



**WO/IAOC/71/2**  
**ORIGINAL: ENGLISH**  
**DATE: JANUARY 23 2024**

**WIPO Independent Advisory Oversight Committee**

**Seventy-First Session**  
**Geneva, December 11 to 15, 2023**

REPORT

*adopted by the WIPO Independent Advisory Oversight Committee*

## INTRODUCTION

1. The 71<sup>st</sup> Session of the WIPO Independent Advisory Oversight Committee (IAOC) took place from December 11 to 15, 2023. Present were Messrs. Igors Ludboržs (Chair), Bert Keuppens (Vice-Chair), Guan Jian, David Kanja, Danil Kerimi, and Kamlesh Vikamsey. Mr. German Deffit was unable to attend but participated remotely.

### AGENDA ITEM 1: ADOPTION OF THE AGENDA

./.  
./.  
2. The Committee amended its draft Agenda, which was subsequently adopted, and is hereby attached to this report as Annex I. A list of Session documents is attached as Annex II.

### AGENDA ITEM 2: DECLARATION OF CONFLICTS OF INTEREST

3. Members present were asked to disclose any actual or potential conflicts of interest. No conflicts of interest were reported.

### AGENDA ITEM 3: MATTERS ARISING FROM PREVIOUS SESSION

4. The Committee took stock of the actions carried out following the decisions taken at its 70<sup>th</sup> Session.

### AGENDA ITEM 4: MATTERS ARISING FROM 8<sup>TH</sup> MEETING OF THE UN SYSTEM AUDIT AND OVERSIGHT COMMITTEES AND OF THE JOINT INSPECTION UNIT (JIU) INTERVIEW

5. The Chair and Vice-Chair briefed the Committee on the discussions and outcomes of the 8<sup>th</sup> Meeting of the UN system Audit and Oversight Committees.

6. The Committee was also briefed by the Chair and the Vice-Chair on an interview with an inspector of the Joint Inspection Unit (JIU) on the implementation of the JIU Recommendations in WIPO.

### AGENDA ITEM 5: UPDATE FROM THE ASSISTANT DIRECTOR GENERAL – ADMINISTRATION, FINANCE AND MANAGEMENT SECTOR (AFMS)

7. As the Director General was away on mission, the Assistant Director General, AFMS, gave an update on the general financial standing of WIPO, and the impact of global events on the Organization. The Committee asked about the ongoing internal initiatives within WIPO, such as the staff survey, and training initiatives.

8. The Committee was also informed of the progress being made in organizing two diplomatic conferences, scheduled for the year 2024.

### AGENDA ITEM 6: INTERNAL OVERSIGHT (INCLUDING PROPOSED 2024 ANNUAL WORKPLAN)

*Private Session with the new Director, Internal Oversight Division (IOD)*

9. During the session, the Committee had a private meeting with the newly appointed Director of the IOD, who assumed office at the start of October 2023. The Committee welcomed the new Director and appreciated her articulation, as well as her approach and focus on the activities of the IOD.

### *IOD Activity Report*

10. The Committee took note of the delays in completing some reports, the reasons for the delays, and was informed about the measures to avoid such setbacks in the future.

11. It was noted that during the year 2023, three internal audit reports and two evaluation reports had been issued by the end of November. Four reports were in the final stages of completion.

### *Proposed 2024 Annual Workplan*

12. The Committee assessed the workplan for 2024 to be comprehensive and fully encompassing of the critical tasks of the IOD. It considered the workplan to be well documented. The Committee noted that the IOD and workplan priority areas started to be linked to the core businesses of the Organization, and that they were aligned to WIPO's Strategic Plans, targets, and risk assessment by WIPO's various stakeholders.

13. The Committee urged the IOD to rationalize and continue to streamline their overall workplan, particularly in view of the resource constraints, which should result in a more focused workplan.

### *Management Implication Report*

14. The Committee was briefed on one Management Implication Report. It addressed the risks that were identified in an investigation relating to the process and practice of engaging Individual Contractor Services (ICS). The report recommended operational improvements to preempt further operational inefficiencies. These recommendations will be followed-up by the IOD.

