



UPC Budget Committee

Decision adopting the budget of the
Unified Patent Court for the year 2025

Luxembourg, 25 November 2024

DECISION OF THE BUDGET COMMITTEE

of 25 November 2024

adopting the budget of the Unified Patent Court for the Year 2025.

THE BUDGET COMMITTEE OF THE UNIFIED PATENT COURT,

Having regard to the Agreement on a Unified Patent Court, in particular Articles 36 and 37 thereof,

Having regard to the Statute of the Unified Patent Court, in particular Article 26 thereof,

Considering the need for the Unified Patent Court to fulfil its commitments for the year 2025,

Considering the urgency to provide the budget and financial resources thereof to the Court

HAS DECIDED AS FOLLOWS:

Pursuant to the Articles 21 to 29 of the Decision of the Administrative Committee of the Unified Patent Court governing the financial management of the Court,

the following are

1. adopted:

the budget of the year 2025 of the Unified Patent Court, totalling EUR 30 344 347 including the budget of the Pension and Social Security Schemes, totalling EUR 4 720 902;

2. approved:

The contribution key, as set out in Annex 2;

This decision shall enter into force on 25 November 2024.

Done at Luxembourg, on 25 November 2024

For the Budget Committee

Signed Bruno Lebourlenger

The Chairman

EXECUTIVE SUMMARY

This document contains the draft budget applicable to the year 2025 of the Unified Patent Court (UPC) pursuant to Section 2 Articles 21 to 26 of the Financial Regulations of the Unified Patent Court (UPC) adopted 22 February 2022 by the Administrative Committee and as amended.

The present draft budget relies on assumptions considered by the Court from old surveys and updated through the experience and knowledge acquired during the Provisional Application Period (PAP), the First Accounting Period (FAP) and to the year 2024.

It contains the necessary financial processes for the UPC to perform operational duties and to facilitate adaptability by its human, technical and organisational resources in order to deal with the challenges and uncertainties inherent to the first years of operation.

It also contains the information and estimates required by Article 23 of the Financial Regulations, such as plan statements of comprehensive income and financial position, the table of posts and recruitment plan, and estimates regarding the key financial data for the next four years pursuant to Article 23.3.c of the Financial Regulations of the UPC from 2026 to 2029.

The call for contributions of the Contracting Member States, including the contributions to the Working Capital Fund expected from each Contracting Member State, is detailed in Annex 2.

The Budget Committee is kindly requested to adopt the 2025 budget and approve the application of the contribution key related to the present budget.

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1. UPC Draft Budget for the year 2025 - Introduction

This document presents the draft of the 2025 UPC Budget.

The caseload estimations have been established based on the number of cases that have been filed with the Court as of end of December 2023 and during the first 3 quarters of 2024.

The caseload of the UPC, the number of judges needed to deal with the caseload and the number of opt-outs are, due to the limited time of operation, difficult to predict and the estimations will be subject to close review and monitoring.

It should be noted that the estimations for the UPC 2025 budgetary year is based on a modified cash basis and not on accrual basis.

Annex 1 sets out the UPC's operating and financial expenditure as well as the income estimations for the 2025 budgetary year, and also preliminary assumptions for the next four years.

€ 17 131 619	Staff expenditure (salaries and UPC to PSSS contributions)
€ 7 520 538	Non-staff operating expenditure
€ 4 435 590	Working Capital Fund expenditure
€ 1 256 600	IT capital expenditure
Total expenditure: EUR 30 344 347	

€ 10 354 422	Court fees income
€ 3 104 560	Internal tax
€ 16 885 365	Contributions from 18 Contracting Member States
Total income: EUR 30 344 347	

2. Main planning principles and assumptions

The 2025 budget of the UPC contained in this document are based on the following main preliminary assumptions:

INCOME:

- 1) Chapter 51 Court Fees

The following case estimations are based on assumptions considered by the Court on the basis of actual lodged cases and the experience and knowledge acquired during the First Accounting Period (FAP) and up to the year 2024 (until Q3 2024), being:

	FAP 2023 (7 Months)	Q1 2024	Q2 2024	Q3 2024
Category	Number	Number	Number	Number
Appeal220_1	2	5	10	23
Appeal220_2	14	10	29	7
ApplicationRoP333	10	7	7	28
ProvisionalMeasuresR206	16	7	6	11
Provisional MeasuresR192	6	1	0	4
Provisional MeasuresR199	2	0	0	1
Infringement Action	74	36	47	41
Counterclaim Revocation	24	25	28	36
Revocation Action	24	4	12	4
Counterclaim Infringement Action	0	0	1	1
Non-infringement	1	1	1	0
Application Determine damage	1	2	0	0
Action for compensation for license of right	0	0	1	0
Action against a decision of the EPO	0	0	0	1
Protective Letter	505	77	66	73
Extend Protective Letter	34	31	42	32
Total	713	206	250	262

It is assumed, on the basis of the number of cases referred to above and with an extrapolation/projection until the end of the year 2024, using data from cases lodged during the FAP and the first 3 quarters of 2024 and the experience and knowledge acquired during these periods to estimate a linear case trend, that the following number of cases will be lodged at the UPC during the budgetary year 2025:

Gross Revenue CFI				
Type Action	Expected Number	FIX FEES	Average variable fees	Total income NBR action * (Fix + average variable fees)
Infringement action	156	11 000	18 219	4 551 151
Counterclaim for infringement	2	11 000	18 219	58 438
Declaration of non-infringement	3	11 000	18 219	84 151
Action for compensation for license of right	2	11 000	18 219	58 438
Application to determine damages	2	3 000	18 219	42 438
Revocation action	24	20 000		475 200
Counterclaim for revocation	108	-	17 210	1 862 810
Application for provisional measures	37	11 000		406 560
Action against a decision of the EPO	2	1 000		2 000
Application to preserve evidence	4	350		1 386
Application for an order for inspection	2	350		700
Application for an order to freeze assets	2	1 000		2 000
Filing a protective letter	796	200		159 192
Application to prolong the period of a protective letter kept on the register	99	100		9 900
Application for a rehearing	2	-		-
Application for re-establishment of rights	2	350		700

Application to review a case management order	25	300		7 524
Application to set aside a decision by default	2	1 000		2 000
Total	1 270	82 650	108 305	7 724 589

Gross Revenue COA				
Type Action	Expected Number	FIX FEES	Average variable fees	Total income NBR action * (Fix + average variable fees)
Appeal pursuant to Rule 220.1 (a) and (b) [R 228] as to an infringement action	55	11 000	18 219	1 607 045
Appeal pursuant to Rule 220.1 (a) and (b) [R 228] as to an action for declaration of non-infringement	1	11 000	18 219	29 219
Appeal pursuant to Rule 220.1 (a) and (b) [R 228] as to an application to determine damages	1	3 000	18 219	21 219
Appeal pursuant to Rule 220.1 (a) and (b) [R 228] as to a revocation action	13	20 000		260 000
Appeal pursuant to Rule 220.1 (a) and (b) [R 228] as to a counterclaim for revocation	35	-	17 210	602 350
Appeal pursuant to Rule 220.1 (c) [R 228] as to an application for provisional measures	10	11 000		110 000
Total	115	56 000	71 867	2 629 833

It is also assumed, on the basis of the number of cases received until September 2024 and for the purpose of calculation of the additional value-based fees, that the following case distribution will apply for 2025:

From	To	Additional value-based fees	Percentage of cases %
0 €	500 000 €	0 €	14%
500 001 €	750 000 €	2 500 €	7%
750 001 €	1 000 000 €	4 000 €	14%
1 000 001 €	1 500 000 €	8 000 €	2%
1 500 001 €	2 000 000 €	13 000 €	10%
2 000 001 €	3 000 000 €	20 000 €	8%
3 000 001 €	4 000 000 €	26 000 €	27%
4 000 001 €	5 000 000 €	32 000 €	6%
5 000 001 €	6 000 000 €	39 000 €	3%
6 000 001 €	7 000 000 €	46 000 €	1%
7 000 001 €	8 000 000 €	52 000 €	4%
8 000 001 €	9 000 000 €	58 000 €	0%
9 000 001 €	10 000 000 €	65 000 €	3%
10 000 001 €	15 000 000 €	75 000 €	1%
15 000 001 €	20 000 000 €	100 000 €	1%
20 000 001 €	25 000 000 €	125 000 €	0%
25 000 001 €	30 000 000 €	150 000 €	0%
30 000 001 €	50 000 000 €	250 000 €	0%
50 000 001 €		325 000 €	1%
			100%

The UPC conducts its proceedings in a way which typically allows the final oral hearing on infringement and validity at first instance to take place within one year from the lodging of the case and the judgment to be provided six weeks thereafter.

