	380	211	203	251	247	571
Designation %	11.9	1.2	4.6	6.3	5.9	10.2	10.1	10.2	5.6	5.4	6.7	6.6	15.3

## Requests for Examination

Requests for examination have recorded steady year-year improvement since the requirement was introduced in 2017. In 2022 a total of 1,020 requests were received compared to 651 in 2021, marking an increase of 57%.

Figure 11: Requests for examination received between 2018 and 2022

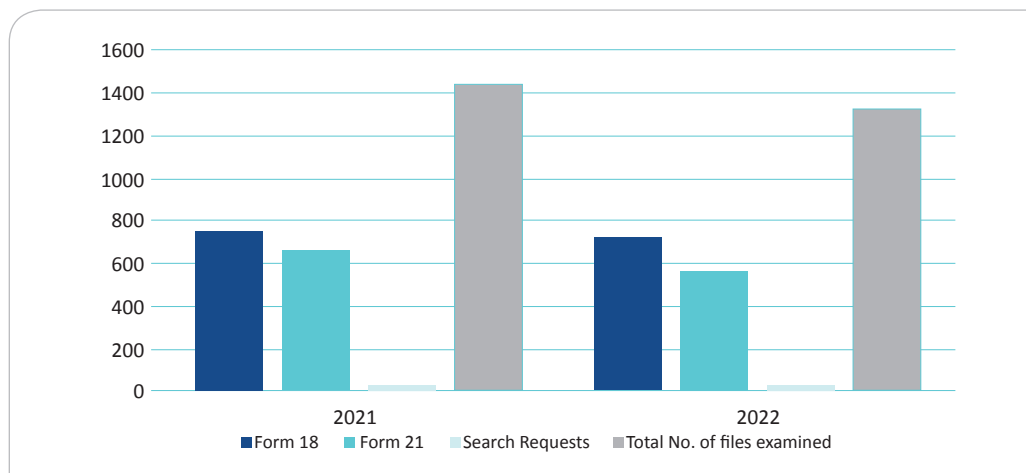


## Substantive Search and Examinations

Table 14: Substantive search and examinations conducted in 2021 and 2022

Examinations Conducted	Form 18	Form 21	Search Requests	Total Number of Files Examined
2021	749	673	27	1,449
2022	723	562	40	1,325

Figure 12: Substantive search and examinations conducted in 2021 and 2022



ARIPO examiners carry out an exhaustive search and examination process which informs the granting or declining of applications. The number of total files examined in 2022 decreased by 9% from 1449 to 1325.

## STRATEGIC GOAL 2

PROMOTE THE DEVELOPMENT OF  
IP POLICIES, LAWS AND SYSTEMS  
APPROPRIATE TO THE NEEDS OF THE  
ORGANIZATION'S STAKEHOLDERS

# KAMPALA PROTOCOL ON VOLUNTARY REGISTRATION OF COPYRIGHT AND RELATED RIGHTS

ADOPTED AT KAMPALA



## EFFECTIVE LEGAL FRAMEWORKS

The implementing regulations for the Kampala Protocol were adopted by the 46<sup>th</sup> Session of the Administrative Council held in Maputo, Republic of Mozambique in November 2022. Twelve (12) ARIPO Member States namely: The Gambia, Ghana, Liberia, Malawi, Mozambique, Namibia, São Tomé and Príncipe, Sudan, Sierra Leone, United Republic of Tanzania, Uganda, and Zambia, have signed the Kampala Protocol. The Protocol is now open for ratification or accession. It will enter into force once five countries have deposited their instruments of ratification or accession to the Director General of ARIPO.

Furthermore, ARIPO through the support of the Directorate of Intellectual Property Indonesia, commenced the installation of the e-copyright system for voluntary registration of Copyright and Related Rights, which is a building block towards the implementation of the Kampala Protocol.

## Capacity Building and Awareness Creation

ARIPO in collaboration with the AfRIPI project, held “*Experience Sharing on Voluntary Registration of Copyright and Related Rights*” virtual training for members of staff of ARIPO on 6 October 2022. The training was meant to expose ARIPO members of staff to the practical aspects of voluntary registration of copyright as well as to appreciate and learn from countries that are already implementing the system. These countries, which included Ghana, Kenya, Hungary, Spain, and the United States of America, were also facilitators.

## Enhanced Cooperation with Strategic Regional and International IP and Economic Communities

### Organize Activities in Collaboration with Partners

ARIPO managed to organize and undertake the following activities:

*Table 15: Activities organised with partners*

	Activity	Place	Date
(a)	Mechanical Licensing Collective (The MLC) of USA Virtual orientation for ARIPO CMOs	Virtual meeting	8 March 2022
(b)	ARIPO-IFPI CMO Board Members	Virtual training	13 April 2022
(c)	NORCODE Master Class	Nairobi, Kenya	18 - 25 May 2022
(d)	CMO Digital Licensing and Documentation	Virtual workshop	21 - 23 June 2022
(e)	CMO Reciprocal Agreements	Virtual meeting	12 July 2022
(f)	Training support for Lesotho Copyright Society of Authors and Artists (LESCOSAA)	Kingdom of Lesotho	6 - 7 September 2022
(g)	Regional Seminar on Copyright and Related Rights in the Audio-visual Sector	ARIPO, Harare	10 - 11 October 2022
(h)	Training on Collecting and Analysing Data on the Economic Contributions of Copyright Industries	Harare, Zimbabwe	17 - 18 October 2022
(i)	The 4 <sup>th</sup> Annual Symposium on Copyright & Related Rights	ARIPO, Harare	19 - 21 October 2022

In addition to the above, ARIPO participated in the following international conferences and meetings:

*Table 16: ARIPO participation in international conferences and meetings*

	Activity	Place	Date
i.	Africa Anti-Counterfeiting Agenda launch contributed to "The Big-Debate" panel discussions	Virtual	22 -24 February 2022
ii.	INTERPOL Southern Africa Regional Bureau and presented on the topic "Basics of IP Crime: Principles and concepts, counterfeiting and piracy in Southern Africa."	Virtual	23 - 25 May 2022
iii.	WIPO Standing Committee on Copyright and Related Rights (SCCR)	Geneva, WIPO	9 - 13 May 2022
iv.	Participated in the Judicial IP Bench book working committee meetings	Kigali, Rwanda	19 - 22 July 2022
		Geneva, Switzerland	14 - 18 November 2022



## INCREASE ACCESSIBILITY OF IP RIGHTS INFORMATION

### Develop Copyright and Related Rights Publications

ARIPO developed and disseminated the “Copyright and Related Rights in a Nutshell” publication<sup>1</sup>. The publication has information that will increase knowledge and understanding of copyright and related rights matters simply yet adding value to the users of this information. Link to all copyright publications: <https://www.aripo.org/publications/copyright-publications>.

Furthermore, ARIPO in cooperation with the United States Department of Justice (USDoJ) is initiated the development of an IP Judicial Bench Book that will be used as a toolkit to create awareness and capacitate the judiciary to adjudicate IP cases effectively.

## ACTIVE ADVOCACY FOR CREATIVITY, INNOVATION AND COMMERCIALISATION OF IP

### IP Education and Awareness for Youth

The pilot project on the “Establishment of IP Clubs in ARIPO Member States Secondary Schools” which commenced in March 2022, was deployed in Botswana, Malawi, and Zimbabwe as pilot countries, to eventually be spread to other Member States.



*The ARIPO Administrative Council Chairman, Mr. Willie Mushayi, ARIPO Director General, Mr. Bemanya Twebaze; and WIPO Director General, Mr. Daren Tang and other stakeholders pose with the 2022 winners of the IP Schools Club competition.*

The project is geared towards creating IP awareness, building respect for IP, and cultivating an innovative and creative culture among school-going youths (13-18 years). A total of twenty (20) teachers from the nine participating schools were trained. IP Clubs comprising 182 members were established in the schools. The pilot countries undertook National IP Competitions and the winning school clubs competed at a regional level. The regional awards ceremony was held on the sidelines of the 46<sup>th</sup> Session of the Administrative Council on 22 November 2022 in Maputo, Mozambique. The ceremony was graced by the ARIPO and WIPO Directors General.

## **STRATEGIC GOAL 3**

STAKEHOLDER ENGAGEMENT,  
MEMBERSHIP DRIVE, STRATEGIC  
PARTNERSHIPS, REGIONAL AND  
INTERNATIONAL COOPERATION

## The 2022 ARIPO Governing Bodies

The 46<sup>th</sup> Session of the Administrative Council of ARIPO was held in Maputo, Republic of Mozambique from 21 to 25 November 2022.

The Minister of Trade and Industry of the Republic of Mozambique, Honourable Silvino Moreno, was the Guest of Honour, while the WIPO Director General, Mr. Daren Tang was a special guest.

Among the highlights of the Session was the adoption of the proposed amendments to the Harare and Banjul Protocols. The amendments were necessitated by the need to continuously simplify processes for applicants and facilitation by the ARIPO Secretariat.



*From left: ARIPO Director General, ARIPO Administrative Council Chairman, The Minister of Trade and Industry of the Republic of Mozambique, Honourable Silvino Moreno; and WIPO Director General, Mr. Daren Tang at the 46<sup>th</sup> session of the Administrative Council of ARIPO.*

Some of the amendments to the Harare Protocol included the establishment of the parameters for not granting patents in respect of plants or animals exclusively obtained using an essentially biological process, as well as amendments for international applications under the Patent Cooperation Treaty (PCT).

The notable amendments to the Banjul protocol include procedures to process applications related to *Changes in Registered Particulars, Cancellation of a Registered Mark or Withdrawal of Application, or Reduction of Classes, and the corresponding forms and fee structure.*

## Director General's Report

The Director General presented his report, which was anchored on the Strategic Plan 2022-2026 and the Organization's Programme of Activities and Budget for 2022. The report gave some highlights, including membership growth, new accessions to Protocols, IP promotion and capacity building in Member States, and enhancement of existing strategic partnerships.

The DG informed the Council of the Organization's membership growth, with the Republic of Cabo Verde becoming the 22nd member of ARIPO effective 14 July 2022. He also informed them about the inaugural Conference of Heads of IP Offices (HIPOC) held in the Kingdom of Eswatini with the support of WIPO from 8 to 10 June 2022, and activities undertaken under AfRIPI funded by the European Union and implemented by the European Intellectual Property Office (EUIPO).

## Attendance

All the 22 ARIPO Member States were represented at the Session. Observer States in attendance were Angola and Burundi.



Attendees at the 46<sup>th</sup> Session of the ARIPO Administrative Council held in Maputo, Mozambique.



Inter-governmental Organizations and Co-operating Partners represented were: WIPO, *Organisation Africaine de la Propriété Intellectuelle* (OAPI), EPO, the Canadian Intellectual Property Office (CIPO, the International Union for the Protection of New Varieties of Plants (UPOV), the International Trademark Association (INTA), the Eurasian Patent Office (EAPO), the Intellectual Property Office of Singapore (IPOS), the International Confederation of Societies of Authors and Composers (CISAC). China National Intellectual Property Administration (CNIPA) and JPO sent in their pre-recorded statements.