### *Required Communication Checklist*

15. The Committee was presented with the Required Communication Checklist by the Director, IOD, in line with requirements of the audit standards stemming from an External Quality Assessment (EQA) that was conducted by the Institute of Internal Auditors. The Committee found the report very comprehensive.

### *Investigations*

16. The Committee was updated on the status of investigation cases. As of November 30, 2023, there were 20 pending investigation cases, including seven cases under preliminary evaluation, nine under full investigation and four on hold. Of these pending cases, one was registered in 2021, four in 2022 and 15 in 2023.

17. The Committee discussed with IOD the intake mechanism and screening process for new allegations, with a view to streamline their processing.

## **AGENDA ITEM 7: REVIEW OF OPEN OVERSIGHT AND JIU RECOMMENDATIONS**

18. The open IOD, External Auditor, IAOC, and JIU Recommendations were reviewed by the Committee who noted that, as of November 30, 2023, there were a total of 57 open recommendations. Since the end of August 2023, 24 out of 58 recommendations were closed and 23 new ones were added, of which 15 were from recently issued JIU reports, two by the IOD, and six by the External Auditor, leaving 57 outstanding recommendations.

19. Some older recommendations remained outstanding, *inter alia*, due to the need to implement IT solutions which require more time. The Secretariat continues to follow-up on all open oversight recommendations. The Committee was pleased with the good progress made on the follow-up and implementation of recommendations.

20. The Committee looked at the long-standing recommendations, and the standards that categorize them as such. The Committee noted that these recommendations were low priority, and actions are being undertaken to implement them.

21. The Committee also noted that Managers are encouraged to set closure dates that are realistically attainable.

#### **AGENDA ITEM 8: DISCUSSION ON CYBERSECURITY**

22. The Committee was provided with the Terms of Reference (ToR) for an audit of Cybersecurity Management at WIPO, to be performed by an outside consultant under the supervision of the IOD. The ToR were discussed in detail, looking at how the initial comments made by the Committee were addressed and integrated in the revised version.

23. The Committee used the opportunity to discuss the current cybersecurity posture of WIPO, and the security of data in-transit and at rest. The Committee looks forward to the completion of the audit during the first half of 2024.

24. The Committee continues to look at this area in view of its expanded mandate under its ToR and welcomes continuous engagement with the Acting Chief Security Officer and the Chief Information Officer.

#### **AGENDA ITEM 9: EXTERNAL AUDIT: AUDIT PLANNING REPORT, 2023 INTERIM AUDIT OUTCOMES**

25. The Committee and the External Auditor discussed planning for both the Financial and Performance audits. The External Auditor has identified two significant risks relating to presumed risk of management override of controls, which is a required recurrent risk to be addressed under the audit standards, and the valuation of employee benefit liabilities. The External Auditor also identified the following areas of audit focus: Valuation of Land and Building, Partnership Arrangements, and implementation of IPSAS 43 (Operating Leases).

26. The Committee noted that a transition plan had been agreed between the outgoing and incoming Auditor. Detailed discussions and handover arrangements are scheduled to take place after the completion of WIPO's 2023 financial year audit. The Committee looks forward to having a meeting with the incoming External Auditor from Indonesia.

27. The Committee discussed the timelines for the submission of the External Auditor's reports and discussed how the IAOC could fulfill its oversight responsibilities included in its Terms of Reference by reviewing and commenting on these reports.

28. The External Auditor informed the Committee of their intention to examine four key performance areas: financial management and governance, knowledge management, compendium of previous observations and follow-up of prior year recommendations.

29. In accordance with its ToR, the Committee also had a private session with the External Auditor.

## **AGENDA ITEM 10: UPDATE ON INVESTMENT GOVERNANCE FRAMEWORK AND POLICIES**

30. The Committee was updated by the Management Team on the Investment Policy and Governance Framework and the status of the Core and Strategic Cash portfolio performance. At the end of October, the portfolio performance was in-line with the investment performance benchmarks. The Committee was also informed of the shift in the composition of assets in the portfolio which was in line with the intended de-risking strategies.

31. The Committee inquired about the workflow for the process of rebalancing the portfolio, and the governance structure. The Committee noted the positive performance of the portfolios observed across multiple horizons – year-to-date, medium-term (five years) and long-term (since inception).