Parties to proceedings will pay fixed fees and value-based fees in advance, according to the Rules on Court fees as adopted by decision of the Administrative Committee on 8 July 2022.

Some parties may obtain fee reductions (e.g., SMEs and natural persons). In some circumstances, fees may have to be reimbursed to the parties (e.g., in case of an early settlement or if the case is handled by a single judge).

On the balance of the above, the UPC's estimated gross fee income (excluding the fee reductions) for the 2025 budget year is **EUR 10.354.422**

€ 7 724 589	Gross Revenue CFI
€ 2 629 833	Gross Revenue COA
Total Gross Revenue: 10 354 422	

It should be noted that for the purpose of the 2025 budget preparation, no income is expected to be generated either from the Patent Mediation and Arbitration Center (PMAC) or from the Training Centre.

2) Chapter 52 Contribution from Member States

The present draft budget relies on the **provisional contribution key** for initial and amended PAP budgets, notwithstanding the update of the contribution key to be carried out in parallel after gathering the relevant data from the years 2020, 2021 and 2022. These contributions are calculated pursuant to Art 6.1 a to c of the Financial Regulations for the provisional application period.

All these contributions will be revised in due time according to the updated contribution key and implemented at the appropriate accounting period.

On the other hand, no incoming Contracting Member State has been recorded at the date of presenting this draft budget and the present draft budget does not include any change in this regard.

Preliminary Assumptions regarding changes to the contributions from Contracting Member States for the years 2025 to 2029 must be considered theoretical at this stage. It should be noted that adopting the present draft budget does not commit either the UPC or the Member States regarding these preliminary assumptions.

The Presentation of the contributions due by Contracting Member States is split up into different tables in Annex 2 (2.1. & 2.2) taking into consideration the option of compensation of the unused FAP Working capital fund.

3) Chapter 53 Other Operating Income

Internal Tax

Income from internal tax scheduled for 2025 records the income tax to be paid by UPC staff.

It should be noted that the Internal Taxes includes a potential adjustment of internal tax brackets (based on the last January 2024 available updated coefficient published by the COMMISSION TO THE EUROPEAN PARLIAMENT in June 2024). In accordance with Annex III to the Regulations Governing the Conditions of Service of Judges, the Registrar, and the Deputy-Registrar of the Unified Patent Court and to the Staff Regulations of the Unified Patent Court (Internal tax), the first review of the internal tax brackets shall take place at the latest 12 months after the entry into force of the Agreement on a Unified Patent Court. A decision of the Committees is required in that regard.

(Previously used since BC decision of 07/09/2022):

Tax rate

monthly	from	to	%
Tax 1	€ 127	€ 2 234	8.0%
Tax 2	€ 2 234	€ 3 077	10.0%
Tax 3	€ 3 077	€ 3 526	12.5%
Tax 4	€ 3 526	€ 4 004	15.0%
Tax 5	€ 4 004	€ 4 453	17.5%
Tax 6	€ 4 453	€ 4 889	20.0%
Tax 7	€ 4 889	€ 5 338	22.5%
Tax 8	€ 5 338	€ 5 774	25.0%
Tax 9	€ 5 774	€ 6 223	27.5%
Tax 10	€ 6 223	€ 6 659	30.0%
Tax 11	€ 6 659	€ 7 108	32.5%
Tax 12	€ 7 108	€ 7 544	35.0%
Tax 13	€ 7 544	€ 7 993	40.0%
Tax 14	€ 7 993	€ -	45.0%

TAX rates 2025

Monthly	from (monthly)	to	%
Tax 1	143.22 €	2 528.85 €	8.0%
Tax 2	2 528.86 €	3 483.14 €	10.0%
Tax 3	3 483.15 €	3 991.83 €	12.5%
Tax 4	3 991.84 €	4 532.76 €	15.0%
Tax 5	4 532.77 €	5 041.45 €	17.5%
Tax 6	5 041.46 €	5 534.60 €	20.0%
Tax 7	5 534.61 €	6 043.51 €	22.5%
Tax 8	6 043.52 €	6 536.67 €	25.0%
Tax 9	6 536.68 €	7 045.22 €	27.5%
Tax 10	7 045.23 €	7 538.51 €	30.0%
Tax 11	7 538.52 €	8 047.42 €	32.5%
Tax 12	8 047.43 €	8 540.57 €	35.0%
Tax 13	8 540.58 €	9 049.27 €	40.0%
Tax 14	9 049.28 €		45.0%

4) Chapter 61 PSSS Expenditure and incomes

The budget reflects PSSS Expenditure, which for planning purposes is considered equivalent to the Contributions of the Court and the Staff (assumption that expenditure is equivalent to income).

The budget reflects PSSS Income, which is equivalent to the Contributions of the Court and the Staff.

B. EXPENDITURE AND INVESTMENTS:

The following assumptions were taken into consideration:

5) Chapter 31 Salaries

To deal with the expected caseload during 2025, it is assessed that 60.3 full-time equivalent judges (FTE) would be needed at the UPC based on the average required time to deal with such estimated cases:

- 12 FTE at the Court of Appeal (1 President and 11 other legally qualified judges FTE),
- 48.3 FTE at the Court of First Instance (1 President, 38.1 FTE legally qualified-judges and 9.2 FTE UPC's technically qualified judges who will serve either on a part-time basis or on a case-by-case basis for both the Court of Appeal and the Court of First Instance.

In addition, the UPC employs a Registrar and a Deputy-Registrar (2 FTE) and two Legal Advisors, one for the President of the Court of Appeal and one for the President of the Court of First Instance (2 FTE).

Other Staff will be employed for the Training Centre and the PMAC: 7 FTE [2 Heads, 3 Secretaries and 2 case managers].

Number of Employees (FTE)

CATEGORY	Net Salary 2025 per FTE	PAP Budget	FAP Budget	Budget 2024	Estimated 2025
President Court of Appeal	14 646€	1.0	1.0	1	1.0
Court of Appeal - Judges	14 063€	1.0	2.7	4.1	*11.0
President Court of First Instance	13 441€	1.0	1.0	1	1.0
Court of First Instance - Judges	12 914€	3.0	16.2	34.6	*47.3
Registrar	14 063€	1.0	1.0	1	1.0
Deputy Registrar	12 914€	1.0	1.0	1	1.0

<i>Total judges and registrars</i>		8.0	22.9	42.7	62.3
Director Arbitration Centre	8 552€	0.0	1.0	1	1.0
Director Training Centre	8 552€	1.0	1.0	1	1.0
Secretary Arbitration Centre	4 639€	0.0	2.0	2	2.0
Secretary Training Centre	4 639€	0.0	1.0	1	1.0
Case managers	4 639€	0.0	2.0	2	2.0
Legal Advisor	8 879€	0.0	0.0	2	2.0
Total no. of staff (FTE)		9.0	29.9	51.7	71.3

**Increase of working time and appointment gradually on quarterly basis*

The permanent positions included in the current 2024 budget, together with the permanent positions estimated in the 2025 budget, are as follows:

Headcounts	Actual 2024	2 025
President Court of Appeal	1	1
Court of Appeal - Legally qualified judges	6	11
Legal advisor to the President of the Court of Appeal	1	1
Total no. of Permanent positions Court of Appeal	8	13
<i>President Court of First Instance</i>	1	1
Court of First Instance- Legally qualified judges	35	46
Central division Paris	4	4
Central division Munich	3	3
Central division Milan	3	3
Local division Paris	2	2
Local division Munich	4	4
Local division Milan	2	2
Local division Düsseldorf	2	2
Local division Hamburg	2	2
Local division Mannheim	3	3
Local division The Hague	2	2
Local division Vienna	1	1
Local division Brussels	1	1
Local division Copenhagen	1	1
Local division Helsinki	1	1
Local division Lisbon	1	1
Local division Ljubljana	1	1
Nordic Baltic Regional division Stockholm	2	2
Additional Legally qualified judges' positions during 2025	-	11
Court of First Instance- Technically qualified judges	75	115

Legal advisor to the President of the Court of First Instance	1	1
Total no. of Permanent positions Court of First Instance	112	163
Registrar	1	1
Deputy registrar	1	1
Total no. of Permanent positions Registry	2	2
Director Arbitration Centre	1	1
Secretary Arbitration Centre	1	2
Case managers	-	2
Total no. of Permanent positions Arbitration and mediation center	2	5

Total no. of Permanent positions Court	124	183
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Please note that the 2025 budget's estimations have been developed in such a way that the Court's working capacity will be adjusted by means of new recruitments (within a limit of 11 additional permanent positions, to be distributed among the divisions concerned according to the needs) and, in parallel, by means of an increase in the working time of the judges already appointed. The budgetary estimates for these additional recruitments shall also be used to increase the working time of certain judges if appropriate, in order to ensure that the working time in each division and for the international judges can be adjusted in the most efficient and flexible manner.