Patent agents represented were Adams & Adams Attorneys, Ngeri, Omiti and Bush, and Roland IP Consultants.

## The Republic of Cabo Verde joins ARIPO

The Republic of Cabo Verde deposited Instruments of Accession to the Lusaka Agreement and its Protocols on 14 July 2022. The Instruments of Accession were handed to the Director General by the Minister of Energy, Trade and Industry of Cabo Verde, Honourable Alexandre Monteiro on the margins of the WIPO Assemblies in Geneva. The Director General also had an engagement with the Prime Minister of Cabo Verde, Rt. Hon. José Ulisses de Pina Correia e Silva, who pledged support to ARIPO.



*Cabo Verde's Minister of Energy, Trade and Industry, Hon. Alexandre Monteiro, presented the instruments of accession to the Director General of ARIPO, Mr Bemanya Twebaze, at a ceremony held at the Embassy of Cabo Verde in Geneva, Switzerland on 14 July 2022.*



*ARIPO staff members celebrating the hoisting of the Cabo Verde flag as the 22<sup>nd</sup> ARIPO Member State.*



## Launch of the Heads of Intellectual Property Offices Conference (HIPOC) for ARIPO Member States

HIPOC is an ARIPO-WIPO joint initiative that was one of the key outcomes of the engagement between the Heads of the two Organizations in the margins of the 62<sup>nd</sup> Series of the Assemblies of WIPO Member States. The inaugural HIPOC for the ARIPO Member States was held from 8 to 10 June 2022 in Ezulwini, Kingdom of Eswatini. The conference was jointly organized by ARIPO and WIPO in collaboration with the Kingdom of Eswatini.



*The Minister of Commerce, Industry and Trade, Hon. Senator Manqoba Khumalo and the Principal Secretary, Mr. Siboniso Mukambule with heads of IP Offices from ARIPO Member States at the inaugural Session of HIPOC held in the Kingdom of Eswatini.*

The launch ceremony was graced by the Minister of Commerce, Industry & Trade, Hon. Senator Manqoba Khumalo and the Principal Secretary, Mr. Siboniso Nkambule.

The objective of the forum is to provide a platform for the Heads of ARIPO Member States IP Offices to candidly discuss IP-related developments in the Member States and adopt a more coherent and efficient approach toward the implementation of collaborative activities undertaken with WIPO and other partners. It also aims to promote cooperation and candid dialogue amongst the Member States to share the region's best practices and experiences in IPR administration and management. It further seeks to strengthen the nexus between ARIPO, WIPO and Heads of IP Offices.

While Heads of IP Offices meet annually as ARIPO Administrative Council to discuss pertinent matters of the Organization, this forum does not present sufficient space to allow engagement on topical issues facing the IP landscape in the ARIPO region. HIPOC is meant to close this gap.

The forum presents an opportunity for solutions towards improving economic growth, food security, poverty eradication, and finding effective responses to stem climate change challenges. It also offers an opportunity for the Heads of IP Offices to take stock and recalibrate for effective leadership strategies.

## International Cooperation

ARIPO in collaboration with cooperating partners, undertook several initiatives. With the support of WIPO and the European Union through AfrIPI, virtual and physical workshops were organized in the framework of AfrIPI for the benefit of ARIPO Member States.

Other cooperating partners that collaborated with ARIPO in carrying out activities in 2022 include EPO, USDOJ, the United States Patent and Trademark Office (USPTO), JPO, the International Federation of Reproduction Rights Organisations (IFRRO), INTERPOL, the Directorate of Intellectual Property of Indonesia (DGIP), the Performing Artists' Intellectual Property Rights Management Entity (*Fundación AISGE*), the Norwegian Copyright Development Association (NORCODE), and International Federation of the Phonographic Industry (IFPI).

## High-level Engagements

The Director General held several high-level meetings in the year that included the following:

- (i) Mission to the Republic of Seychelles from 20 to 22 April 2022 that was facilitated by the Registrar General of Seychelles, Mrs. Wendy Pierre. The Director General engaged several senior government officials.
- (ii) Visit to the Kwame Nkrumah University of Science and Technology (KNUST) and participation in the MIP Programme Advisory Board meeting. The Director General engaged the Vice Chancellor of KNUST, Prof. Rita Akosua-Dickson. The Director General also had a courtesy call on the Deputy Attorney-General and Deputy Minister for Justice of the Republic of Ghana, Hon. Alfred Tuah-Yeboah.
- (iii) Mission to the United Republic of Tanzania for the sensitization on the Arusha Protocol, including a visit to the University of Dar es Salaam (that hosts the MIP Programme): 31 October to 2 November 2022. The Director General had a meeting with the Vice-Chancellor Professor William A. L. Anangisy. The Director General also met the Minister of Agriculture, Honourable Hussein Mohamed Bashe, and the Deputy Minister for Investment, Industry and Trade, Honourable Exaud Kigahe. These engagements were facilitated by the Chief Executive Officer of the Business Registrations and Licensing Agency (BRELA).

- (iv) High-Level Brainstorming Session on Intellectual Property Rights organized by the AfCFTA Secretariat in Johannesburg on 25 February 2022.
- (v) ARIPO-OAPI 6<sup>th</sup> Joint Commission held in Yaoundé, Cameroon, from 16 to 18 May 2022.
- (vi) Visit to Africa University in Mutare, Zimbabwe on 22 August 2022 to launch the MIP programme offered at the University and participation in the Steering Committee Meeting of the partners Africa University, ARIPO and WIPO.

On the sidelines of the 63<sup>rd</sup> series of meetings of the WIPO Assemblies, the Director General had engagements with several stakeholders and cooperating partners including the Director General of WIPO, Mr. Daren Tang, and members of the WIPO's Senior Management. Other cooperating partners that the Director General engaged are EUIPO, EPO, JPO, the Canadian Intellectual Property Office (CIPO), INTA, and DGIP of Indonesia DGIP.

## STRATEGIC GOAL 4

STRENGTHEN THE REGIONAL IP  
INFORMATION HUB AND CAPACITY  
BUILDING



## REGIONAL IP INFORMATION HUB AND CAPACITY BUILDING

### Functions of the ARIPO Academy

The ARIPO Academy was established to undertake the following functions:

- Promote IP knowledge and development in Africa.
- Promote the development of human resources in IP.
- Develop training courses on IP.
- Conduct research and studies and make available information on IP for the general public; and to
- Foster partnerships and cooperation with relevant institutions.

The functions and activities of the ARIPO Academy are built on four Strategic Pillars of the 2022-2026 ARIPO Strategic Plan, as follows:

### I. HUMAN CAPITAL DEVELOPMENT

The Academy offers academic programs in IP at master's level in partnership with universities in ARIPO Member States to develop for the African continent the much-needed human resources in the field of IP. ARPET and other professional development programs fall under this strategic pillar.

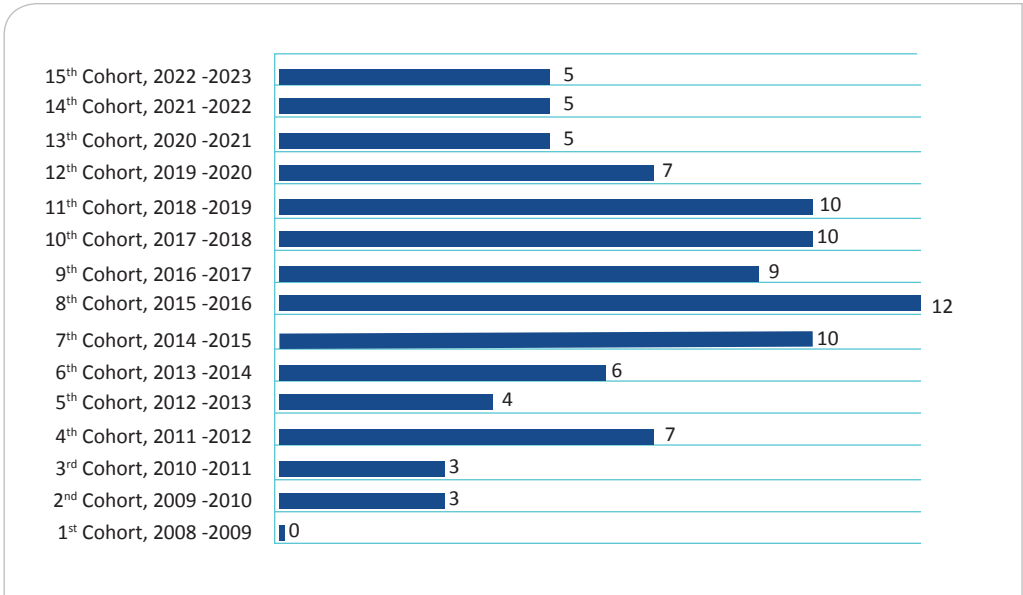
In 2022, the Academy undertook the following activities:

## A. ACADEMIC PROGRAMS IN PARTNERSHIP WITH UNIVERSITIES IN ARIPO MEMBER STATES

### (i) Master’s Degree in Intellectual Property at Africa University (AU) Mutare, Zimbabwe

The master’s degree is offered by Africa University in partnership with WIPO and ARIPO. Since 2008 ARIPO has sponsored 96 students from Member States as shown in Fig 13.

Figure 13: ARIPO MIP scholarships at Africa University by cohort



Following the 2022 graduation, the total number of graduates of the MIP programme at Africa University stood at 403 since the inception in 2008. The MIP graduates come from 27 countries across Africa.

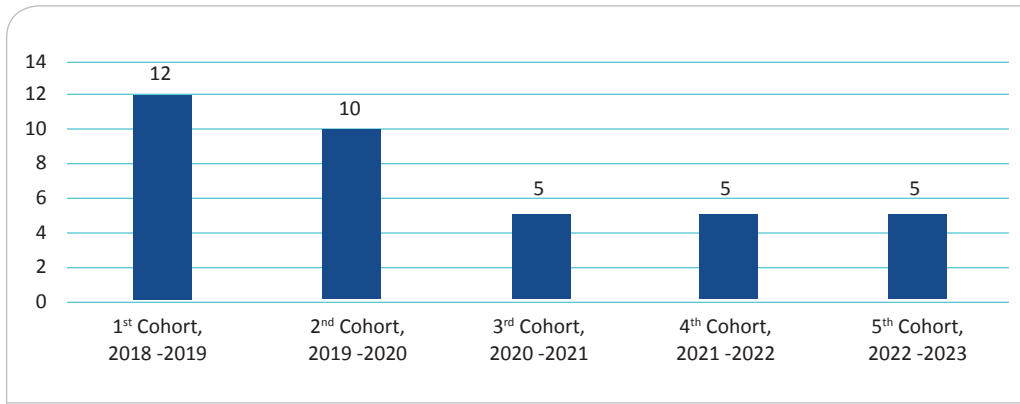
### (ii) Master of Philosophy Degree in Intellectual Property at Kwame Nkrumah University of Science and Technology (KNUST)

The master’s degree, offered by KNUST in partnership with ARIPO and the IP Office of Ghana was launched in August 2018.

Since 2018, ARIPO has awarded 37 scholarships to students from its Member States as shown in Figure 2.