32. In relation to the governance framework, the Committee was updated on the status of work with the Reserve Advisory & Management Partnership (RAMP), which is part of the World Bank Treasury. While the report is still being completed, the Committee was informed that the advice from RAMP to include one or more external experts in the internal Advisory Committee on Investments (ACI) may be considered. The Committee is pleased that its earlier advice to review the governance framework of the investments was taken on-board.

33. The Committee was informed about the different options being explored to segregate After-Service Health Insurance (ASHI) assets, including the establishment of a separate foundation. This matter will be further discussed by the Committee in its future meetings.

34. The Committee was provided with an update by the Director, Program Performance and Budget Division, on the overall performance of WIPO. Both the income and the expenditure were within target levels but could be impacted by the final valuation at the year-end of the ASHI liabilities.

## **AGENDA ITEM 11: MEETING WITH THE DIRECTOR, HUMAN RESOURCES AND MANAGEMENT DIVISION (HRMD)**

35. The Committee was updated by the Director, HRMD, on a number of HR-related matters, including the status of the recruitment for the position of a Chief Ethics Officer, and the possible arrangements for the Ombuds function at WIPO. The Committee was informed of the current operational arrangements, given the vacancies in these two critical positions. In accordance with its Terms of Reference, the Committee reviewed the list of pre-screened candidates for the position of Chief Ethics Officer and was informed of the timeline for the recruitment.

36. The Committee reviewed the proposed arrangements for filling the position of an Ombudsperson, and for co-sharing the position with another UN agency. The Committee provided advice on such arrangements to the Director, HRMD.

37. The Committee was also given an update on the remote working, management training initiatives and follow-up on the staff survey.

## **AGENDA ITEM 12: ETHICS (INCLUDING PROPOSED 2024 ANNUAL WORKPLAN)**

38. The Committee was informed by the Interim Chief Ethics Officer on his activities. The challenges of temporarily holding the position remotely were discussed. The Committee was updated on the status of the policy on retaliation, other policies being developed, and the functioning of the exercise of Financial Disclosure and Declaration of Interests (FDDI).

39. The interim Chief Ethics Officer was seeking further comments and feedback from the Committee prior to the finalization of the revision of the policy on retaliation. He expected to be able to meet his commitment to have the final policy approved by the end of the year 2023.

40. The Committee requested the Interim Chief Ethics Officer to send the document containing the 2024 Annual Workplan for its review, (which was duly transmitted by the end of the session.)

## **AGENDA ITEM 13: MEETING WITH THE INTERIM OMBUDSPERSON**

41. The Interim Ombudsperson updated the Committee on the number of cases being handled by the Ombuds Office, and the trends observed on the types of issues commonly raised by staff.

42. The Committee advised the creation of a guideline that seeks to steer staff in identifying the appropriate reporting mechanisms of staff concerns and conflicts, including through dispute resolution. Currently it is not clear which office can informally address staff's concerns or conflicts prior to the staff filing a formal complaint with the IOD.

43. It was highlighted that the Office of the Ombudsperson treats all issues confidentially and does not have to report them elsewhere.

44. The interim Ombudsperson shared with the Committee her views on the varying proposed arrangements for filling the role of an Ombudsperson in the future, considering the high workload of the Ombudsperson.

45. Towards the completion of her mandate, the Interim Ombudsperson indicated that she intends to submit an Ombudsperson Activity Report outlining her recommendations.

## **AGENDA ITEM 14: IAOC SELF-ASSESSMENT OF ITS 2023 ACTIVITIES**

46. The Committee conducted a self-assessment in accordance with the requirements of its Terms of Reference. These ToR require the Committee to conduct a self-assessment every year relating to the Committee's purpose and mandate and to ensure it is operating effectively. The Committee decided to adopt the use of the 13 JIU criteria for good practices for Audit and Oversight Committees in the United Nations system organizations.

47. Overall, using the JIU criteria, the Committee concluded it is functioning effectively and discharges its mandate in accordance with its Terms of Reference. While doing so, a number of possible improvements were agreed upon. Among these are the desire to brief not only the representatives of Member States in an information meeting, but also, starting from its 71<sup>st</sup> session, the Committee will debrief the Director General of WIPO on its proceedings, which does not infringe on the independence of the Committee. In addition,

the rolling agenda that the Committee uses as its annual workplan will be further improved. Other improvements can be found in the attached Self-Assessment document (Annex III).