The total number of judges and staff employed by the UPC that should be included in the 2025 Budget is **71.3 FTE** resulting in the following estimated costs: **EUR 17 131 619 (including PSSS Expenditure)**.

€ 13 999 641	Salaries
€ 3 131 978	Pension and social security contributions
Total expenditure: EUR 17 131 619	

Gross salaries and allowances per Job type

CATEGORY	Total 2025 in EUR
President Court of Appeal	€ 289 419
Court of Appeal – Judges	€ 2 384 527
President Court of First Instance	€ 261 612
Court of First Instance – Judges	€ 9 543 697
Registrar	€ 278 747
Deputy Registrar	€ 250 314
<i>Total judges and registrars</i>	<i>€ 13 008 317</i>
Director Arbitration Centre	€ 148 833
Director Training Centre	€ 148 833
Secretary Arbitration Centre	€ 152 366
Secretary Training Centre	€ 76 183
Case managers	€ 152 366
Legal advisor to the Presidents	€ 312 742
Total salaries: EUR 13 999 641	€ 13 999 641

In the absence of an updated actuarial study, it should be noted that the Pension Plan expenses do not consider the potential impact of change from the actuarial assumptions for the year 2024 and 2025 and their impact on any additional required pension costs. An update of the pension costs will be taken into account in the amended 2025 budget including any retrospective impact.

*It should also be noted that the **salary includes an adjustment of the salaries and related allowances (limited only to allowances subject to adjustments) of a real rate 11.24%.***

The rate of 11.24% is made up of a nominal rate of 5% (partial salaries adjustments between 2016 and 2023) and 6% (the preliminary 2024 inflation rate published by the Eurostat report which shall be voted by end of October 2024)

*In accordance with Article 33 of the Service Regulation, the Administrative Committee, on a proposal from the Budget Committee, shall decide each year on the adjustment of the remuneration of the judges and the Registrar and the Deputy-Registrar. This decision will impact the budget of 2025. **Input from the Committees is necessary to validate the extent of the impact.***

6) Chapter 32 Pension and Social security schemes

Pension Plan

The present 2025 budget is built on the principles and rates already recorded for the previous budgets according to the decisions of the Administrative Committee meeting held on 8 July 2022.

Medical and social scheme

The present 2025 budget is inclusive of the approved proposal for a medical and social scheme. The detailed rates included within the Budget are:

- 3.80% for medical and social coverage, 1/3 from the salary (1.73%) and 2/3 (2.37%) paid by the Court.
- 0.3% for management fees, borne in full by the UPC applying the general principle that management costs are borne by the employer.
- 35% discount for entitled part time judges (50%) who are encouraged to rely on their national scheme for primary coverage.
- 5.5% for invalidity/death risk, applied to all UPC staff and borne in full by the Court.

Scheme	Staff Contribution	UPC Contribution %
Pension	10.80%	16.20%
Health	1.27%	2.83%
Invalidity/Death	0.00%	5.50%
Long-term care	0.00%	0.00%

All contributions are calculated on the gross salary.

7) Chapter 33 to 37 General operating expenditure, Working capital fund, repayments to Member states and other expenditures.

IT operating expenditure databases and e-library:

IT Operating Expenditure, databases and e-library will amount respectively to **EUR 1 859 792** and **EUR 190 882**.

Please refer to Annex 3 (Memo on Information Technology expenses).

Patent Mediation and Arbitration Centre (PMAC)

The PMAC shall provide facilities for mediation and arbitration of patent disputes falling within the scope of the Agreement on the Unified Patent Court (The UPC Agreement).

The PMAC's budget is part of the budget of the UPC. However, the director of the PMAC shall prepare the draft annual budget for approval by the Budget Committee of the UPC.

Since the director of the PMAC was only recently appointed in September 2024, the operating costs of the PMAC have been estimated by the PMAC director and included in the present Budget.

*The grand total of the estimated costs for PMAC is **EUR 415 929***

€	53 922	Rent
€	84 761	Running costs
€	16 000	Set-up costs
€	50 000	Consultancy
€	10 000	Legal Expert
€	40 000	social and internal events
€	5 000	Communication costs
€	15 000	Translation costs
€	33 645	Interpreters for Hearings
€	42 600	Training Mediators and arbitrators
€	30 000	e-Library online DATA BASE
€	20 000	Book Papers-Legal
€	7 000	Insurances (building)
€	8 000	Other Costs
€	415 929	

Meetings of Administrative Committee, Budget Committee and Advisory Committee

It is anticipated that the three governing bodies of the Court will hold twelve physical meetings in 2025, four meetings of the Administrative Committee, four meetings of the Budget Committee and four meetings of the Advisory Committee.

Meetings of Presidium and Registrar/(Deputy)-Registrar

It is anticipated that there will be 48 physical meetings in 2025 related to the Presidium of the Court and the two Registrars, twelve meetings of the Presidium, fifteen meetings of the Registrar and twenty-one meetings of the Deputy-Registrar.

Duty Travel

The present 2025 draft Budget shows a strong increase in these expenses. It reflects the incoming additional needs according to the judicial activity of the Court (travel of part-time judges working up 50 % of the time and case-by-case judges who are not domiciled at the place of the division they are allocated to).

Duty travel costs of Member States delegates and of UPC staff provided by the Member States are, pursuant to the Agreement, during the transition period borne by Member States.

€ 52 500	Duty travel for the Advisory Committee
€ 51 139	Duty travel for the Presidium
€ 25 570	Duty travel for the Presidents to Conferences
€ 1 043 981	Duty travel Judges
€ 28 177	Duty travel Registrar/Deputy-Registrar
€ 10 089	Duty travel of Training Centre Staff
€ 51 266	Duty travel of Mediation & Arbitration Centre Staff
€ 65 817	Other Staff (Allowed to DTR)

€ 1 328 538

*The grand total of the estimated cost for duty travels is **EUR 1 328 538***

Training

The present 2025 draft Budget takes into consideration the continuing need for training expenses during 2025 for judges and staff of the UPC, as provided for in Art. 11 UPC Agreement and Art. 11 UPC Statute.

The expenditure for training represents the full training costs for the appointed judges and UPC Staff (including travel cost and daily allowance for the trainees) and team building/Training for the Member States' supporting staff (excluding travel cost and daily allowance).

€ 301 769	1 symposium for all judges (LQ&TQ) of 3 days;
€ 112 238	1 training sessions/workshops for LQJs of 3 days;
€ 71 308	Team building and training for member states' supporting staff (2 training)
€ 10 000	Management courses
€ 123 100	Language courses

€ 618 415

*The grand total of the estimated cost for training is **EUR 618 415***

It is to be noted that that the estimation for Setup and Furniture costs for the Training centre is based on theoretical assumptions. Input from the Administrative Committee regarding the place and timing of the establishment of the training center is necessary to appreciate the extent of the financial impact.

Working Capital Fund

The calculation of the EUR 4,435,590 Working Capital Fund is based on standard ratios.

The purpose of the Working Capital Fund is in particular to:

- meet unavoidable and legitimate expenses that cannot be accurately estimated at the time of adopting the Budget.

- provide funds for unexpected needs of increasing budget lines without requiring additional contributions from Member States, based on decisions of the Presidium pursuant to the financial rules.