Figure 14: ARIPO MIP scholarships at KNUST by cohort



### (iii) Master’s Degree in Intellectual Property at the University of Dar es Salaam (UDSM)

The master’s degree, offered by UDSM in partnership with ARIPO and BRELA, commenced in August 2019. Since its inception in 2019, ARIPO has supported 20 students from its Member States with scholarships, five each year.

## B. PROFESSIONAL DEVELOPMENT PROGRAMMES (PDP)

The professional development programmes are aimed at enhancing the IP skills of the participants. In 2022, the following professional development programmes were undertaken:

### (i) ARIPO Regional Patent Examination Training

ARPET contributes to ARIPO’s mandate to build the much-needed IP human capital in the field of patent examination. It is an 18-month competency-based training focused on a consistent application of patent examination knowledge and skills that meet the standard of performance required in the workplace. It embodies the ability to transfer and apply skills to new situations and environments.



#### *ARIPO Regional Patent Examination Training in Zanzibar*

The training, which initially targeted ARIPO examiners, was rolled out in September 2021 to build capacity in research institutions, IP offices and universities in the Member States and the Observer States of the Organization.

EPO through the Reinforced Partnership with ARIPO supported the ARPET training with expert trainers who acted as coaches and mentors for the trainees in collaboration with ARIPO examiners. Phase A was delivered virtually in 2021. Phase B was completed in July 2022 in Zanzibar, while Phase C and D of the training will take place in 2023.

Phase C is the practical part of the training which requires access to the broader expertise of the EPO while Phase D is the train-the-trainer which ensures continuity by equipping the participants with the capacity to pass the knowledge onto other colleagues back in their respective offices or countries.

#### **(ii) ARIPO-EPO University Outreach Project**

The University Outreach Project brought together selected universities in the Member States of ARIPO in an initiative that would take them through the latest methodologies to augment their research capacity.

The training aimed to build the participating universities' capacity to conduct patent searches, particularly on the importance of IP and patent systems, patent information and patent search tools. The training also builds the capacity of the academics, researchers, and technology transfer officials in the Universities to retrieve relevant patent information.

Eighteen (18) universities from the ARIPO region participated in the pilot phase which ended in June 2022. Based on the pilot's success and demand, the project's next phase is being planned with EPO. Plans are underway to roll out the project in the Member States.

### (iii) Patent Libraries

The Reinforced Partnership aims to strengthen the ARIPO-EPO cooperation in IP outreach and capacity-building to develop competencies in IP valorisation at universities in the ARIPO member states. The PATLIB project operationalizes knowledge transfer between the European network of PATLIB and similar institutions in the ARIPO membership.

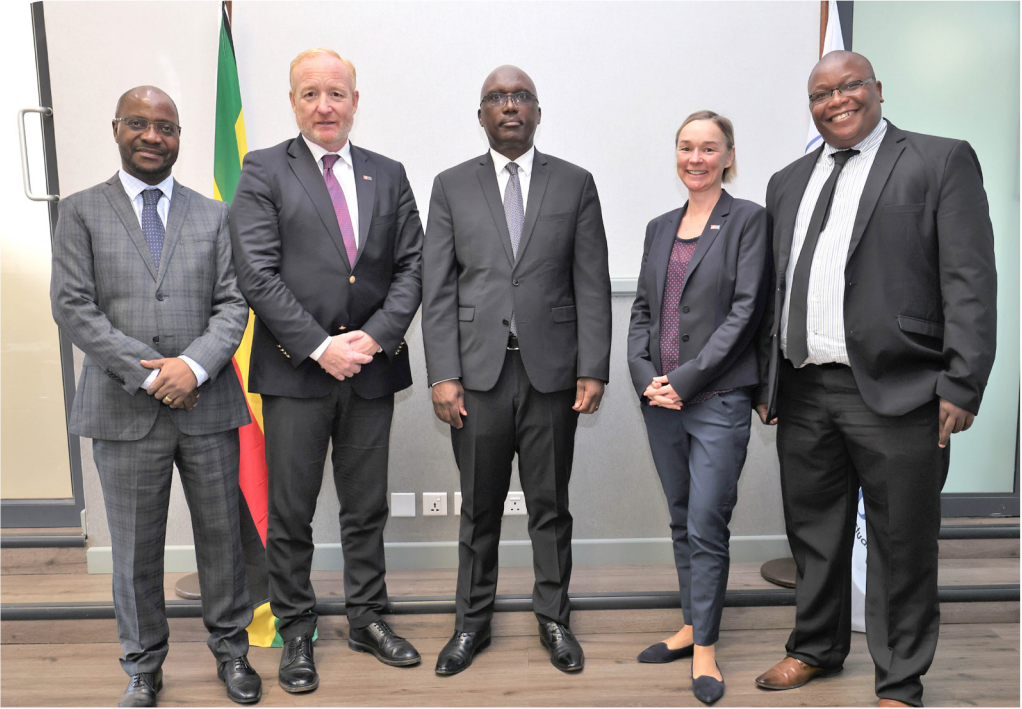


*Delegates from Member States at the ARIPO Secretariat during the PATLIB session which was officially opened by EPO President Mr. Antonio Campinos and ARIPO Director General, Mr. Bemanya Twebaze.*

The project was launched as a pilot program with six universities from the ARIPO member states to assess capacities and competencies and identify improvement areas. The project will help develop the ability required to run innovation support services independently and facilitate access to patents by researchers and technology pioneers, thereby making the use of IP rights an effective instrument to boost economic growth.

The six universities which participated in the pilot phase are Eduardo Mondlane University in Mozambique, Kwame Nkrumah University of Science and Technology (KNUST) in Ghana, Malawi University of Science and Technology, University of Seychelles, University of Rwanda, and University of Sao Tome and Principe.

The highlight of this event was the seminar organized to coincide with the visit of the EPO President Mr. Antonio Campinos. The EPO President held several discussions with the Director General of ARIPO including a roundtable discussion on the future of the Knowledge Transfer to Africa initiative.



*Director General Bemanya Twebaze welcomed the EPO Delegation led by President Antonio Campinos.*

The universities were joined by 6 other local universities at an event organized in ARIPO, themed PATLIB Seminar: IP Awareness Sessions on Patents and Innovation for Africa. The event was co-organized with EPO and funded by AfrIPI. It was broadened to include other universities from Angola, Cabo Verde, Ethiopia, Nigeria, South Africa, and Tunisia totalling 42 participants. As it was hybrid, there were other online resource persons from various PATLIB network centres. AfrIPI also participated and shared a presentation on their Helpdesk service and other activities.

Development plans for each university are being developed, and this will be followed by training and mentorship.



## II. INTELLECTUAL PROPERTY PROMOTION

The Academy develops and organizes IP awareness activities and short courses for researchers, SMEs, as well as staff and students in academic and research institutions to promote the creation, protection and utilization of IP for socio-economic and technological development.

In 2022, the Academy undertook the following activities:

### (i) IP Seminars for Academic and Research Institutions

ARIPO delivered IP Awareness Seminars for academic and research institutions in the Kingdom of Lesotho and The Gambia. The seminars were intended to enhance IP awareness among researchers; staff and students from academic and research institutions to promote the creation, protection and utilization of research results using IP tools for socio-economic and technological development.

In the Kingdom of Lesotho, the seminar was organized in cooperation with the Office of the Registrar General and the National University of Lesotho (NUL) and 96 participants attended.

At the end of the seminar, ARIPO was requested to work with the University to ensure that IP awareness and sensitization were ramped up as IP was a relatively new area in Lesotho institutions and society in general. The participants requested ARIPO to hold more seminars on the IP and lauded the relevance of all the topics presented.

The Gambia roving seminar was organized in cooperation with the Registrar General's Office and the University of The Gambia in which 11 participants attended the seminar.

Participants recommended the promotion of strategic IP management and support for the development and implementation of IP policies in universities and research institutions. They further recommended the training of legal advisors, universities and research institutions in patent drafting and use of the patent databases.

### (ii) First IP Awareness Workshop for Harare Institute of Technology

On request from Harare Institute of Technology (HIT), ARIPO organized two IP workshops for the institution in March 2022.

The first workshop focused on raising general IP awareness for staff and researchers of the institution. Thirty (30) participants were in attendance. At the end of the workshop, the participants recommended another workshop on Institutional IP Policy implementation as well as to train staff and researchers on patent searches.

### (iii) IP Crime Basic Training for Law Enforcement Officers

ARIPO participated as the facilitator in the IP Crime Basic Training for Law Enforcement Officers organized by INTERPOL in May 2022. The training was conducted virtually, and the participants were newly recruited Police Officers from the 16 Member States of Southern African Development Community (SADC), 11 of which are also ARIPO Member States.

The objectives of the training were to enhance the knowledge of newly recruited police officers in IP crime, measures and role of IP crime investigations in preventing other serious crimes; as well as to strengthen the efforts of the law enforcement agencies in Southern Africa in preventing and combating IP crime. The training further provided participants with an opportunity to learn about the existing context of IP crime in the African region and strengthen synergies for the protection of IPR.



*From left to right: Mr Futoshi Yasuda (JPO), Ms. Martha Chikowore (WIPO) ; Ms. Lorreta Asiedu (WIPO) & Dr. Outule Rapuleng (ARIPO).*



#### (iv) MIP Conference on Intellectual Property for Business Management

The partners WIPO, ARIPO and Africa University organized an Intellectual Property for Business Management Conference.



*Participants at the Invention and Creation for Business Conference at the Rainbow Towers Hotel in Harare.*

The objective of the meeting was to promote the use of IP for business management among the students and graduates of the Masters in Intellectual Property Degree program at Africa University. A total of 50 alumni and 28 students participated in the conference. MIP graduates who are running IP businesses shared valuable experiences with other alumni and current students who attended the conference.

### III. STRENGTHENED AND HARMONIZED LEGAL FRAMEWORK

The Academy promotes the development and use of institutional IP policies by organizing seminars for universities and research institutions.

In 2022, the Academy undertook the following activities:

#### (i) Workshop for HIT

The second workshop also had 30 participants. The follow-up workshop focused on how to implement an institutional IP policy as well as on how to conduct patent searches. It also included IP valuation as a way to encourage right-holders to securitize their IP subject to national legislation.

#### (ii) IP Workshops for Marondera University of Agricultural Sciences and Technology (MUASt)

ARIPO participated as a facilitator in a workshop that was organised by MUASt in September 2022 at its campus in Marondera. Sixty (60) participants attended the workshop.

The workshop focused on general IP awareness, including the usefulness of patent information for research; patent searches; technology transfer and commercialization of IP; and the development and implementation of institutional IP policy.

### IV. GROWTH STRATEGY AND SUSTAINABILITY

The Academy strengthens existing partnerships with academic institutions and establishes new ones. The Academy also cooperates with other institutions to undertake IP awareness and capacity-building initiatives.

In 2022, the Academy undertook the following:

#### (i) Strengthened Existing Partnerships with Academic Institutions

ARIPO continued to partner with Africa University in Mutare, Zimbabwe; KNUST in Kumasi, Ghana; and the University of Dar es Salaam in Tanzania to offer academic programmes at master's level in IP. ARIPO supports these academic programs with scholarships and teaching resources.