**AGENDA ITEM 15: INPUT INTO THE PERFORMANCE EVALUATION OF THE DIRECTOR, IOD, THE CHIEF ETHICS OFFICER, AND THE IAOC SECRETARY**

48. In accordance with its Terms of Reference, the Committee discussed and evaluated the performance of the IAOC Secretary, in view of providing the Controller with its assessment of the support received.

**AGENDA ITEM 16: ELECTION OF IAOC CHAIR AND VICE-CHAIR FOR 2024**

49. The Committee elected Messrs. Bert Keuppens and David Kanja as the Chair and Vice-Chair, respectively, for the year 2024.

50. The Committee members thanked Messrs. Ludboržs and Keuppens for their excellent leadership and extensive contributions to the work of the Committee.

**AGENDA ITEM 17: INFORMATION MEETING WITH MEMBER STATES' REPRESENTATIVES**

51. As provided in its ToR, an Information Meeting for Member States' Representatives was held at the end of the session. The Committee briefed the Delegates of its deliberations during the session and responded to questions posed by the attending delegates.

**AGENDA ITEM 18: OTHER MATTERS**

*WIPO Investment Reports*

52. Management submitted to the Committee the Investment Performance Reports and the Investment Monitoring Reports for August, September, and October 2023, prepared by the Investment Advisors and the Custodian, respectively.

53. The Committee analyzed both documents provided, and affirmed that within the period in focus, all investments in the WIPO portfolio are functioning within its forecasted results, and that, the portfolio was managed complying with the overarching investment strategy. Moreover, the Committee noted that the Custodian reported no breach, active or passive, or justified exceptions.

54. The Committee clarified that its role was limited to conveying information contained in the Investment Performance Reports and Investment Monitoring Reports and did not provide any assurances in that regard.

*Next Session*

55. The next session is scheduled to take place from March 18 to 22, 2024. The draft Agenda was discussed and prepared by the Committee, for adoption at the beginning of the next meeting:

- (1) Adoption of the Agenda
- (2) Declaration of Conflicts of Interest
- (3) Matters arising from previous Session
- (4) Meeting with the Director General
- (5) Internal Oversight (including Final 2024 Annual Workplan)

- (6) Review of High-Priority Oversight Recommendations
- (7) Update on Risk Management and Internal Control Framework (including top risks)
- (8) New Enterprise Resource Planning (ERP) System
- (9) Financial Reporting: Draft 2023 Financial Report and Financial Statements
- (10) External Audit: Update on 2023 Audits (Financial and Performance)
- (11) Update on Investment Governance Framework and Policies
- (12) Review of Effectiveness of Anti-Fraud Activities
- (13) Update on Physical and IT Security
- (14) Update on HR Matters
- (15) Ethics: 2024 Workplan Implementation Update
- (16) Meeting with the Ombudsperson
- (17) Draft IAOC 2023 Annual Report
- (18) Information Meeting with Member States' Representatives
- (19) Other Matters
- (20) Debriefing with the Director General

[Annexes follow]





---

**WO/IAOC/71/1**  
**ORIGINAL: ENGLISH**  
**DATE: JANUARY 23, 2024**

## **WIPO Independent Advisory Oversight Committee**

**Seventy-First Session**  
**Geneva, December 11 to 15, 2023**

### **AGENDA**

*prepared by the WIPO Independent Advisory Oversight Committee*

1. Adoption of the Agenda
2. Declaration of Conflicts of Interest
3. Matters arising from previous Session
4. Matters arising from the 8<sup>th</sup> Meeting of the UN System Audit and Oversight Committees and of the Joint Inspection Unit (JIU) Interview
5. Update from the Assistant Director General – Administration, Finance and Management Sector (AFMS)
6. Internal Oversight (including Proposed 2024 Annual Workplan)
7. Review of Open Oversight and JIU Recommendations
8. Discussion on Cybersecurity
9. External Audit: Audit Planning Report, 2023 Interim Audit Outcomes
10. Update on Investment Governance Framework and Policies
11. Meeting with the Director, Human Resources and Management Division (HRMD)