In the absence of more concrete legal guidance, the amount of the WCF has, in practice, been determined as follows:

- For short-term liquidity in case the Member States would not provide their assessed contribution on time: a 1/12 (i.e. 30 days) of the yearly expenditure for salaries, pension and social security contributions, and other operating expenses.

- For unavoidable expenses, that could not be foreseen or could not be accurately estimated:
-10% of budget expenses (excluding salaries).

-1/12 (i.e. 30 days) of the yearly expenditure for salaries, pension and social security contributions, and other operating expenses.

-a budgeted amount related to the UK's advances in relation the Pre-PAP which will be dealt with in a separate decision.

Other expenditures

The following additional expenditures are anticipated as follows:

€ 916 586	Translation, publication & communication costs
€ 650 624	Consultancy (Legal and compliance advice, accounting advice, Pension advice...)
€ 100 000	Board of Auditors
€ 172 886	CMS maintenance fees and charges
€ 1 164 733	Legal aid and reimbursement to third parties
€ 79 000	Other costs
€ 2 213	Bank Charges

€ 3 086 042

The expenditure for translations covers mainly the anticipated costs for the translation of UPC case documents (KEUR 322) and interpreter fees for court hearings (KEUR 336).

The consultancy fees reflect mainly the need of the court for legal, accounting services and other consulting services (KEUR 479 KEUR), ROP Court expert services (KEUR 100) and the anticipated pension management fees (KEUR 172).

Legal aid and reimbursements represent mainly the anticipated legal aid expenses and potential reimbursements associated with the withdrawal of actions and applications as stipulated in the Court's rules of procedure and are based on 2023 and 2024 cases.

It is assumed, on the basis of the number of reduction and withdrawal cases received up to September 2024 and the Court's expectations for the year 2025, that the following rates will apply for SME reductions and withdrawals of action and applications:

SME Reductions

Proportion of cases subject to SME	Average amount of Discount
10%	60%

Settlement / withdrawal

Proportion of cases subject to Settlement / withdrawal
10%

Of which	Average amount of Discount
20%	60%
50%	40%
30%	20%

Settlement / withdrawal average discount	3.80%
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€ 150 000	Legal aid
€ 393 468	Withdrawals
€ 621 265	SME Reduction
Total legal aids and reimbursement: EUR 1 164 773	

8) Chapter 41 IT Capital Expenditure

IT Capital Expenditure (in particular regarding the Court's Case Management System, the CMS, for CFI/CoA & PMAC, UPC Website and Analytics & Reporting solution) will amount to EUR 1 256 600.

The amount reflects the need to replace the CMS and the transition from the current system to the future system. It also includes the establishment of the CMS for the PMAC as well as the establishment of a reporting and analysis system for data from the Court's IT solutions (mainly CMS, Finance and HR).

Please refer to Annex 3 (Memo on Information Technology expenses) for detailed information.

3. Annexes

Annex 1: BUDGET OF THE UNIFIED PATENT COURT**Annex 1.1: budget of the Unified Patent Court: appropriations**

Section	Title	2024	Estimated 2025
3	Operating and Financial Expenditure	€ 19 448 426	€ 29 087 747
31	Salaries	€ 7 559 750	€ 13 999 641
311	Court of Appeal	€ 1 163 860	€ 2 673 947
312	Court of first instance	€ 5 192 080	€ 9 805 309
313	Registrar & deputy registrar	€ 473 042	€ 529 061
314	Other staff directly employed by the Court	€ 730 768	€ 991 324
32	Pension and social security contributions	€ 2 760 454	€ 3 131 978
321	Court of Appeal	€ 493 821	€ 627 433
322	Court of first instance	€ 1 850 725	€ 2 152 186
323	Registrar & deputy registrar	€ 259 675	€ 124 940
324	Other staff directly employed by the Court	€ 156 233	€ 227 419
325	Pension and social security contributions to national systems	€ -	€ -
33	General operating expenses	€ 5 540 204	€ 6 353 592
331	IT Operating Expenditure, databases and eLibrary	€ 1 206 648	€ 2 050 614
332	Meetings of the Committees	€ 9 555	€ 21 000
333	Translation, publication & communication costs	€ 791 200	€ 916 586
334	Training centre	€ 1 290 065	€ 618 415
335	Mediation and arbitration centre	€ 110 733	€ 415 929
336	Duty travel	€ 803 161	€ 1 328 538
337	Consultancy and audit	€ 946 711	€ 750 624
338	Charges for Cases and Applications	€ 307 132	€ 172 886
339	Others	€ 75 000	€ 79 000
34	Working Capital Fund	€ 2 142 848	€ 4 435 590
341	Working Capital Fund	€ 2 142 848	€ 4 435 590
35	Repayments to MS	€ 544 613	€ -
351	Asset-related repayments	€ 544 613	€ -
352	Other repayments	€ -	€ -
36	Legal aid and reimbursement to third parties	€ 898 400	€ 1 164 733
361	Legal aid	€ 150 000	€ 150 000
362	Reimbursements to third parties	€ 748 400	€ 1 014 733
37	Other general operating expenses	€ 2 156	€ 2 213
371	Non-refundable taxes & public levies	€ -	€ -
374	Foreign currency losses	€ -	€ -
375	Damages/internal appeals Damages, internal appeals	€ -	€ -
376	Bank charges	€ 2 156	€ 2 213
38	Depreciation and amortization expense	€ -	€ -
381	Depreciation of fixed assets	€ -	€ -
382	Amortisation of intangible assets	€ -	€ -
39	Financial expenses		€ -
4	Capital expenditure	€ 2 713 348	€ 1 256 600
41	IT Capital expenditure	€ 2 713 348	€ 1 256 600
411	IT Capital expenditure	€ 2 713 348	€ 1 256 600
5	Revenue	€ 22 161 774	€ 30 344 347
51	Revenue from court fees	€ 4 500 000	€ 10 354 422
511	Court fees	€ 4 500 000	€ 10 354 422
512	Income from mediation centre	€ -	€ -
513	Income from arbitration centre	€ -	€ -
52	Contributions by participating Member States	€ 16 005 431	€ 16 885 365
521	Contributions to assets	€ -	€ -
522	Contribution to FAP OPEX + Fin	€ 13 862 583	€ 12 449 776
523	Contributions to the Working Capital	€ 2 142 848	€ 4 435 590
53	Other operating income	€ 1 656 343	€ 3 104 560
531	Other court fees	€ -	€ -
532	Income from training centre	€ -	€ -
533	Internal tax	€ 1 656 343	€ 3 104 560
535	Foreign currency gains	€ -	€ -
54	Work performed and capitalised	€ -	€ -
541	Work performed and capitalised	€ -	€ -
55	Financial income	€ -	€ -
551	Financial income	€ -	€ -
6	PSSS Expenditure	€ 3 625 402	€ 4 720 902
610	Payments from Social Security Schemes	€ 3 625 402	€ 4 720 902
7	PSSS Income	€ 3 625 402	€ 4 720 902
710	Income Social Security Schemes	€ 3 625 402	€ 4 720 902

Annex 1.2: preliminary assumptions for the next four years:

Section	Title	assumptions 2026	assumptions 2027	assumptions 2028	assumptions 2029
3	Operating and Financial Expenditure	€ 37 592 401	€ 42 293 603	€ 48 603 392	€ 53 987 271
31	Salaries	€ 21 808 705	€ 24 881 558	€ 29 071 205	€ 32 412 807
311	Court of Appeal	€ 5 324 019	€ 5 933 027	€ 6 967 354	€ 7 838 824
312	Court of first instance	€ 14 868 307	€ 17 232 235	€ 20 281 458	€ 22 701 269
313	Registrar & deputy registrar	€ 563 781	€ 598 630	€ 635 637	€ 653 189
314	Other staff directly employed by the Court	€ 1 052 599	€ 1 117 665	€ 1 186 756	€ 1 219 525
32	Pension and social security contributions	€ 4 875 961	€ 5 575 969	€ 6 499 201	€ 7 258 409
321	Court of Appeal	€ 1 259 294	€ 1 411 336	€ 1 656 049	€ 1 863 534
322	Court of first instance	€ 3 242 496	€ 3 767 298	€ 4 421 220	€ 4 961 277
323	Registrar & deputy registrar	€ 132 674	€ 140 887	€ 149 609	€ 153 746
324	Other staff directly employed by the Court	€ 241 497	€ 256 447	€ 272 323	€ 279 852
325	Pension and social security contributions to national systems	€ -	€ -	€ -	€ -
33	General operating expenses	€ 6 492 266	€ 7 160 976	€ 7 875 409	€ 8 727 850
331	IT Operating Expenditure, databases and eLibrary	€ 1 627 861	€ 1 796 452	€ 1 955 318	€ 2 177 589
332	Meetings of the Committees	€ 22 050	€ 23 159	€ 24 318	€ 25 540
333	Translation, publication & communication costs	€ 1 007 626	€ 1 110 127	€ 1 222 029	€ 1 343 710
334	Training centre	€ 733 177	€ 787 650	€ 861 389	€ 922 060
335	Mediation and arbitration centre	€ 631 113	€ 660 777	€ 692 777	€ 727 279
336	Duty travel	€ 1 521 978	€ 1 756 105	€ 2 038 508	€ 2 393 759
337	Consultancy and audit	€ 747 461	€ 823 531	€ 874 037	€ 926 327
338	Charges for Cases and Applications	€ 120 000	€ 120 000	€ 120 000	€ 120 000
339	Others	€ 81 000	€ 83 175	€ 87 034	€ 91 585
34	Working Capital Fund	€ 3 233 473	€ 3 476 395	€ 3 940 434	€ 4 350 881
341	Working Capital Fund	€ 3 233 473	€ 3 476 395	€ 3 940 434	€ 4 350 881
35	Repayments to MS	€ -	€ -	€ -	€ -
351	Asset-related repayments	€ -	€ -	€ -	€ -
352	Other repayments	€ -	€ -	€ -	€ -
36	Legal aid and reimbursement to third parties	€ 1 179 733	€ 1 196 233	€ 1 214 383	€ 1 234 348
361	Legal aid	€ 165 000	€ 181 500	€ 199 650	€ 219 615
362	Reimbursements to third parties	€ 1 014 733	€ 1 014 733	€ 1 014 733	€ 1 014 733
37	Other general operating expenses	€ 2 263	€ 2 472	€ 2 760	€ 2 976
371	Non-refundable taxes & public levies	€ -	€ -	€ -	€ -
374	Foreign currency losses	€ -	€ -	€ -	€ -
375	Damages/internal appeals Damages, internal appeals	€ -	€ -	€ -	€ -
376	Bank charges	€ 2 263	€ 2 472	€ 2 760	€ 2 976
38	Depreciation and amortization expense	€ -	€ -	€ -	€ -
381	Depreciation of fixed assets	€ -	€ -	€ -	€ -
382	Amortisation of intangible assets	€ -	€ -	€ -	€ -
39	Financial expenses	€ -	€ -	€ -	€ -
4	Capital expenditure	€ 448 000	€ 242 500	€ 100 000	€ -
41	IT Capital expenditure	€ 448 000	€ 242 500	€ 100 000	€ -
411	IT Capital expenditure	€ 448 000	€ 242 500	€ 100 000	€ -
5	Revenue	€ 38 040 401	€ 42 536 103	€ 48 703 392	€ 53 987 271
51	Revenue from court fees	€ 10 354 422	€ 10 354 422	€ 10 354 422	€ 10 354 422
511	Court fees	€ 10 354 422	€ 10 354 422	€ 10 354 422	€ 10 354 422
512	Income from mediation centre	€ -	€ -	€ -	€ -
513	Income from arbitration centre	€ -	€ -	€ -	€ -
52	Contributions by participating Member States	€ 22 594 902	€ 26 198 645	€ 31 178 607	€ 35 542 261
521	Contributions to assets	€ -	€ -	€ -	€ -
522	Contribution to FAP OPEX + Fin	€ 19 361 430	€ 22 722 250	€ 27 238 173	€ 31 191 380
523	Contributions to the Working Capital	€ 3 233 473	€ 3 476 395	€ 3 940 434	€ 4 350 881
53	Other operating income	€ 5 091 077	€ 5 983 036	€ 7 170 363	€ 8 090 589
531	Other court fees	€ -	€ -	€ -	€ -
532	Income from training centre	€ -	€ -	€ -	€ -
533	Internal tax	€ 5 091 077	€ 5 983 036	€ 7 170 363	€ 8 090 589
535	Foreign currency gains	€ -	€ -	€ -	€ -
54	Work performed and capitalised	€ -	€ -	€ -	€ -
541	Work performed and capitalised	€ -	€ -	€ -	€ -
55	Financial income	€ -	€ -	€ -	€ -
551	Financial income	€ -	€ -	€ -	€ -
6	PSSS Expenditure	€ 7 368 596	€ 8 426 456	€ 9 826 839	€ 10 971 500
610	Payments from Social Security Schemes	€ 7 368 596	€ 8 426 456	€ 9 826 839	€ 10 971 500
7	PSSS Income	€ 7 368 596	€ 8 426 456	€ 9 826 839	€ 10 971 500
710	Income Social Security Schemes	€ 7 368 596	€ 8 426 456	€ 9 826 839	€ 10 971 500

*2026-2029 budgets are estimates based on theoretical assumptions and should not be binding on the Court

Annex 2 Contributions due by the Contracting Member States for the year 2025:

Annex 2.1 Contributions due by the Contracting Member States for the year 2025:

Number of accessing states				2025				
Member State	Contribution key (PC/02/041114)	Ratification key Yes=1, No=0	Distribution key for accessing states	Contributions to Working Capital Fund (1)	Contributions to operating Expenditures and IT CAPEX (2)	Total contribution due (1)+(2)	Total contribution due before February 15, 2025 ((1)+50%*(2))	Total contribution due before June 1, 2025 (50%*(2))
AT	2.64	1.00	2.64	€ 117 202	€ 328 961	€ 446 163	€ 281 682	€ 164 481
BE	3.25	1.00	3.25	€ 144 369	€ 405 214	€ 549 582	€ 346 976	€ 202 607
BG	0.36	1.00	0.36	€ 15 845	€ 44 474	€ 60 319	€ 38 082	€ 22 237
DE	42.82	1.00	42.82	€ 1 899 514	€ 5 331 541	€ 7 231 055	€ 4 565 285	€ 2 665 770
DK	2.14	1.00	2.14	€ 95 021	€ 266 703	€ 361 724	€ 228 372	€ 133 352
EE	0.21	1.00	0.21	€ 9 488	€ 26 630	€ 36 118	€ 22 803	€ 13 315
FI	1.44	1.00	1.44	€ 63 766	€ 178 977	€ 242 742	€ 153 254	€ 89 488
FR	14.75	1.00	14.75	€ 654 426	€ 1 836 838	€ 2 491 265	€ 1 572 845	€ 918 419
IT	17.44	1.00	17.44	€ 773 405	€ 2 170 787	€ 2 944 192	€ 1 858 798	€ 1 085 393
LT	0.31	1.00	0.31	€ 13 963	€ 39 190	€ 53 153	€ 33 558	€ 19 595
LU	1.12	1.00	1.12	€ 49 584	€ 139 172	€ 188 756	€ 119 170	€ 69 586
LV	0.36	1.00	0.36	€ 15 758	€ 44 228	€ 59 986	€ 37 872	€ 22 114
MT	1.41	1.00	1.41	€ 62 706	€ 176 003	€ 238 709	€ 150 708	€ 88 002
NL	6.35	1.00	6.35	€ 281 648	€ 790 529	€ 1 072 177	€ 676 913	€ 395 264
PT	1.48	1.00	1.48	€ 65 831	€ 184 773	€ 250 604	€ 158 217	€ 92 387
RO	0.70	1.00	0.70	€ 30 878	€ 86 667	€ 117 545	€ 74 211	€ 43 334
SE	2.75	1.00	2.75	€ 121 841	€ 341 982	€ 463 823	€ 292 832	€ 170 991
SI	0.46	1.00	0.46	€ 20 346	€ 57 107	€ 77 453	€ 48 899	€ 28 553
	100.00	100.00	100.00	€ 4 435 590	€ 12 449 776	€ 16 885 365	€ 10 660 477	€ 6 224 888

- (1) Article 63 paragraph 3) of the Financial Regulations of the UPC states: “after the determination of the amount of the Working Capital Fund, the Presidium of the Court shall communicate to the Contracting Member States having ratified the Agreement their commitment in respect of advances to the Working Capital Fund. The advances shall be considered as due and payable in full within 45 days of the receipt of the communication of the Presidium of the Court.” For the sake of practicality, the working capital fund for 2025 will be requested with the first half of the total 2025 estimated operating contribution to be due before 15 February 2025.
- (2) Article 7 of the Financial Regulation of the UPC states that if the budget has been adopted before 1 January, 50% of the contribution provided for in Articles 36 and 37 paragraphs 3 and 4 of the UPC Agreement shall be paid before 15 February, and 50% before 1 June.