## (ii) Collaboration with the Southern African Development Community (SADC)

ARIPO collaborated with SADC to organize 3 hybrid IPR training for policymakers, IP officials, and SMEs in the leather and pharmaceutical value chains for antiretroviral treatments (ARVs).

The trainings were organized to improve the performance and growth of selected regional value chains within the agro-processing and pharmaceutical sectors within the context of SADC's Industrialization Strategy and Roadmap 2063.

Titled 'Regional Capacity Building on Strengthening of Regional and National IPR Policies and Regulations and Trade-Related Aspects of Intellectual Property Rights (TRIPS) Compliance under Support to Industrialization and Support to Productive Sectors (SIPS) Programme', the intervention was a culmination of several joint meetings and planning between SADC and ARIPO.

The training was held at ARIPO Secretariat in October 2022 and a total of 56 participants from 12 SADC Member States were trained.

Recommendations by the participants included the call for ARIPO to formalize its collaboration with SADC in promoting IP awareness and to support the industrialization and regional value chains in SADC.

## STRATEGIC GOAL 5

BUILD A DIVERSE, INCLUSIVE,  
AGILE AND HIGH-PERFORMING  
ORGANIZATION

## OUR PEOPLE



*The ARIPO Administrative Council Chairman, Mr. Willie Mushayi, joined the ARIPO staff members at their 2022 annual staff retreat in Kariba, Zimbabwe.*

### Strategic Alignment of ARIPO's Performance Management System

ARIPO continues to pursue the building of a high-performance culture through a systematic performance management process that ensures accountability towards the achievement of the Organization's objectives under the broader vision to be *'Africa's leading IP Organization that promotes socio-economic development'*. The Organization shifted from the value and growth performance management system to the Balanced Scorecard (BSC) methodology to realign the performance management to the new strategic plan. The BSC is a strategic planning and management system that is used extensively in business and industry, government, and inter-governmental organizations worldwide to align business activities to the vision and strategy of the organization, improve internal and external communications, and monitor organizational performance against strategic goals.

The Organization's business model is also visualized in a strategy map that outlines the cause-and-effect relationships between the different strategic objectives measured around four perspectives namely: *financial, stakeholders, internal processes, and organizational capacity*. A consultant was engaged to facilitate the BSC implementation process that involves capacitating BSC champions, training staff, developing performance scorecards, and automation of the performance management system.

## Staff Appointments

The following new members of staff joined the Secretariat effective 1 November 2022:



### Dr Ramzy Kuku

**Patent Examiner, Mechanical Engineering**  
*(PhD Mechanical Engineering, MSc Mechanical Engineering, BSc Mechanical Engineering)*



### Dr Makhosazana Gamedze

**Patent Examiner, Organic Chemistry**  
*(DTech Chemistry, MTech Chemistry, BSc Chemistry & Biology)*



### Miss Cathrine Denga

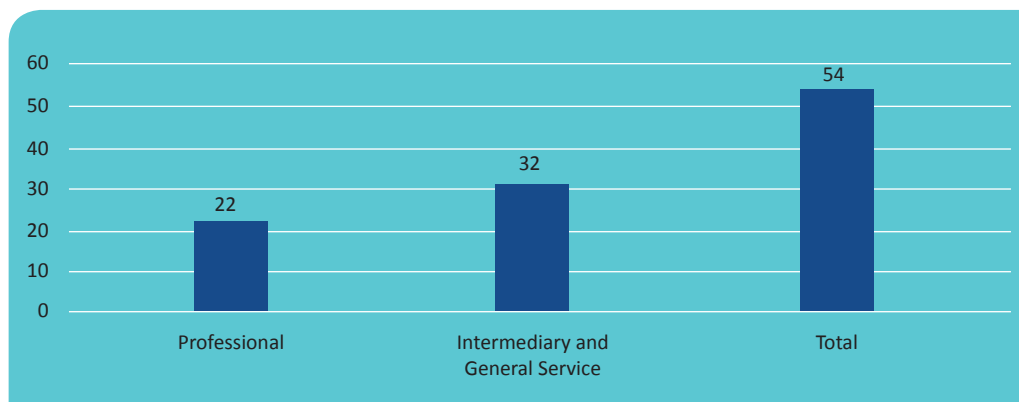
**Communications Associate**  
*(MComm Marketing Strategy, BSc Media & Society Studies)*



## Staff Compliment

ARIPO has a total of 54 employees. The organization’s staff compliment is depicted in the figure 15 below.

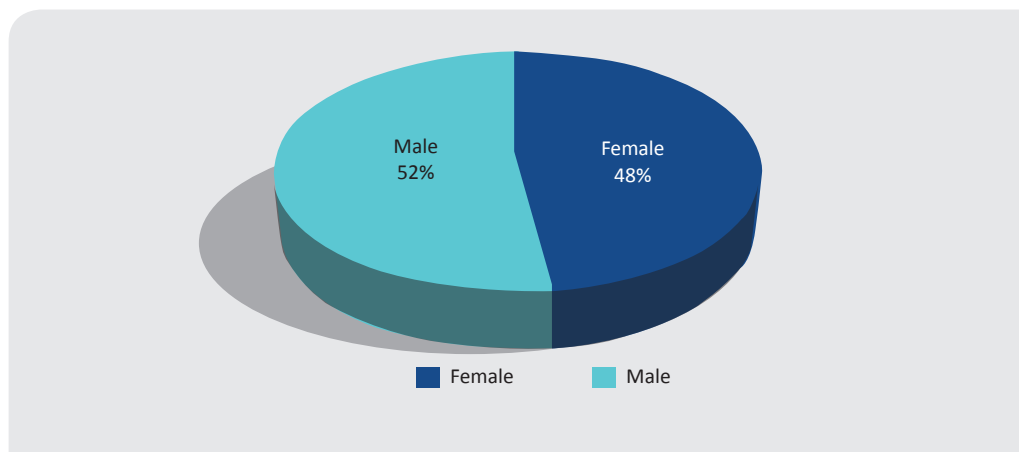
Figure 15: ARIPO staff compliment



## Gender Distribution

The organization’s gender distribution is depicted in the figure below.

Figure 16: Gender distribution of ARIPO staff



## Member State Representation

The Organization continues to strive towards enhancing Member State representation for internationally recruited posts and currently 13 out of the 22 Member States are represented at the Secretariat.

## TALENT DEVELOPMENT

The Organization is committed to building a high-performance culture through the systematic performance management process that ensures accountability for individual and team performance to ensure the achievement of the Organization's objectives. Various group training and development initiatives were conducted including Customer Service, Risk, Governance and Ethics, and the Balanced Scorecard. Individualized training initiatives were focused in the areas of Corporate Governance, Cyber Security, Leadership, Management Development, and Strategic Communications.

## WORK-LIFE BALANCE



*The ARIPO Administrative Council Chairman, Mr. Willie Mushayi, the retreat consultant, Prof Michael Dynamite Munkumba and ARIPO staff members during a boat cruise in Kariba, Zimbabwe.*

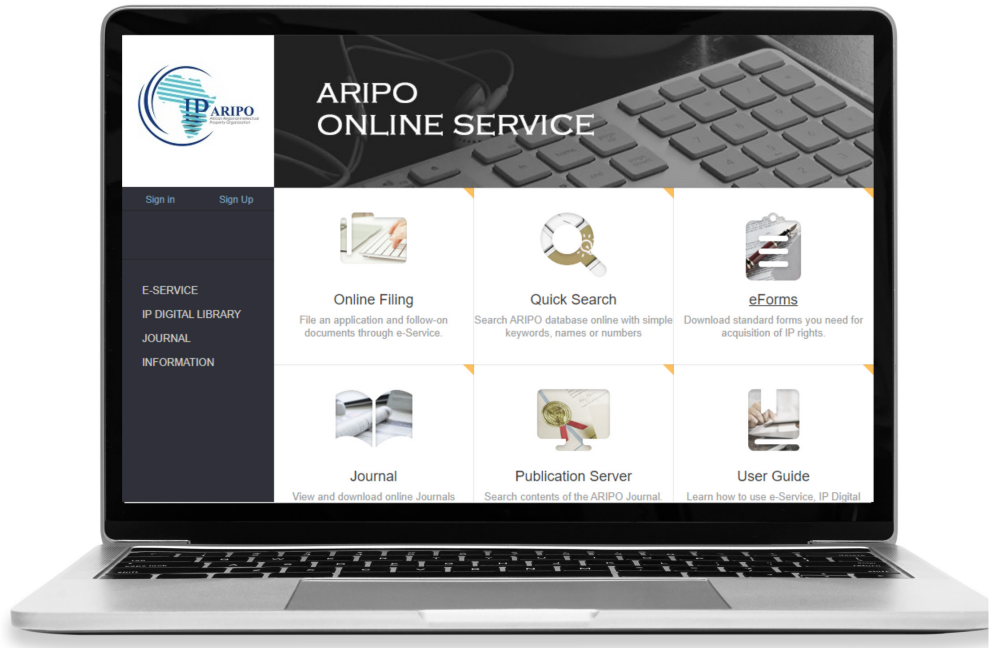
Employee health, safety, and wellness are critical for increased employee engagement, productivity, and performance. A physical fitness program is in place. This is supported by a well-structured leave plan to promote work-life balance whilst addressing leave liability.

# STRATEGIC GOAL 6

ENHANCE SERVICE DELIVERY  
THROUGH THE OPTIMAL USE OF  
DIGITAL TOOLS

## ARIPO Online Services

ARIPO offers effective and efficient services to the stakeholders through its online services platform. The ARIPO online services provide IP information service to the stakeholders and have an e-service functionality that enables e-filing and e-payment. This allows applicants to submit and pay for their IP applications without physically visiting the ARIPO office. 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 as well as fees information.



There was a high uptake of the online services with 86% of all new applications received in 2022 filed online compared to 83% in 2021. Individually, patents recorded the highest percentage with 96% of the applications filed online, the same as in 2021.

Workshops to promote the effective use of the ARIPO online service platform were held in The Gambia and Tanzania and virtually for the Zimbabwe Institute of Trademark and Patent Agents (ZIPTA).

## ARIPO Member States Module

The ARIPO Member States (MS) module allows for online data exchange between the IP administration system being used by the ARIPO Secretariat (POLite+) and the IP administration system being used in the Member States (IPAS). The module allows for paperless exchange of information and through it, ARIPO and its Member States can exchange all types of notifications, forms and documents online. The module has been implemented in 13 Member States namely; Botswana, The Gambia, Ghana, Kenya, Malawi, Mozambique, Namibia, Rwanda, São Tomé and

Principe, Tanzania, Uganda, Zambia and Zimbabwe. The module is being implemented with support from WIPO.

### Upgrade of the POLite+ System

ARIPO has embarked on a project to upgrade its IP administration system, POLite+ and the e-Service platform which were launched in March 2015 and supported by the Korean International Cooperation Agency (KOICA). This is in line with new technological trends and the need to meet 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 and the second phase was completed in December 2022.