12. Ethics including Proposed 2024 Annual Workplan)
13. Meeting with the Interim Ombudsperson
14. IAOC Self-Assessment of its 2023 Activities
15. Input into the Performance Evaluation of the Director, IOD, the Chief Ethics Officer, and the IAOC Secretary
16. Election of IAOC Chair and Vice-Chair for 2024
17. Information Meeting with Member States' Representatives
18. Other Matters

[Annex II follows]



---

**WO/IAOC/71/INF/1**  
**ORIGINAL: ENGLISH**  
**DATE: JANUARY 23, 2024**

## **WIPO Independent Advisory Oversight Committee**

**Seventy-First Session**  
**Geneva, December 11 to 15, 2023**

LIST OF DOCUMENTS  
PROV. LIST OF DOCUMENTS

**ITEM 1: ADOPTION OF THE AGENDA**

[01a] Agenda  
[01b] Timetable  
[01c] List of Documents

**ITEM 2: DECLARATION OF NO CONFLICT OF INTEREST AND TECHNICAL MATTERS**

No document: Oral account.

**ITEM 3: MATTERS ARISING FROM PREVIOUS SESSION**

No document: Oral account.

**ITEM 4: BRIEFINGS ON THE OUTCOMES OF THE 8<sup>TH</sup> MEETING OF THE UN SYSTEM AUDIT AND OVERSIGHT COMMITTEES AND OF THE JOINT INSPECTION UNIT (JIU) INTERVIEW**

No document: Oral account.

**ITEM 5: MEETING WITH THE ASSISTANT DIRECTOR GENERAL - AFMS**

No document: Oral account.

**ITEM 6: INTERNAL OVERSIGHT (INCLUDING PROPOSED 2023 ANNUAL WORKPLAN)**

*Internal Oversight Division:*

[06a] IOD Activity Report – December 4, 2023 (Reference: IOD-IAOC-2023/04)

[06b] Draft 2024 Oversight Annual Workplan – December 1, 2023  
(IOD Ref.: IOD/WP/2024/1)

[06c] Management Implication Report, November 20, 2023  
(IOD Ref.: IOD-INV-2023-07)

[06d] IOD Required Communications Checklist with the IAOC – 2023,  
December 3, 2023

*Investigations:*

**ITEM 7: REVIEW OF OPEN OVERSIGHT AND JIU RECOMMENDATIONS**

[07] Open Oversight and JIU Recommendations, as of November 30, 2023

**ITEM 8: DISCUSSION ON CYBERSECURITY RECOMMENDATIONS**

[08] Draft Terms of Reference – Audit of Cybersecurity Management at WIPO,  
November 16, 2023

**ITEM 9: EXTERNAL AUDIT: AUDIT PLANNING REPORT, 2023 INTERIM AUDIT OUTCOMES**

[09] External Audit 2023 Audit Planning Report, November 2023

**ITEM 10: UPDATE ON INVESTMENT GOVERNANCE FRAMEWORK AND POLICIES**

[10a] Update on Investment Policy and Governance Framework (December 2023)

[10b] WIPO Policy on Investments (as approved by the Assemblies at the Fifty-Ninth Series of Meetings (September to October 2019)

[10c] Etude sur la Création d'une Entité Distincte pour l'Assurance-Maladie après la Cessation de Service (AMCS), November 24, 2023

[10d] WIPO Business Continuity Dashboard, as of October 2023

**ITEM 11: MEETING WITH THE DIRECTOR, HRMD**

No document: Oral account.

**ITEM 12: ETHICS (INCLUDING PROPOSED 2024 ANNUAL WORKPLAN)**

[12a] Draft Ethics Office 2024 Annual Workplan Summary Report,  
December 2023

[12b] Draft Office Instruction N° 33/2017 Rev.1 – Policy to Protect against Retaliation for Reporting Misconduct and for Cooperating with duly Authorized Audits of Investigations (December 2023)

**ITEM 13: MEETING WITH THE INTERIM OMBUDSPERSON**

[13] Ombudsperson Activity Report (April-December 2023), December 14, 2023

**ITEM 14: IAOC SELF-ASSESSMENT OF ITS 2023 ACTIVITIES (INCLUDING REVIEW OF PAST IAOC RECOMMENDATIONS)**

[14] IAOC Self-Assessment Questionnaire 2023

**ITEM 15: INPUT INTO THE PERFORMANCE EVALUATION OF THE DIRECTOR, IOD, THE CHIEF ETHICS OFFICER, AND THE IAOC SECRETARY**

No document: Oral account.