Annex 2.2 Contributions to be called (Compensation with FAP working Capital Fund)

Article 63 paragraph 7) of the Financial Regulations of the UPC states: “any cash surplus in the Working Capital Fund shall be apportioned among the Contracting Member States in proportion to the agreed scale assessment, as provided for in Article 37 paragraphs 3 and 4 of the Agreement. As of January 1 following the year in which the audit of the accounts of the financial period is completed,

the amount apportioned to a Contracting Member State shall be surrendered to such Contracting Member State if its contributions for that financial period has been paid in full and shall be applied to liquidate, in whole or in part, first, any advance due to the Working Capital Fund; secondly, any arrears of assessed contributions; and thirdly, assessed contributions for the calendar year following the year in which the audit is completed.”

Therefore, as the audit of the first accounting period (FAP) was finalized before the adoption of the 2025 Budget, and pursuant to the decision of the Budget committee on 14 March 2024 to carry forward EUR 1 733 982 from the unused funds of the FAP budget to the 2024 adopted budget, a total amount of EUR 8 698 583 (including the already-adopted working capital fund amount of EUR 2,410,637 for FAP), could be offset with the 2025 budget call as follows:

Member State	Number of accessing states			UNUSED FAP DEDUCTION IN CASH		
	Contribution key (PC/02/0411 14)	Ratification Yes=1, No=0	Distribution key for accessing states	Total 2025 Due Contribution (A)	FAP COMPENSATION (B)	Net 2025 Contribution (C)=(a)+(b)
AT	2.64	1.00	2.64	€ 446 163	-€ 231 454	€ 214 709
BE	3.25	1.00	3.25	€ 549 582	-€ 285 105	€ 264 478
BG	0.36	1.00	0.36	€ 60 319	-€ 31 291	€ 29 027
DE	42.82	1.00	42.82	€ 7 231 055	-€ 3 751 229	€ 3 479 826
DK	2.14	1.00	2.14	€ 361 724	-€ 187 650	€ 174 074
EE	0.21	1.00	0.21	€ 36 118	-€ 18 737	€ 17 381
FI	1.44	1.00	1.44	€ 242 742	-€ 125 927	€ 116 816
FR	14.75	1.00	14.75	€ 2 491 265	-€ 1 292 385	€ 1 198 880
IT	17.44	1.00	17.44	€ 2 944 192	-€ 1 527 348	€ 1 416 844
LT	0.31	1.00	0.31	€ 53 153	-€ 27 574	€ 25 579
LU	1.12	1.00	1.12	€ 188 756	-€ 97 920	€ 90 836
LV	0.36	1.00	0.36	€ 59 986	-€ 31 119	€ 28 867
MT	1.41	1.00	1.41	€ 238 709	-€ 123 834	€ 114 875
NL	6.35	1.00	6.35	€ 1 072 177	-€ 556 210	€ 515 968
PT	1.48	1.00	1.48	€ 250 604	-€ 130 005	€ 120 599
RO	0.70	1.00	0.70	€ 117 545	€ -	€ 117 545
SE	2.75	1.00	2.75	€ 463 823	-€ 240 616	€ 223 207
SI	0.46	1.00	0.46	€ 77 453	-€ 40 180	€ 37 273
	100.00	100.00	100.00	€ 16 885 365	-€ 8 698 583	€ 8 186 783

Annex 2.3 Contributions to be called in cash (including the corrective mechanism)

From a purely cashflow perspective and by taking into account the corrective mechanism, the 2025 contributions of the member states are presented as follows:

Member State	gap before correction		correction implementation				final gap		
	initial Gap L/RL	CK Art 2 negative impact ratio	upgraded contribution	correction share ratio among 6 MS	correction	Contribution upgraded & compensated	gap after correction	negative gap correction ratio	negative impact ratio
AT	- 16 261€	7.54%	€ 219 003	6.69%	10 950 €	€ 208 053	9 605€	-59%	4.47%
BE	- 37 926€	14.31%	€ 269 767	15.60%	25 539 €	€ 244 228	17 677€	-47%	6.68%
BG	1 680€	0.00%	€ 29 608	0.00%	- €	€ 29 608	- €	0%	0.00%
DE	92 964€	0.00%	€ 3 549 423	0.00%	- €	€ 3 549 423	- €	0%	0.00%
DK	7 827€	0.00%	€ 177 555	0.00%	- €	€ 177 555	- €	0%	0.00%
EE	1 196€	0.00%	€ 17 729	0.00%	- €	€ 17 729	- €	0%	0.00%
FI	5 801€	0.00%	€ 119 152	0.00%	- €	€ 119 152	- €	0%	0.00%
FR	59 244€	0.00%	€ 1 222 858	0.00%	- €	€ 1 222 858	- €	0%	0.00%
IT	32 935€	0.00%	€ 1 445 181	0.00%	- €	€ 1 445 181	- €	0%	0.00%
LT	1 406€	0.00%	€ 26 091	0.00%	- €	€ 26 091	- €	0%	0.00%
LU	- 52 209€	57.46%	€ 92 652	21.47%	35 157 €	€ 57 496	18 869€	-36%	20.77%
LV	1 202€	0.00%	€ 29 445	0.00%	- €	€ 29 445	- €	0%	0.00%
MT	- 102 245€	89.00%	€ 117 172	42.05%	68 850 €	€ 48 322	35 693€	-35%	31.07%
NL	20 815€	0.00%	€ 526 287	0.00%	- €	€ 526 287	- €	0%	0.00%
PT	- 32 029€	26.53%	€ 123 011	13.17%	21 568 €	€ 101 443	12 873€	-40%	10.67%
RO	6 085€	0.00%	€ 119 896	0.00%	- €	€ 119 896	- €	0%	0.00%
SE	11 997€	0.00%	€ 227 671	0.00%	- €	€ 227 671	- €	0%	0.00%
SI	- 2 482€	6.62%	€ 38 018	1.02%	1 672 €	€ 36 347	1 556€	-63%	4.18%

	Total contribution due before February 15, 2025 ((1)+50%*(2))	Total contribution due before June 1, 2025 (50%*(2))
AT	€ 104 026	€ 104 026
BE	€ 122 114	€ 122 114
BG	€ 14 804	€ 14 804
DE	€ 1 774 711	€ 1 774 711
DK	€ 88 778	€ 88 778
EE	€ 8 864	€ 8 864
FI	€ 59 576	€ 59 576
FR	€ 611 429	€ 611 429
IT	€ 722 590	€ 722 590
LT	€ 13 045	€ 13 045
LU	€ 28 748	€ 28 748
LV	€ 14 722	€ 14 722
MT	€ 24 161	€ 24 161
NL	€ 263 143	€ 263 143
PT	€ 50 721	€ 50 721
RO	€ 75 696	€ 44 200
SE	€ 113 836	€ 113 836
SI	€ 18 173	€ 18 173
	€ 4 109 139	€ 4 077 644

Annex 3: Note to the 2025 budget Information Technology (IT) expenses.

Chapter 411 – IT Capital Expenditure: Integrated systems & services

The required investments (CAPEX) for 2025 amount to: 1.856.600 €. They are distributed, according to the solutions, as follows:

- **CMS software (budget : 1 280 000 €)**

This budget is estimated at a time when the CMS solution target for UPC has not yet been finalized. Indeed, the Court has started, beginning of 2024, a CMS refactoring program (new CMS solution) which is currently in its preparation phase and includes the following main streams:

- Formalization of the Court's needs according to a new paradigm (standardization of case processing flows)
- Determining the CMS refactoring strategy
- Definition of the transition plan
- Designing the targeted IT Solutions architecture

At the same time, the court began, as part of its agreement with EPO, the implementation in agile mode of a new CMS solution based on an MVP (Minimum Viable Product) approach and based on the IT building blocks provided by EPO.