### Virtualization of ARIPO Servers

The organization has virtualized its server environment to reduce operating costs, minimize downtime, improve efficiency and enhance disaster recovery. The project was initiated in 2021 and successfully completed in 2022.

### ARIPO Sub-Regional Technology and Innovation Support Centre (TISC) Network

The Sub-Regional TISC network encourages Member States to use TISC resources concretely to promote regional innovation and entrepreneurship. The ARIPO website and social media platforms have been used to promote innovation, IP awareness, and publish success stories from the region. In addition to that, a roster of IP experts from the region has been established as part of capacity development initiatives.

To support the work of the network, ARIPO and WIPO jointly organized a virtual Regional Meeting on Developing the Regional TISC Network that was held in March 2022. The meeting aimed to review the progress made, provide ARIPO and the network with TISC data updates and discuss the importance of certification towards professionalizing the TISC work.

# STRATEGIC GOAL 7

EFFECTIVE AND EFFICIENT  
COMMUNICATION AND  
MARKETING



## Enhancing Communication for Efficient Service Delivery

Effective and efficient communication and marketing are central to ARIPO's strategies towards shaping the IP landscape in Africa.

In 2022, ARIPO started issuing a comprehensive monthly newsletter on IP-related information and ARIPO activities to enhance communication with stakeholders for efficient service delivery. By the end of the year, the monthly newsletter had gained a total of 1,380 subscribers.

ARIPO continued to use social media as a communication platform for IP awareness, enabling the Organization to strategically reach followers from the Member States and beyond. The number of followers on ARIPO social media continued to rise. LinkedIn recorded an 84.4% increase from 2,250 by 31 December 2021, to 4,149 by end of December 2022. Twitter recorded a 38.97% increase from 4,054 to 5,634 and Facebook 14.23% from 6021 to 6,878. The number of engagements with ARIPO by our followers increased with more inquiries coming through social media.

The ARIPO website was regularly updated with articles that promote innovation and IP from its Member States and on ARIPO activities and achievements as well as virtual events. The development of a new website began in 2022 with the launch date set for 2023. The aim was to improve users' experience on the website as well as to ensure relevant information was easily accessed.

ARIPO in collaboration with AfriPI organized the first-ever Communication Training on the ARIPO Regional Intellectual Property Rights system from 8 to 10 November 2022 for the benefit of government communicators, IP office public relations and communications officers and journalists from Member States and Observer States.



*Representatives of National IP Offices, government communicators & the media from ARIPO Member and Observer States attended the inaugural training.*

## Enhancing Conversation and Inclusiveness of ARIPO in the IP Ecosystem

### International Exhibitions and Fora

The Office participates in international exhibitions and forums to ensure an increase in its visibility, system usage, and uptake of the ARIPO Protocols. ARIPO's participation was as follows:

- (i) The 2022 World IP Day whose theme was, *IP and Youth: Innovating for a Better Future* was commemorated on 26 April 2022. It celebrated youth-led innovation and creativity. A video message by the Director General to mark the day was posted on the ARIPO website and social media. In addition, an article by the DG to celebrate the day was published in 13 Member States. The article was published in the Daily News (Botswana), Observer (Kingdom of Eswatini), Forayaa (The Gambia), The Daily Nation (Kenya), Lesotho Times (Kingdom of Lesotho), The Analyst (Liberia), L'Express (Mauritius), The New Times (Rwanda), Tela Non Diaro (São Tomé and Príncipe), The New Vision (Uganda), The Times (Zambia) and The Herald (Zimbabwe). The article was translated into Portuguese and French.
- (ii) International Trademark Association's 144<sup>th</sup> Annual Meeting Live+ (In-person and Virtual) was held in Washington D.C., the United States of America, from 30 April to 4 May 2022. ARIPO had an exhibition from 30 April to 4 May 2022. Seven IP Agents/Attorneys from the Member States exhibited with ARIPO. The high-profile visits to the booth included the WIPO Director General, Mr. Daren Tang, the WIPO Deputy Director General, Ms. Lisa Jorgenson, the INTA CEO, Mr Etienne Sanz de Acedo, and the Head of International Cooperation, EUIPO, Mr Ignacio De Medrano. Heads of IP Offices from the Member States who also visited the ARIPO booth include the CEO of the Business and Intellectual Property Authority (BIPA) Ms. Vivienne Katjuongua, and Mrs. Jemima Oware, Acting Registrar General of Ghana.



*WIPO Director General, Mr. Daren Tang (middle) also toured the ARIPO booth, which was manned by Mr. Charles Pundo & Mrs. Susan Mwiti.*

*Ms. Vivienne Katjuongua - Chief Executive Officer, Business and Intellectual Property Authority (BIPA) Namibia and Mrs. Susan Mwiti - ARIPO Communications Officer*

- (iii) The 62<sup>nd</sup> Edition of the Zimbabwe International Trade Fair (ZITF) held from 26 to 30 April 2022 in Bulawayo under the theme, “Rethink, Reimagine, Reinvent Value Chains for Economic Development.” The event provided a platform for multisectoral engagement and networking. ARIPO participated as an exhibitor.



*The ARIPO team, made up of Ms. Flora Mpanju, Mr. John Kagwa and Mr. Charles Satumba, engaging with ZITF participants.*

- (iv) The 56<sup>th</sup> Zambia International Trade Fair (ZITF) from 29 June to 5 July 2022 in Ndola, Zambia. It was held under the theme, “Promoting Value Addition for Sustainable Growth.” The event also provided a multisectoral engagement and networking platform for the business community, universities, and innovation hubs. ARIPO participated as a joint exhibitor with the Patents and Companies Registration Agency (PACRA), the IP Office of Zambia.





The ARIPO team made up of Mr. John Kagwa and Mr. Charles Satumba participated at the Zambia International Trade Fair in Ndola, Zambia with the PACRA team.

(v) The 46<sup>th</sup> Dar es Salaam International Trade Fair (DITF), also referred to as the Sabasaba International Trade Fair and Exhibition (Sabasaba Exhibitions) was held under the theme “Tanzania, your Best Destination for Business and Investment” from 28 June to 13 July 2022 in Dar es Salaam, Tanzania. ARIPO participated as a joint exhibitor with BRELA, the IP Office of Tanzania.



ARIPO co-exhibited with BRELA at the 2022 Edition of the Dar es Salaam International Trade Fair in Tanzania.

## Protocol and Events

ARIPO is part of the Diplomatic Corps in Zimbabwe; as such, it participates in activities organized by the diplomatic community and works closely with the relevant authorities in the host country. The Organization has consistently attended all diplomatic functions and events in the host country and, more importantly, in events organized by diplomatic missions of its Member States accredited to Zimbabwe.

Some of the events attended included the 42<sup>nd</sup> Independence Day of the Republic of Zimbabwe celebrations on 18 April 2022 at Barbourfields stadium in Bulawayo, Zimbabwe; the African Anti-Corruption Day Commemoration Dinner on 12 July 2022 in Harare; and the 56<sup>th</sup> Anniversary of the Independence of the Republic of Botswana on 30 September 2022 in Harare, Zimbabwe.

ARIPO gave condolence messages on the demise of the former President of the Republic of Zambia, His Excellency Rupiah Banda and the former President of the Republic of Kenya, His Excellency Mwai Kibaki. The Director General also signed the condolences books at the respective Embassies in Zimbabwe.

# STRATEGIC GOAL 8

ACHIEVE GREATER FINANCIAL  
SUSTAINABILITY



## REVIEW OF THE 2021 AUDITED FINANCIAL STATEMENTS

The Organization recorded a surplus of US\$2,222,523 for the 2021 financial year compared to a surplus of US\$1,177,326 in 2020, representing an 89% year-on-year improvement. This improvement is primarily attributed to cost containment and increased revenue collection.

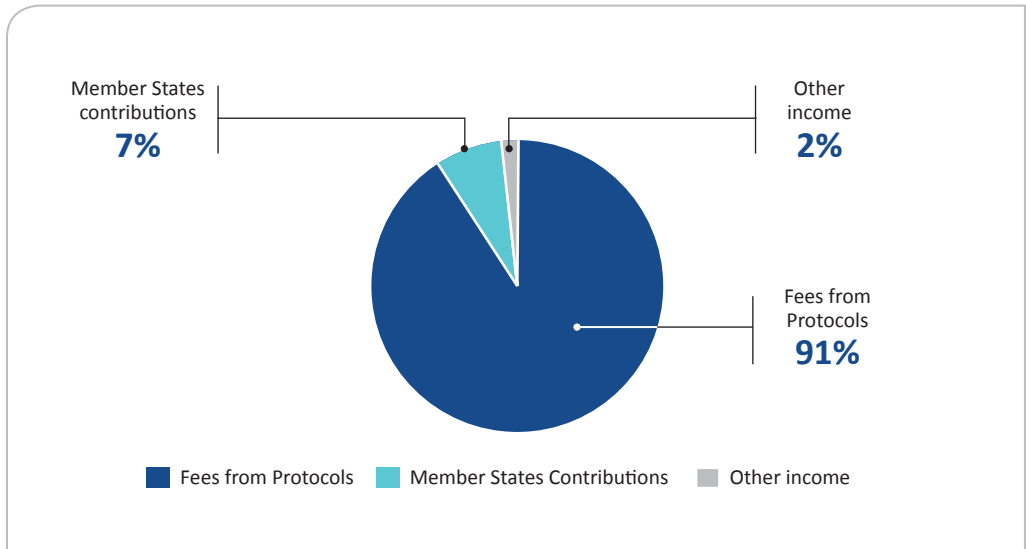
### REVENUE

- The Organization's total revenue before the share of fees with the Member States increased by US\$1,171,270 (11%) from US\$10,889,873 in 2020 to US\$12,061,143 in 2021.
- The Member States share of fees for the year totalled US\$4,686,808 compared to US\$4,091,247 in 2020, translating to an increase of 15%.
- After the sharing of fees between ARIPO and its Member States, the total revenue from Protocols due to ARIPO for the year was US\$7,374,335, compared to US\$6,117,892 in 2020, representing an increase of 21%.
- Total revenue for 2021 amounted to US\$8,074,845 compared to US\$6,798,627 in 2020.
- Table 1 and Figure 1 below highlight the 2021 revenue composition for the Secretariat. The largest source of revenue was fees from the Harare Protocol and Banjul Protocols, which accounted for 91%.