**ITEM 16: ELECTION OF IAOC CHAIR AND VICE-CHAIR FOR 2024**

No document: Oral account.

**ITEM 17: INFORMATION MEETING WITH MEMBER STATES' REPRESENTATIVES**

No document: Oral account.

**ITEM 18: OTHER MATTERS**

[18a] Report – Seventieth Session (document WO/IAOC/70/2)

[18b] Draft IAOC Proposed Session Dates for 2024

[18c] Draft IAOC Rolling Agenda, 72<sup>nd</sup> to 75<sup>th</sup> Sessions

**Investment Reports:**

[18d] Credit Suisse – Investment Monitoring Reports for August, September and October 2023

[18e] MBS Capital Advice – Investment Performance Reports for August, September and October 2023

[Annex III follows]

| <b>JIU criteria for good practices for audit and oversight committees in the United Nations system organizations</b>   | Strongly disagree | Disagree | Neither agree nor disagree | Agree | Strongly agree | N/A | <b>What could the Committee do better or differently?</b>   |
|--|-------------------|----------|----------------------------|-------|----------------|-----|---|
|  | 1                 | 2        | 3                          | 4     | 5              |     |   |
| <p><b>Criterion 1:</b> Audit and oversight committees should be established by terms of reference or charter that are formally approved by the legislative and/or governing body of the organization.</p> <p>This criterion is fundamental to satisfy the legislative and/or governing body of the organization. The terms of reference should cover fully and comprehensively all areas of the intended purview of an audit and oversight committee and should contain the best possible arrangements for its oversight work.</p>   |                   |          |                            |       | X              |     |   |
| <p><b>Criterion 2:</b> Audit and oversight committees should be independent and report to the legislative and/or governing body as well as to the executive head of the organization.</p> <p>This criterion distinguishes two basic control environments for audit and oversight committees in the United Nations system organizations: one (the vast majority) in which the committee already has the function of a true oversight committee in the service of the legislative and/or governing body; and another in which it is a high-level executive management advisory committee to help the legislative and/or governing body ensure that the entity in question is managed according to all applicable standards of good practice.</p> |                   |          |                            |       | X              |     | <p>The Committee holds at the end of each session an information meeting with the Member States' Representatives, which is considered best practice.</p> <p>Starting from its 71<sup>st</sup> session, the Committee will debrief the Director General of WIPO on its proceedings, which does not infringe on the independence of the Committee.</p> <p>Refer to paragraph 2 of the Terms of Reference.</p> |

|   |  |  |  |          |  |  |   |
|---|--|--|--|----------|--|--|---|
| <p><b>Criterion 3:</b> Audit and oversight committees should review and advise on the mandate, charter, plan of action and resources of the internal oversight function.</p> <p>This criterion covers the core responsibilities of audit and oversight committees that originally started out as audit committees before gradually assuming a much broader oversight role.</p>  |  |  |  | <p>X</p> |  |  | <p>The Committee will continue to include key advice to IOD in its session reports.</p>   |
| <p><b>Criterion 4:</b> Audit and oversight committees should review and advise on the effectiveness of the internal control systems of the organization, including enterprise risk management.</p> <p>This criterion extends the role of an audit and oversight committee beyond pure audit review to the whole internal control framework of the entity it serves. During the past two decades, the role of enterprise risk management in this process has become increasingly important as the sophistication of the risk assessment process has greatly increased and, in parallel, risk mitigation has been professionalized.</p> |  |  |  | <p>X</p> |  |  | <p>The Committee will monitor the IOD's plans and actions for providing overall opinion on framework of governance, risk management and controls.</p> |