At this stage, we do not know what perimeter coverage will be supported by EPO. This therefore involves providing a budget to cover the additional IT assets to be supported by UPC. This budget is estimated very roughly and considering the previously established budget (overall, there is no increase compared to the previous estimate).

- **PMAC CMS solution (budget: 255 000 €)**

The CMS solution for PMAC initially planned to start in 2024 had to be postponed to meet more urgent needs and in the context of refactoring the CMS for CFI/CoA. Therefore, the budget planned for 2024 is transposed to 2025 and corresponds to the cost of licenses and 250 days of external consulting to analyze, implement and test the future solution. Also knowing that the implementation of this solution is planned over 18 months and that therefore this budget represents a first part of the implementation of the solution.

- **Corporate Website (21 600 €)**

Development of new pages for the website (press page, legal page, statistics display pages) and new features (link with translation tool).

- **Analytics and Reporting solution (budget: 300 000 €)**

Provision of a reporting and analysis system on data from our solutions (CMS, finance, HR, etc.). During the year 2024, we carried out the analyzes and design of the future Analytics and Reporting solution. The implementation, setup of a reporting / data analysis tool (license costs) and tests of the solution is planned for 2025 after a call for tender phase carried out at the end of 2024.

Chapter 331 – IT Operating Expenditure and databases (e-Library licenses out of scope)

A total of **1 859 792 €** are expected to ensure IT operations (OPEX), broken down into:

- **Annual support for our users IT solutions (budget: 1 255 892 €)**

These costs correspond to licensing fees (or SaaS fees: Software as a Service), support and maintenance (solution enhancements). This also includes adaptations to be made in line with future CMS solution (CMS refactoring program).

Not yet knowing the target in terms of CMS solution, the related support and maintenance costs were evaluated based on the model currently in place (volume of actions and applications). These costs are reported on another budget line (line 338). The amount of 120,000 € corresponds to the contract termination fees (with the Net Service supplier).

	Budget 2025 (in €)
CMS Maintenance & Support *	120 000
Corporate Web site - Internet Presence	30 000
Intranet site	48 000
Corporate Functions - ERP Modules	
Finance (SAGE)	12 530
Finance - Budgetary flow digitalization	10 000
HR solution (Educos)	105 050
Luxtrust for HR solution (Educos)	21 250
HR Recruiting Tool (Reach Me)	4 408
BI & Analytics (reporting solution)	50 000
Others software solutions	
Translation tools	35 140
Anonymization tool	66 639
Collaborative solutions	
Collaborative platform	122 500
Integrated Video Conferencing (Webex - NTT)	30 375

() CMS maintenance & support being covered by Court Fees (not part of this budget)*

- **IT Governance & Operations tools (budget 112 650 €)**

Licenses and support for our governance and secure access management tools to our IT systems.

	Budget 2025 (in €)
IT Governance - Operations	
Ticketing System (GLPI)	12 300
Support on CMS SA (strong authentication)	26 400
Luxtrust cards	7 200
Public & Private APIs (Apigee - Devoteam)	64 000
Web domains (hosting - Cloudflare)	2 750

- **Infrastructure (budget : 275 000 €)**

Recurrent costs for our IT infrastructure (IaaS: Infrastructure as a Service) considering current needs in terms of hosting solutions (CMS, Finance, website, ... solutions).

An approximate budget (the target is not exactly known) of 50,000 euros is planned to host the new solution to replace the current CMS. The infrastructure hosting the current CMS will be gradually decommissioned at the end of the transition phase from the old to the new CMS (presumably during the 2nd half of 2025). This estimate of 50,000 euros takes this decommissioning into account.

The infrastructure still requires performance improvements and possible strengthening in terms of security. A provisional budget is planned for that purpose.

Finally, in 2025 a disaster recovery test is planned, requiring support from the company in charge of our infrastructure.

The budget for the infrastructure part is split as follows:

	Budget 2025 (in €)
Infrastructure	
Hosting (current scope)	180 000
IT infrastructure improvements	25 000
Increase security aspects	10 000
New environment	50 000
Backup, Disaster Recovery, and Business Continuity	10 000

- **External IT consultancy & Support (budget: 216 250 €)**

Consultancy and support are planned for 2025. This relates to:

- The performance of a security audit (including penetration tests);
- The assistance for IT specialists on various subjects (e.g. Data architecture & governance, Enterprise Architecture);
- Unforeseen support services on our solutions or infrastructure.

The detail of the budget by type of consultancy is described below:

	Budget 2025 (in €)
External IT consultancy & Support	
IT Security	15 000
IT Consulting & Compliance	150 000
Miscellaneous support	30 750
Travelling expenses *	20 500

() Travel costs are considered separately given that the services can be performed on site or remotely.*

Annex 4: Financial Statements of the Court

The accrual financial statements of the UPC will be essential to provide information relevant to assess the long-term sustainability of the UPC. According to the Financial Regulations of the UPC, the International Public Sector Accounting Standards (IPSAS) are the general accepted accounting principles referred to in article 26, paragraph 1 and article 33, paragraph 2 (d) of the Statute. IPSAS is used to assess accountability through an evaluation of the UPC's financial performance and position aiming to aid decision making and enforcement of accountability. The plan statement of financial performance (5.3.) and plan statement of financial position (5.4.) of the 2025 budget are estimates and are for illustrative purpose only.

The following tables presenting the Plan statement of Resources (5.1), the plan statement of Estimated Income (5.2), the statement of financial performance (5.3) and the statement of financial position and of the Court (5.4) pursuant to the articles of the financial regulation of the Unified Patent Court are recorded at the date of 31 December 2025, equivalent to a period of 12 months.

4.1. Plan statement of Resources

Plan Statement of Resources 2025

in EUR

	Cash in EUR	Transition to Accrual in EUR	Accrual in EUR
31 Salaries	13 999 641	- 4 546 093	9 453 548
(i) salaries of			
the President of the Court of Appeal,	289 419	- 101 871	187 549
the President of the Court of First Instance,	261 612	- 89 038	172 574
the other judges,	11 928 225	- 3 957 519	7 970 706
the Registrar and the Deputy Registrar	529 061	- 179 091	349 971
any other staff directly employed by the Court	991 324	- 218 575	772 748
32 Pension and social security contributions	3 131 978	1 441 533	4 573 511
(ii) pension and social security contributions of			
the President of the Court of Appeal,	68 985	- 45 552	23 432
the President of the Court of First Instance,	62 202	- 41 073	21 128
the other judges,	2 648 433	- 1 843 002	805 430
the Registrar and the Deputy Registrar	124 940	- 82 501	42 439
any other staff directly employed by the Court	227 419	- 150 171	77 248
Current service costs (Defined Benefit Obligations)	-	3 603 833	3 603 833
33 General operating expenses	6 353 592	953 074	7 306 666
(iii) costs incurred by the Court for meetings, as well as for translation and communication costs.	937 586	-	937 586
(iv) costs incurred for Travel, consultancy, the Training Centre, the Patent Mediation and Arbitration Centre, the IT Opex and other operating expenses;	5 416 006	953 074	6 369 080
34 Working Capital Fund	4 435 590	- 4 435 590	-
(v) resources to be allocated to the Working Capital Fund.	4 435 590	- 4 435 590	-
35 Repayments to MS	-	-	-
36 Legal aid and reimbursement to third parties	1 164 733	-	1 164 733
37 Other general operating expenses	2 213	-	2 213
38 Depreciation and amortization expense	-	980 730	980 730
39 Financial expenses	-	-	-
41 IT Capital Expenditure	1 256 600	- 1 256 600	-
SUBTOTAL Court	30 344 347	- 6 862 946	23 481 401
61 Payments from Social Security Schemes	4 720 902	- 4 720 902	-
SUBTOTAL PSSS	4 720 902	- 4 720 902	-
TOTAL Court + PSSS	35 065 249	- 11 583 848	23 481 401