*Table 17: 2021 secretariat revenue performance*

	2021	2020	Net Change	% Change
	US\$	US\$	US\$	%
Fees from Protocols	7,374,335	6,117,892	1,256,443	21%
Member States Contributions	592,200	592,200	-	0%
Other Income	108,310	88,535	19,775	22%
<b>Total Revenue</b>	<b>8,074,845</b>	<b>6,798,627</b>	<b>1,276,218</b>	<b>19%</b>

Figure 17: 2021 revenue composition



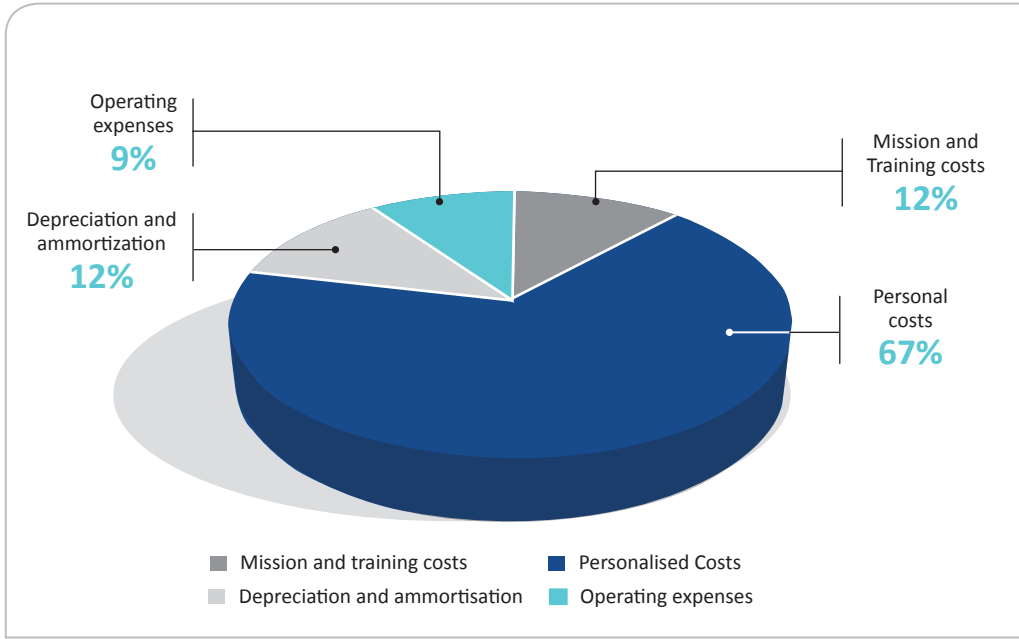
## EXPENDITURE

- Total expenditure for the 2021 financial year was US\$5,852,322 compared to US\$5,621,301 in 2020, representing a marginal increase of 4%. The expenditure was inclusive of depreciation and amortisation of US\$699,452 (2020: US\$843,629).
- Table 19 and Figure 18 below highlight the 2021 expenditure composition.

Table 18: 2021 expenditure analysis

	2021	2020	Net Change	% Change
	US\$	US\$	US\$	%
<b>Mission &amp; Training Costs</b>	689,485	403,228	286,257	71%
<b>Personnel Costs</b>	3,903,155	4,041,441	(138,286)	-3%
<b>Depreciation &amp; Amortisation</b>	699,452	843,629	(144,177)	-17%
<b>Operating Expenses</b>	560,230	333,003	227,227	68%
<b>Total Expenditure</b>	<b>5,852,322</b>	<b>5,621,301</b>	<b>231,021</b>	<b>4%</b>

Figure 18: 2021 expenditure composition



## FINANCIAL POSITION ANALYSIS

- As at 31 December 2021, the Organization’s total assets were US\$21,323,962 while the total liabilities were US\$15,156,219, resulting in net assets of US\$6,167,743. As at 31 December 2020, the Organization assets totaled US\$18,805,739 while total liabilities were US\$14,860,519, which resulted in net assets of US\$3,945,220. There has been an overall net asset improvement of 56% owing to the enhanced current asset position.
- Figure 3 and Table 3 below highlight the Organization’s assets and liabilities. The fixed assets decreased by 6.9%, current assets increased by 76.7%, and total liabilities increased by 18.4%.

Figure 19: 2021 financial position

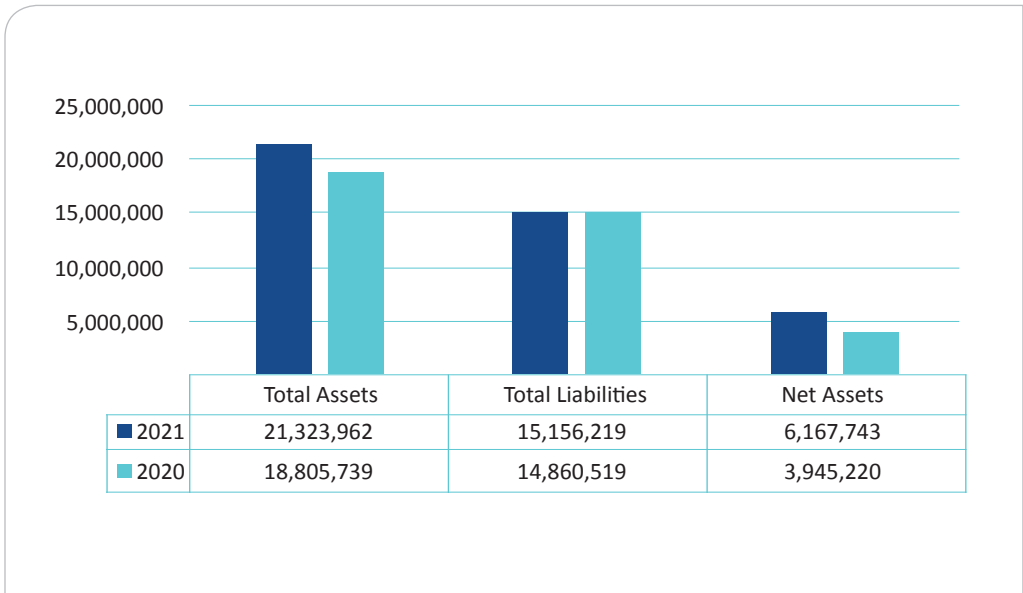


Table 20: 2021 financial position

	2021	2020	Change	%
	US\$	US\$	US\$	
<b>Current Assets</b>	12,259,492	9,070,324	3,189,168	35%
<b>Non-Current Assets</b>	9,064,470	9,735,415	(670,945)	-7%
<b>Total Assets</b>	<b>21,323,962</b>	<b>18,805,739</b>	<b>2,518,223</b>	<b>13%</b>
<b>Current Liabilities</b>	<b>15,131,567</b>	<b>14,837,774</b>	<b>293,793</b>	<b>2%</b>
<b>Non-Current Liabilities</b>	<b>24,652</b>	<b>22,745</b>	<b>1,907</b>	<b>8%</b>
<b>Total Liabilities</b>	<b>15,156,219</b>	<b>14,860,519</b>	<b>295,700</b>	<b>2%</b>
<b>Net Assets</b>	<b>6,167,743</b>	<b>3,945,220</b>	<b>2,222,523</b>	<b>56%</b>
<b>Current Ratio</b>	<b>0.81</b>	<b>0.61</b>	<b>0.20</b>	<b>33%</b>

## CASH FLOW STATEMENT

- During the 2021 financial year, the net cash flow generated from operating activities amounted to US\$3,169,639, representing a 25% decrease from US\$4,206,998 net cash flow generated from operating activities in 2020.
- The net cash outflow from investing activities was US\$26,441 in 2021 compared to US\$114,793 in 2020.
- The overall net cash flow for the Organization as at 31 December 2021 increased by US\$3,143,198 resulting in cash and cash equivalents of US\$11,869,697. This amount includes Member States Trust Fund balance of US\$10,064,367.

## BUDGET PERFORMANCE

- The Organization's projected revenue for the year 2021 amounted to US\$10,759,614 while the actual revenue realised was US\$12,761,652 thus surpassing the projection by 18.6%. Of the total revenue realised, US\$4,686,808 pertained to the share of fees earned by the Member States.
- The total budgeted expenditure for the year, including capital expenditure, was US\$6,376,777, while the actual expenditure was US\$5,252,930, translating to 82% utilization of the budget.

BDO Zimbabwe independently audited the financial statements, and their independent report on the audit of the 2021 financial statements, together with their opinion, has been annexed to this document.

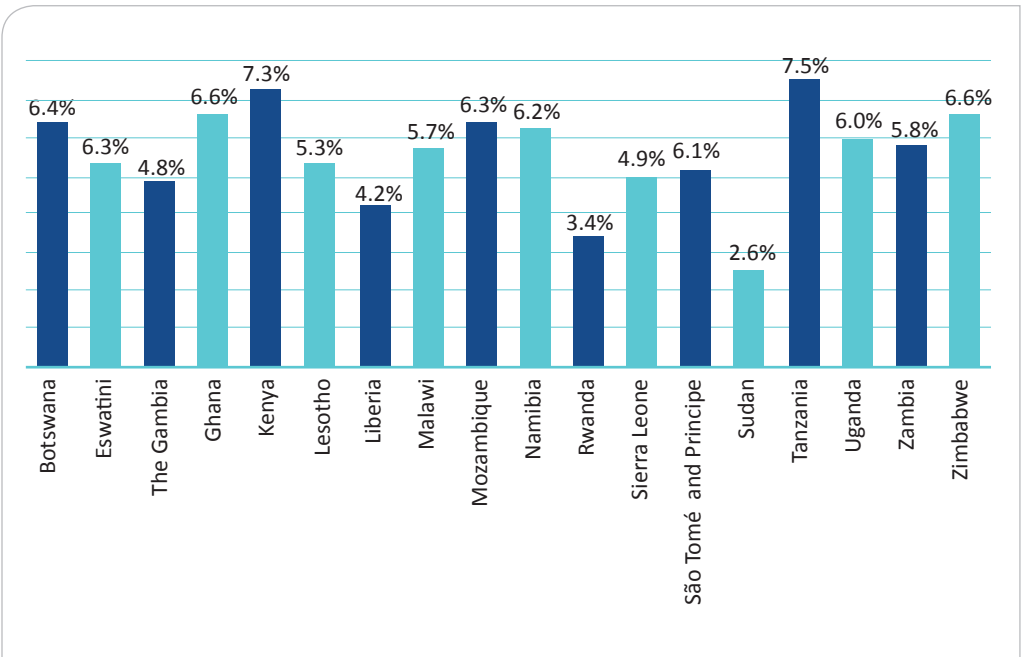
# REPORT ON THE ARIPO TRUST FUNDS FOR THE PERIOD ENDING 31 DECEMBER 2021

The Organization currently administers the Member States Trust Fund as custodians of Member States’ share of fees until the respective Member States recall such fees, and the Reserve Fund established for purposes of infrastructural development at the ARIPO Secretariat.

## Member States Trust Fund

Member States’ earnings grew modestly by 15% from US\$4,090,923 in 2020 to US\$4,686,808 in 2021. The chart below highlights the percentage share for each Member State from the total share of fees generated as at 31 December 2021. The peak allotment is at 7.5% for Member States with the most designations. The more designations a Member State receives, the higher the allotment percentage.

*Figure 20: Member States share of fees as at 31 December 2021*



## Reserve Fund

The Reserve Fund annual contribution per Member State currently stands at US\$5,000. The Fund balance as at 31 December 2021 stood at US\$269,837.59.



# STRATEGIC GOAL 9

ENHANCE GOVERNANCE, RISK  
AND CONTROL EFFECTIVENESS

## INTERNAL AUDITING

The ARIPO Internal Audit Department continues to support the Organization's vision and Strategic Plan for 2022-2026 through assurance of the Governance, Risk and Control environment of ARIPO. This is achieved through assurance and consulting services. The main purpose is to ensure that the following set of strategic goals are achieved.