|   |  |  |  |   |   |   |
|---|--|--|--|---|---|---|
| <p><b>Criterion 5:</b> Audit and oversight committees should advise the legislative and/or governing body on the operational implications for the organization of the issues and trends apparent in the financial statements of the organization and reports of the external auditor, as well as the appropriateness of accounting policies and disclosure practices.</p> <p>This criterion is aimed at ensuring that an appropriate follow-up is undertaken by management and legislative and/or governing bodies alike on all matters of concern identified in the audit reports in relation to the financial statements of the organization in question.</p> |  |  |  |   | X |   |
| <p><b>Criterion 6:</b> Audit and oversight committees should review and advise on the ethics function.</p> <p>This criterion, in conjunction with criterion 7, on fraud prevention, is intended to bring the increasingly important role of the ethics function under the review of the audit and oversight committee and strengthen the accountability framework.</p>  |  |  |  | X |   | <p>The Committee reviewed and advised on the Ethics function. The Committee will periodically review measures of fraud prevention.</p>              |
| <p><b>Criterion 7:</b> Audit and oversight committees should review and advise on the systems established and measures taken by the organization to prevent fraud.</p> <p>As several high-profile fraud cases in the United Nations system and other non-profit organizations have shown, major fraud is not confined to for-profit settings and can inflict considerable reputational damage on United Nations entities. As a consequence, the role of the audit and oversight committee has evolved to include the review of policies and measures related to fraud prevention.</p>   |  |  |  | X |   | <p>The Committee will periodically review measures of fraud risk management as part of its work program on a comprehensive and recurrent basis.</p> |



|  |  |  |   |   |  |  |
|--|--|--|---|---|--|--|
| <p><b>Criterion 8:</b> Audit and oversight committees should strengthen communication and cooperation among stakeholders, external and internal auditors, management and the legislative and/or governing body.</p> <p>While each individual element in the accountability system and internal control framework might work well, there is still a need to ensure better and more seamless coordination and cooperation among all the actors concerned.</p>  |  |  | X |   |  | <p>While the Committee itself has communicated and cooperated effectively with each individual element in the accountability system and internal control framework, it will consider how to contribute to the improvement of communication and cooperation between these elements.</p> |
| <p><b>Criterion 9:</b> Criteria for audit and oversight committee membership should be clearly defined in the terms of reference or charter.</p> <p>This criterion is of high importance, since the skills, knowledge and experience which audit and oversight committee members need to collectively possess should be rigorously defined, or redefined, so as to respond to the current and evolving needs and specificities of the function.</p>  |  |  |   | X |  |  |
| <p><b>Criterion 10:</b> Audit and oversight committees should have administrative support and adequate resources in order to fulfil their oversight responsibilities.</p> <p>The most wide-ranging powers of inquiry and the best guarantees for independence and competence of an audit and oversight committee and its members would be rendered ineffective if the committee's administrative support and the resources at its disposal were to be insufficient or unduly influenced by management or other stakeholders.</p> |  |  |   | X |  | <p>The Committee is discussing with Management how the administrative support can best be met in the future during a period of transition.</p>   |

|  |  |  |  |   |   |  |  |
|--|--|--|--|---|---|--|--|
| <p><b>Criterion 11:</b> Audit and oversight committees should establish an annual workplan to ensure that their responsibilities and stated objectives for the period are effectively addressed.</p> <p>This criterion is needed because the arrangements for planning, preparing, organizing and reporting on an audit and oversight committee's work and periodic meetings, as well as following up on its conclusions and recommendations, should be specified in advance and, to the extent and detail possible, be stipulated in its terms of reference or charter.</p> |  |  |  | X |   |  | <p>The Committee uses a rolling agenda as its Annual Workplan, which will be further improved.</p>   |
| <p><b>Criterion 12:</b> The performance of audit and oversight committees should be assessed in order to evaluate their effectiveness and efficiency.</p> <p>Few audit and oversight committees in the United Nations system have reached the level of good practice concerning this criterion, which is nonetheless of growing importance.</p>  |  |  |  | X |   |  | <p>The Committee conducts an annual self-assessment, which in the coming years will be complemented by feedback from stakeholders and an independent performance evaluation. The current self-assessment was based on the JIU criteria for good practices for audit and oversight committees in the United Nations system organizations.</p> |
| <p><b>Criterion 13:</b> In order to take into account emerging priorities and challenges faced by the organizations, audit and oversight committees' terms of reference or charter should be periodically revised and reviewed by the legislative and/or governing body.</p>   |  |  |  |   | X |  |  |