4.2. Plan statement of Estimated Income

Plan Statement of the Estimated Income

2025

in EUR

		Cash in EUR	Transition to Accrual in EUR	Accrual in EUR
51	Revenue from court fees	10 354 422	-5 506 758	4 847 663
52	Contributions by participating Member States	16 885 365	-3 504 116	13 381 250
	(i) contribution to Operating expenses	12 449 776	931 474	13 381 250
	(ii) contributions to the Working Capital	4 435 590	-4 435 590	0
53	Other operating income	3 104 560	-3 104 560	0
	(iv) any other income of the Court	3 104 560	-3 104 560	0
54	Work performed and capitalised	0	0	0
55	Financial income	0	0	0
SUBTOTAL Court		30 344 347	-12 115 434	18 228 913
71	Income Social Security Schemes	4 720 902	-4 720 902	0
SUBTOTAL PSSS		4 720 902	-4 720 902	0
TOTAL Court + PSSS		35 065 249	-16 836 336	18 228 913

4.3. Statement of Financial Performance

Statement of Financial Performance

in EUR

	2025	2026	2027	2028	2029
	in EUR	in EUR	in EUR	in EUR	in EUR
5 Revenue					
51 Revenue from court fees	4 847 663	10 354 422	10 354 422	10 354 422	10 354 422
52 Contributions by participating Member States	13 381 250	20 040 459	23 452 293	28 065 665	32 105 065
53 Other					
Total revenue	18 228 913	30 394 881	33 806 715	38 420 086	42 459 487
3 Expenses					
31+32 Employee benefits	14 027 059	21 593 589	24 474 490	28 400 043	31 580 628
33 General operating expenses	7 306 666	7 171 296	7 891 019	8 702 900	9 641 535
36 Legal aid and reimbursement to third parties	1 164 733	1 179 733	1 196 233	1 214 383	1 234 348
37 Other general operating expenses	2 213	2 263	2 472	2 760	2 976
38 Depreciation and amortization expense	980 730	396 393	450 560	415 560	475 560
39 Financial expenses	-	-	-	-	-
Total expenses	23 481 401	30 343 273	34 014 774	38 735 646	42 935 046
Net surplus/(deficit) for the period	- 5 252 488	51 607	- 208 060	- 315 560	- 475 560

4.4. Statement of Financial Position

Statement of Financial Position

in EUR

		2025	2026	2027	2028	2029
		in EUR	in EUR	in EUR	in EUR	in EUR
1	Assets					
11	Non-current assets					
112	Intangible assets	1 484 750	1 536 357	1 328 297	1 012 738	537 178
114	Other non-current assets (financial and non-financial)	6 540 590	12 212 510	18 698 714	26 275 655	34 727 120
	Total non-current assets	8 025 340	13 748 867	20 027 012	27 288 393	35 264 299
12	Current assets					
121	Accounts receivable from non-exchange transactions	-	-	-	-	-
122	Cash and cash equivalents	6 407 983	6 752 586	6 041 143	6 656 836	7 422 924
123	Prepayments	0	0	0	0	0
	Total current assets	6 407 983	6 752 586	6 041 143	6 656 836	7 422 924
	Total assets	14 433 324	20 501 452	26 068 155	33 945 229	42 687 222
2	Liabilities and equity					
21	Non-current liabilities					
211	Liability towards Member States and others States					
212	Defined Benefit Obligations	6 540 590	12 212 510	18 698 714	26 275 655	34 727 120
	Total non-current liabilities	6 540 590	12 212 510	18 698 714	26 275 655	34 727 120
22	Current liabilities					
221	Employee benefits	-	-	-	-	-
222	Accounts payable	761 019	694 027	740 348	797 541	872 785
223	Due to member states					
224	Liability for working capital fund	5 646 964	6 058 559	5 300 796	5 859 295	6 550 139
225	Other current liabilities					
226	Deferred revenue	9 560 758	9 560 758	9 560 758	9 560 758	9 560 758
227	Other current liabilities	-	-	-	-	-
	Total current liabilities	15 968 742	16 313 344	15 601 902	16 217 595	16 983 682
	Total liabilities	22 509 332	28 525 854	34 300 616	42 493 250	51 710 802
23	Net Assets / Equity Attributable to the Member States					
232	Other reserves	19 966	19 966	19 966	19 966	19 966
233	Accumulated surplus/(deficit)	-4 314 425	-4 262 817	-4 470 877	-4 786 436	-5 261 996
	Total net assets/equity	- 4 294 459	- 4 242 851	- 4 450 911	- 4 766 470	- 5 242 030

4.5. Forecasted Cash flow Statement

Direct Method Cash Flow Statement

in EUR

	2025	2026	2027	2028	2029
Cash flows from operating activities					
Cash receipts from Court	€ 13 458 981	€ 15 445 499	€ 16 337 458	€ 17 524 785	€ 18 445 010
Cash receipts from Member States	€ 8 173 099	€ 20 040 459	€ 22 694 530	€ 28 065 665	€ 32 105 065
<i>Total operating cash receipts</i>	€ 21 632 080	€ 35 485 957	€ 39 031 987	€ 45 590 450	€ 50 550 076
Payments of Employees benefits	-€ 17 131 619	-€ 26 684 666	-€ 30 457 527	-€ 35 570 406	-€ 39 671 216
Payments to suppliers of goods and services	-€ 8 459 448	-€ 8 341 584	-€ 9 022 853	-€ 9 848 600	-€ 10 793 615
<i>Total operating cash payments</i>	-€ 25 591 067	-€ 35 026 250	-€ 39 480 380	-€ 45 419 006	-€ 50 464 831
Cash Flow from operating activities	-€ 3 958 987	€ 459 707	-€ 448 392	€ 171 443	€ 85 244
Cash flows from investing activities					
Acquisition of tangible and intangible assets	-€ 1 313 500	-€ 526 700	-€ 263 050	-€ 114 250	-€ 10 000
Cash flow from investing activities	-€ 1 313 500	-€ 526 700	-€ 263 050	-€ 114 250	-€ 10 000
Cash flows from financing activities					
Cash receipts from Member States	€ 13 684	€ 411 595	€ -	€ 558 500	€ 690 843
Payments to Member States	€ -	€ -	€ -	€ -	€ -
Cash flow from financing activities	€ 13 684	€ 411 595	€ -	€ 558 500	€ 690 843
Net increase/(decrease) in cash and cash equivalent	-€ 5 258 803	€ 344 602	-€ 711 442	€ 615 693	€ 766 087
Cash and cash equivalents net at the beginning of the Period	€ 11 666 786	€ 6 407 983	€ 6 752 586	€ 6 041 143	€ 6 656 836
Cash and cash equivalents net at the end of the Period	€ 6 407 983	€ 6 752 586	€ 6 041 143	€ 6 656 836	€ 7 422 924

4.6 Financial Statements explanatory note

In the present budget approach, the contributions due by all contracting Member States are covering all the financial needs of the Court and it is assumed, for simplification purpose, that the expenses budgeted are implemented and that 90% are paid during the same budget year.

Intangible assets:

Intangible assets are stated at historical cost less accumulated amortization and any impairment losses.

Amortization is provided over the estimated useful life using the straight-line method.

The estimated useful life for intangible asset classes is as follows:

-CMS (Case Management System) CMS 7 years.

-Other intangible assets: 5 years

Defined Benefit Obligation

UPC makes pension contributions on behalf of its employee in accordance with Annex II to the Service and Staff Regulations (Pension Plan of the Court) AC/09/08072022. The contributions are treated as payments to a defined benefit pension plan.

The attention of delegates is called upon the fact that in the present absence of an actuary valuation study and of a current pension investments strategy, the expected costs of the pension benefits are valued at the current pension contributions made by the UPC and its employee and does not reflect the real benefit plan obligations. An update of these cost will be submitted to the relevant governing bodies in due time.

Current Liability-Liability towards Member States

These are the advances made by the contracting members states to the working capital fund as stipulated in Art 63 of the Financial regulation. Based on the 2024 actual budget, It is assumed that 21% of the yearly budgeted working capital fund are converted to the yearly budgeted operating expenses.

Current Liability-Payable (accrual)

UPC has assumed that 10% of the yearly budgeted operating expenses will be settled during the following.

Current Liability-Prepaid Fees:

Prepaid Fees are liabilities in relation to the payments received for the court services for which no service has yet been performed. The estimated prepaid fees consist of the judicial income estimates.

The UPC is conducting its proceeding in a way, which will normally allow the final oral hearing on infringement and validity at first instance to take place within one year and judgment six weeks thereafter.

Parties to proceedings will pay in advance fixed fees and value-based fees to the UPC, according to the Rules on Court fees as adopted by decision of the Administrative Committee on 08.07.2022.