- i. Enhance ARIPO Corporate Governance,
- ii. Effective Enterprise Risk Management, and
- iii. Strategic Plan performance management.

During the year 2022, several audits were carried out, including an audit of the ARIPO Registration System, an audit of the ARIPO IP applications system, and an audit of the organization's bank and cash management system. The purpose was to review compliance with the protocols, policies, procedures, and all the applicable ARIPO legal frameworks and to assess the effectiveness of controls in achieving the set targets. The assurance of controls and compliance from these engagements was assessed as reasonable. The Organization is enhancing its processes and systems by continually implementing improvements.

In 2022, the Audit Committee, which has oversight on the assurance activities of the Organization, successfully held its 27<sup>th</sup> to 29<sup>th</sup> sessions, which deliberated on various reports as submitted. The Committee also submitted to the Administrative Council the External Auditors Report and the Audited Financial Statements for the year ended December 31, 2021. The External Auditors gave an unmodified opinion and indicated that the Organization was considered a going concern.

ARIPO is in the process of embedding enterprise risk management in its processes. During the year, Internal Audit assisted in the process, as the process is still at an initial stage. There were notable improvements in the organization's risk landscape, and with continuous engagements, risk management will be fully embedded in every area of operation.

The Internal Audit department also facilitated training to staff on governance, risk and ethics. This was meant to create and enhance awareness in the area.

## SECTION 3: ANNEXES

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 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)

Mrs. Hilary Arko-Dadzie (Corporate Services Executive)-(Resigned October 2021)

Mr. Emmanuel Sackey (IP Development Executive)-(Resigned February 2021)

Mr. John Kabare (IP Operations Executive)

##### **ADDRESS:**

11 Natal Road. Belgravia,  
Harare, Zimbabwe

##### **MAIN BANKERS:**

**Swiss Bank Corporation UBS SA,**  
Castle Postale CH121, 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

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# 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 its 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.

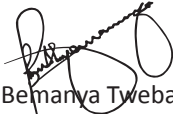
The Administrative Council acknowledges that it is ultimately responsible for the system of internal financial control established by the Organisation and places considerable importance on maintaining a strong control environment. To enable it to meet these responsibilities, the Administrative Council 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 16 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 24 November 2022 and were signed on its behalf by:

  
Bemanya Twebaze  
**DIRECTOR GENERAL**

  
Willie Mughayi  
**CHAIRPERSON**

**2 December 2022**



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Kudenga House  
3 Baines Avenue  
P.O. Box 334  
Harare Zimbabwe

## 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 2021, 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 2021, 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 16 to the financial statements which indicates that the Organisation's current liabilities exceeded its current assets by US\$2,872,075(2020: US\$ 5,767,450) as at 31 December 2021. 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 a key audit matter to be communicated in our report.

BDO Zimbabwe, a Zimbabwean partnership, is a member of BDO International Limited, a UK company limited by guarantee and forms part of the international BDO Network of independent member firms.

A list of partner names is available for inspection at our registered office, No. 3 Baines Avenue, Harare.



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.</p>	<p>We performed the following audit procedures among others with the assistance of our information systems auditors:</p>
<p>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>Performed general application control reviews for the operating system to verify operational effectiveness of the controls.</p> <p>Performed test of controls on the revenue cycle focusing on key controls and segregation of duties in the validation of applications.</p> <p>Evaluated the Organisation’s revenue recognition policy for compliance with International Public Sector Accounting Standard 9.</p> <p>Vouched applications verifying rates as promulgated in the various Protocols. Reviewed management’s measurement and recognition of deferred revenue relating to future periods maintenance fees.</p>

### 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**

**2 December 2022**

## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

STATEMENT OF FINANCIAL POSITION  
as at 31 December 2021

		1 January		
		2021 US\$	2020 (Restated Note 15) US\$	2020 (Restated Note 15) US\$
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	5	11,869,697	8,726,499	4,634,294
Trade and other receivables	6	389,795	343,825	499,772
		<u>12,259,492</u>	<u>9,070,324</u>	<u>5,134,066</u>
<b>Non-current assets</b>				
Intangible asset	7	1,377,948	1,750,368	2,197,270
Motor vehicles, furniture and equipment	8	421,244	508,850	677,748
Land and buildings	8	7,265,277	7,476,197	7,582,936
		9,064,470	9,735,415	10,457,954
<b>Total assets</b>		<b><u>21,323,962</u></b>	<b><u>18,805,739</u></b>	<b><u>15,592,020</u></b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Member States payables	9	10,807,611	10,308,540	8,524,909
Other payables		289,061	94,876	37,898
Fees received in advance-deferred	10	2,037,160	1,848,337	1,710,619
Receipts from agents not allocated		89,359	336,974	187,667
Employee benefits provision	11	1,908,376	2,249,047	2,279,220
		<u>15,131,567</u>	<u>14,837,774</u>	<u>12,740,313</u>
<b>Non-current liabilities</b>				
Fees received in advance-deferred	10	24,652	22,745	83,813
<b>Total liabilities</b>		<u>15,156,219</u>	<u>14,860,519</u>	<u>12,824,126</u>
<b>Net assets</b>		<b><u>6,167,743</u></b>	<b><u>3,945,220</u></b>	<b><u>2,767,894</u></b>
<b>RESERVES</b>				
Revaluation reserve		1 728 060	1 728 060	1 728 060
Accumulated surplus		4 439 683	2 217 160	1 039 834
<b>Total Equity</b>		<b><u>6,167,743</u></b>	<b><u>3,945,220</u></b>	<b><u>2,767,894</u></b>



Bemanya Twebaze  
DIRECTOR GENERAL



Willie Mushayi  
CHAIRPERSON

2 December 2022

**STATEMENT OF FINANCIAL PERFORMANCE**  
for the year ended 31 December 2021

		2021 US\$	2020 (Restated Note 15) US\$
<b>Revenue</b>	<b>Note</b>		
Fees from protocols		7,374,335	6,117,892
Contributions from Member States		502,200	502,200
Member States contribution to reserve fund		90,000	90,000
Other income	<b>12</b>	108,310	88,535
<b>Total revenue</b>		<b>8,074,845</b>	<b>6,798,627</b>
<b>Expenses</b>			
Mission and training costs		689,485	403,228
Personnel Costs		3,903,155	4,041,441
Depreciation and ammortisation		699,452	843,629
Other operating expenses	<b>13</b>	560,230	333,003
<b>Total expenses</b>		<b>5,852,322</b>	<b>5,621,301</b>
Surplus for the year before depreciation and ammortisation		2,921,975	2,020,955
Surplus for the year after depreciation and ammortisation		2,222,523	1,177,326

## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

STATEMENT OF CHANGES IN RESERVES  
for the year ended 31 December 2021

	Revaluation reserve US\$	Accumulated surplus US\$	Total US\$
Balance as at 1 January 2020 (as previously reported)	1,728,060	2,861,916	4,589,976
Correction of prior period error (note 15)		(1,822,082)	(1,822,082)
As at 1 January 2020 (restated)	1,728,060	1,039,834	2,767,894
Surplus for the year (restated)		1,177,326	1,177,326
<b>Restated balance as at 31 December 2020</b>	<b>1,728,060</b>	<b>2,217,160</b>	<b>3,945,220</b>
Surplus for the year		2,222,523	2,222,523
<b>Balance as at 31 December 2021</b>	<b>1,728,060</b>	<b>4,439,683</b>	<b>6,167,743</b>



CASH FLOW STATEMENT

for the year ended 31 December 2021

Note	2021 US\$	2020 US\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus for the year	2 222 523	1,177,326
Adjusted for :		
- Property and equipment depreciation	327,032	396,727
- Ammortisation	372,420	446,902
- Profit on disposal of property and equipment	(1,255)	(6,004)
- Interest income	(809)	(291)
	<u>2,919,911</u>	<u>2,023,502</u>
<b>Changes in working capital:</b>		
Decrease in trade and other receivables	(45,970)	155,947
Increase in Member States and other payables	693,256	1,840,609
Increase in fees received in advance-deferred	190,730	76,649
(Decrease)/increase in receipts from agents not allocated	(247,617)	149,308
Decrease in employee benefits liability	(340,671)	(39,016)
<b>Net cash flows generated from operating activities</b>	<u><b>3,169,639</b></u>	<u><b>4,206,998</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income received	809	291
Additions to property and equipment	(29,852)	(121,758)
Proceeds from sale of property and equipment	2,602	6,673
Net cash flows used in investing activities	(26,441)	(114,793)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u><b>3,143,198</b></u>	<u><b>4,092,205</b></u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	8,726,499	4,634,294
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR 5</b>	<u><b>11,869,697</b></u>	<u><b>8,726,499</b></u>

## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 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 (“IP”) and;
- \* 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 ECA or the African Union 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 FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

#### 2.1 Changes in accounting policy and interpretations.

##### 2.1 New standards, interpretations and amendments not yet effective

###### IPSAS 43 Leases

This standard is effective date of 1 January 2025 for annual periods beginning on or after 1 January 2023, with earlier application encouraged. IPSAS 43 introduces a right-of-use model that will replace the risks and rewards incidental to ownership model in IPSAS 13 Leases.

For lessors, IPSAS 43 substantially carries forward the risks and rewards incidental to ownership model in IPSAS 13.

###### Exposure Draft (ED) 80, Improvements to IPSAS, 2021

Improvements to IPSAS, 2021 proposes minor improvements to IPSAS to address issues raised by stakeholders and proposes minor amendments sourced from recent IFRS improvements and narrow scope projects. The proposals in this exposure draft may be modified in light of comments received before being issued in final form

###### 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.

#### 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.

## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

#### 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.

#### 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:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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 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 future financial years.

**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.

## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

#### **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.

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
- \* 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.



## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

#### 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.

#### 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.

## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

#### 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: 2021:ZWL734,950,76 (US\$6792) [(2020: ZWL40,811,50 (US\$499)]. The Organization manages this risk by maintaining the bulk of its cash balances in United States Dollar 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.

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.

## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

#### 4 FINANCIAL RISK MANAGEMENT (CONTINUED)

##### *Credit risk (Continued)*

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.

#### 5 CASH AND CASH EQUIVALENTS

	2021 US\$	2020 US\$
Member States Trust Fund	10,064,367	8,408,518
Stanbic Bank Zimbabwe RTGS	6,763	5
Stanbic Bank Zimbabwe FCA	207,126	2,986
UBS AG Switzerland	1,051,050	9,882
Swiss Bank Reserves	269,838	179,925
Stanbic Bank Zimbabwe Revolving Fund FCA	52,122	546
CBZ Bank Zimbabwe RTGS	29	494
CBZ Bank Zimbabwe FCA	216,768	122,858
Petty cash	1,634	1,285
	<b>11,869,697</b>	<b>8,726,499</b>

#### 6 TRADE AND OTHER RECEIVABLES

Staff debtors	224,772	264,504
Member States receivable (note 6.1)		6,480
Value Added Tax (VAT) Refundable	11,975	59,767
Prepayments	153,048	13,074
	389,795	343,825

##### 6.1 Member States receivable

###### **Arrear contributions:**

São Tomé & Príncipe		6,480
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## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

#### 7 INTANGIBLE ASSET

	US\$
<b>Carrying amount as at 01 January 2020</b>	<b>2,197,270</b>
Gross carrying amount - valuation	4,469,024
Accumulated amortisation	(2,271,754)
Amortisation for the year	(446,902)
<b>Carrying amount as at 31 December 2020</b>	<b>1,750,368</b>
Gross carrying amount - valuation	4,469,024
Accumulated amortisation	(2,718,656)
Amortisation for the year	(372,420)
<b>Carrying amount as at 31 December 2021</b>	<b>1,377,948</b>
Gross carrying amount - valuation	4,469,024
Accumulated amortisation	(3,091,076)

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 FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

#### 8 PROPERTY AND EQUIPMENT

	Land US\$	Buildings US\$	Computers & equipment US\$	Furniture and fittings US\$	Motor Vehicles US\$	TOTAL US\$
<b>carrying amount as at 1 January 2020</b>	<b>262,708</b>	<b>7,320,228</b>	<b>145,779</b>	<b>465,879</b>	<b>66,090</b>	<b>8,260,684</b>
Gross carrying amount- cost/valuation	262,08	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)	12,568,761
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
<b>C.1rrying amount as at 31 December 2020</b>	<b>262,708</b>	<b>7,213,489</b>	<b>57,208</b>	<b>403,559</b>	<b>48,083</b>	<b>7,985,047</b>
Gross carrying amount- cost/valuation	262,08	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)
Additions at cost			29,852			29,852
Depreciation for the year		(210,920)	(35,883)	(62,222)	(18,007)	(327,032)
Disposals at carrying amount			(1,346)			(1,346)
Disposals at cost			9,713			9,713
Disposals accumulated depreciation			8,367			8,367
<b>Carrying amount as at 31 December 2021</b>	<b>262,08</b>	<b>7,002,569</b>	<b>49,831</b>	<b>341,337</b>	<b>30,076</b>	<b>7,686,521</b>
Gross carrying amount- cost/valuation	262,08	8,436,790	1,340,190	709,214	155,811	10,904,713
Accumulated depreciation		(1,434,221)	(1,290,359)	(367,877)	(125,735)	(3,218,192)

## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31  
DECEMBER 2021 (CONTINUED)

## 9 MEMBER STATES PAYABLES

	2021 US\$	2020 US\$
Botswana	224 715	187,980
Gambia	449 926	503,687
Ghana	495 521	586,307
Kenya	57 432	79,936
Lesotho	2 292 775	2,089,067
Liberia	106 814	72,104
Malawi	1 120 894	980,301
Mozambique	140 147	170,425
Namibia	88 287	106,559
Rwanda	422 782	302,961
Sierra Leone	269 093	111,821
Sudan	1 426 475	1,228,684
Swaziland	2 525 244	2,323,072
Tanzania	164 945	684,226
Uganda	454 423	462,657
Zambia	143 316	73,858
Zimbabwe	398 058	344,894
São Tomé & Príncipe	26 764	
	<b>10,807,611</b>	<b>10,308,540</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

10 FEES AND MEMBER STATES CONTRIBUTIONS RECEIVED IN ADVANCE- DEFERRED

<b>Fees received in advance</b>		
Balance as at 1 January	1,871,082	1,794,433
Fees earned in the current period, deferred from the following periods:		
2019	(22,386)	(24,632)
2020	<b>(1,766,769)</b>	<b>(1,710,619)</b>
Fees received in 2019, deferred to the following periods:		
2021		22,386
Fees received in current period, deferred to the following periods:		
2020		
2021		1,766,769
2022 and beyond	1,979,886	22,745
Balance as at 31 December	2,061,813	<b>1,871,082</b>
Split as follows:		
Current	<b>2,037,160</b>	<b>1,848,337</b>
Non-current	<b>24,652</b>	<b>22,745</b>
<b>Total</b>	<b>2,061,812</b>	<b>1,871,082</b>

## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

#### 11 EMPLOYEE BENEFITS PROVISION

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:

End of service grant> ARIPO employees who have served the organisation for 4 continuous years are entitled to an end of service grant when they resign or retire based on the number of years in service.

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.

	End of service grant US\$	Leave pay provision US\$	Gratuity US\$	Total US\$
Balance as at 1 January 2021	1,830,924	201,873	216,250	2,249,047
Payments made during the year	(422,393)	(20,828)	(108,126)	(551,347)
Movement during the year	214,463	(3,786)		210,677
<b>Balance as at 31 December 2021</b>	<b>1,622,994</b>	<b>177,259</b>	<b>108,124</b>	<b>1,908,376</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

12 OTHER INCOME

	2021 US\$	2020 US\$
Interest income	809	291
Search request fees	8,105	3,667
Profit on disposal of property and equipment	1,255	6,004
Hire of ARIPO facilities	82,796	27,143
Staff revolving loan interest	15,345	19,131
Academy		571
EUIPO		22,800
Tax and Duty Rebates		4,918
Exchange Gain		4,009
	<b>108,310</b>	<b>88,535</b>

13 OTHER OPERATING EXPENSES

	2021 US\$	2020 US\$
Audit Fees	10 710	11 926
Bank charges	44,989	41,273
Communication costs	89,512	81,723
Exchange loss	2,357	4,595
Supplies and consumables	66,667	31,243
Insurance	20,262	26,178
Office Expenses	61,782	48,586
Security	33,623	38,569
Repairs and maintenance - fixtures and fittings	6,483	2,532
Repairs and maintenance - buildings	34,848	25,589
Repairs and maintenance - equipment	12,282	11,207
Repairs and maintenance - vehicles	2,749	7,397
Miscellaneous expenses	5,661	2,184
VAT claim unrecoverable	62,694	
Funds written off (see note 31.1)	105,611	
	<b>560,230</b>	<b>333,003</b>

## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

#### 13.1 Funds written off

The Organization had a cyber fraud on 1 June 2021 amounting to US\$310,404.30 (Three hundred and ten thousand, four hundred and four United States Dollars, thirty cents) for funds-in-trust which were recalled by the United Republic of Tanzania's Intellectual Property Office • BRELA. The funds in question were remitted to a wrong bank account from the Organization's bank account held with Union Bank of Switzerland (UBS). Following numerous engagements with UBS, the Organization has to date managed to recover US\$204,793.50 (Two hundred and four thousand, seven hundred and ninety three united states dollars, fifty cents), representing 66% of the funds. Taking into account the probability of recovery, the outstanding balance of USD105,610.80 (One hundred and five thousand, six hundred and ten united states dollars, eighty cents) as at December 31, 2021, was written off. The Organization continues to actively pursue full recovery of this amount.

#### 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:

**Director General** - Bemanya Twebaze

**IP Development Executive** - Emmanuel Sackey (Resigned February 2021) IP Operations Executive - John Kabare

**Corporate Services Executive** - Hilary Arko-Dadzie (Resigned October 2021)

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

#### 13 OTHER OPERATING EXPENSES

	2021 US\$	2020 US\$
Short-term employee benefits (annual salaries and allowances)	458,808	593,825
Medical benefits paid for the year	10,814	13,183
Long-term employee benefits (leave days accrued and gratuities due)	68,169	304,348
	<b>537,791</b>	<b>911,356</b>
<b>1:4.1 Receivables from key management</b>		
Staff loans	12,750	
Staff advances		1 244
	<b>12,750</b>	<b>1 244</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

15 CORRECTION OF PRIOR PERIOD ERROR

The Administrative Council approved the restatement of the organisation’s financial statements to correct a prior period error. The organisation has not been recognising the end of service grant which is awarded to employees who have been in employment for at least 4 continuous years when they retire. The restatement had the following effects on the previously reported balances:

1 January 2020

	Balance as previously reported US\$	Adjustment US\$	Restated balance US\$
Employee benefits provision	457,138	1,822,082	2,279,220
Accumulated surplus	2,861,916	(1,822,082)	1,039,834

31 December 2020

	Balance as previously reported US\$	Adjustment US\$	Restated balance US\$
Employee benefits provision	418,123	1,830,924	2,249,047
Accumulated surplus	4,048,084	(1,830,924)	2,217,160
Personnel Costs	4,032,599	8,842	4,041,441

## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

#### 16 MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

As at 31 December 2021, the organization's current liabilities exceeded its current assets by US\$2,872,075 (2020: US\$5,767,450). Member states were owed about US\$10,807,611 while the Organization had a balance of US\$10,064,367 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.

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.

As at 31 August 2022, the Organization had successfully addressed the going concern risk with current assets exceeding current liabilities by US\$35,211.

#### 17 EVENTS AFTER THE REPORTING DATE

##### 17.1 Approval of financial statements

The financial statements were approved for issue by the Administrative Council on 2 December 2022.



## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

### STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS for the year ended 31 December 2021

				Difference
	Original Budget US\$	Final Budget US\$	Actual Amounts US\$	Final Budget & Actual US\$
<b>EYENUE</b>				
Fees from Protocols	10,107,414	10,107,414	12,061,143	1,953,729
Contributions from Member States	502,200	502,200	502,200	
Contributions to reserve fund	90,000	90,000	90,000	
Other Revenue	60,000	60,000	108,310	48,310
	<b>10,759,614</b>	<b>10,759,614</b>	<b>12,761,652</b>	<b>2,002,038</b>
<b>PROGRAMME TITLE</b>				
IP operations	14,000	14,000		14,000
IP ecosystem for growth	85,000	65,000		65,000
IP knowledge	270,536	260,536	127,087	133,449
Policy and legal	21,500	11,500	3,748	7,752
People and organization transformation	35,800	25,800	13,588	12,212
Information and communication technology	251,700	241,700	65,506	176,194
Marketing, customer engagement and Cooperation	45,000	45,000	20,839	24,161
Financial and management accounting	14,000	14,000	12,719	1,281
Internal audit	5,000	5,000		5,000
<b>RUNNING COSTS</b>				
Personnel costs	4,138,704	4,377,450	3,899,369	478,081
Operating Costs	310,616	380,616	316,742	63,874
Strategic plan development	10,000	20,000		20,000
Annual meetings and conferences	786,188	841,175	689,485	151,690
Capital expenditure	60,000	75,000	103,847	(28,847)
<b>TOTAL EXPENDITURE</b>	<b>6,048,044</b>	<b>6,376,777</b>	<b>5,252,930</b>	<b>1,123,847</b>
<b>Surplus as per actual budget statement</b>				<b>7,508,722</b>

## AFRICAN REGIONAL INTELLECTUAL PROPERTY ORGANIZATION

### STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS for the year ended 31 December 2021 (CONTINUED)

PSAS adjustments to surplus/ (deficit) for the year:

Member States share of fees	(4,686,808)
Depreciation and amortisation	(699,452)
Provision for leave pay	(3,786)
Capital expenditure	29,852
Capital expenditure-prepayment	73,995
<b>Adjusted surplus for the year per IPSAS</b>	<b><u>2 222 523</u></b>

AKIf'U'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.



RD GRAPHIX



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