

Program and Budget Committee

Thirty-Third Session
Geneva, September 13 to 17, 2021

PROPOSED REVISION OF THE SELECTION PROCEDURE FOR THE MEMBERS OF THE WIPO INDEPENDENT ADVISORY OVERSIGHT COMMITTEE (IAOC)

prepared by the Secretariat

INTRODUCTION

1. In 2010, the WIPO General Assembly approved the selection procedure for the members of the Independent Advisory Oversight Committee (IAOC), as set out in document WO/GA/39/13.¹ For more than a decade, the recruitment of new members of the IAOC has taken place in accordance with this framework. For the reasons explained below, the time has come to review, and propose a revision to, the selection procedure, in order to align it with best practices and in the interests of efficiency.
2. The present document contains a proposal for a revised selection procedure, to be set out in a new annex to the Financial Regulations and Rules (FRRs), namely Annex IV. If adopted, this new annex will supersede document WO/GA/39/13.
3. In addition, the adoption of Annex IV will also necessitate amendments to Annex III of the FRRs, namely the Terms of Reference (ToR) of the IAOC, which contains references to the selection process. Given that the adoption of a revised selection procedure for members of the IAOC has an impact on the ToR of the IAOC, both documents should be reviewed and amended simultaneously, in order to ensure their full alignment.
4. The proposed revised selection procedure for members of the IAOC is attached to this document as Annex I. To facilitate review of the ToR of the IAOC, Annex II of this document contains a table that shows the proposed amendments in track changes format, as well as the

¹ See paragraph 30 of WO/GA/39/14.

rationales therefor. A clean version of the ToR of the IAOC, incorporating the proposed amendments, is attached to this document as Annex III.

5. The Secretariat wishes to note that the review process of both the selection procedure for members of the IAOC and its ToR took into account the recommendations of the 2019 Report of the Joint Inspection Unit entitled “Review of Audit and Oversight Committees in the United Nations System”,² in order to align both documents with current best practices.

PROPOSED REVISION OF THE SELECTION PROCEDURE

6. By way of background, document WO/GA/39/13 was produced in 2010 by a working group set up to focus on matters related to the WIPO Audit Committee (as it was then called). The document specifically provided a mechanism for the first round of recruitment, selection, and rotation of members of the newly established IAOC in 2010. Once the 2010 recruitment exercise had been completed, parts of WO/GA/39/13 became obsolete, whereas some core elements thereof went on to serve as a basis for subsequent rounds of recruitment.

7. Having operated within the framework set out in WO/GA/39/13 since 2010, and as lessons were learned over time, it became increasingly apparent to the Secretariat that the selection procedure for members of the IAOC would benefit from further refinement and enhanced efficiency. During the IAOC’s ranking-based assessment of the applications of the eligible candidates identified by the Selection Panel for the 2018/2019 recruitment cycle, the IAOC also noted that certain elements of the selection procedure could be made more efficient.³ In addition, certain elements of WO/GA/39/13 pertaining to the selection procedure had also been reproduced in the ToR of the IAOC, thereby resulting in duplication. The Secretariat therefore undertook a comprehensive review of the selection procedure with the aim of consolidating it within a stand-alone and self-contained document to be annexed to the FRRs.⁴

8. In light of the foregoing, the Secretariat has identified certain elements of the selection procedure for members of the IAOC that could benefit from further strengthening, fine-tuning and streamlining. At the outset, it can be noted that in proposed Annex IV, the establishment of the Selection Panel is further elaborated upon, and its mandate and functioning have now been clearly defined. The original procedure for the assessment of the candidates has been expanded, with each step being described in more detail. It is anticipated that this revised procedure will lead to greater efficiencies for the Selection Panel, the IAOC and the Secretariat. By way of example, in the first instance, the Selection Panel will focus its assessment on the priority Regional Groups as identified in the vacancy announcement, instead of assessing all candidatures received as it had done in the past, thus saving time for both the Panel and the IAOC, as well as the resources of the Organization. In addition, some essential administrative tasks routinely performed by the Secretariat during the previous rounds of recruitment have now been expressly reflected within proposed Annex IV (in particular, those tasks relating to the confirmation of suitability and availability of the candidates, and the preparation of the draft final report). The procedure for the filling of seats on the IAOC that become vacant as a result of certain exceptional circumstances has also been strengthened.

PROPOSED AMENDMENTS TO THE IAOC’S TERMS OF REFERENCE

9. Should the proposal to add Annex IV to the FRRs be adopted, this will necessitate changes to the ToR of the IAOC, as set out in Annex III of the FRRs.

² Document reference JIU/REP/2019/6.

³ In its report submitted to the Program and Budget Committee in 2019 (WO/PBC/30/2), the IAOC had signaled to the Member States that a revision of the selection process was warranted (at paragraph 9).

⁴ Paragraph 29 of WO/GA/39/13 expressly provides for the possibility of such a review by Member States.

10. In its current iteration, the ToR of the IAOC include a number of elements that refer to the tasks to be performed by the Selection Panel, overlapping with document WO/GA/39/13. It was considered desirable to eliminate this overlap, in order to ensure that these elements were housed in the proposed Annex IV only, rather than remain duplicated in the ToR of the IAOC.
11. In line with the above, a number of consequential changes are proposed to the ToR of the IAOC, as explained in detail in Annex II of the present document. It is anticipated that the proposed changes to the ToR will streamline the text contained therein, and rationalize Annexes III and IV of the FRRs by ensuring a clear demarcation between them. The main modifications to the ToR of the IAOC are contained within Section C, which deals with “Membership and Qualifications”, which is where duplication and/or overlap with the revised selection procedure occurred. In addition, proposed changes were made to reflect the contents of the aforementioned 2019 Report of the Joint Inspection Unit, in respect of the professional requirements of the members of the IAOC. Finally, the provision dealing with the departure of serving members of the IAOC has been strengthened, by anticipating scenarios of a possible reduction of the IAOC’s membership in cases other than resignations or deaths.
12. Ahead of the IAOC’s sixty-first meeting in the week of July 5, 2021, the Secretariat shared with it both the proposed revised selection procedure for the members of the IAOC and the proposed consequential changes to the ToR of the IAOC. During a session of that sixty-first meeting, the Secretariat discussed the matters with the IAOC, which reviewed both documents, and provided its comments thereon to the Secretariat. The IAOC’s comments have been taken into account, and incorporated in the versions presented to the Program and Budget Committee.
13. The Secretariat submits its proposals for consideration by the Program and Budget Committee and approval by the WIPO General Assembly.
14. The following decision paragraph is proposed.

15. The Program and Budget Committee (PBC) recommended to the WIPO General Assembly:

(i) to approve the proposed revision of the selection procedure for the members of the WIPO Independent Advisory Oversight Committee (IAOC) (addition of Annex IV to the Financial Regulations and Rules), as contained in Annex I of document WO/PBC/33/3; and

(ii) to approve the proposed amendments to the Terms of Reference of the WIPO Independent Advisory Oversight Committee (IAOC), as provided in Annex II and incorporated in Annex III of document WO/PBC/33/3.

[Annexes follow]

SELECTION PROCEDURE FOR THE MEMBERS OF THE WIPO INDEPENDENT ADVISORY OVERSIGHT COMMITTEE

A. INTRODUCTION

1. This Annex sets out the selection procedure for members of the Independent Advisory Oversight Committee (IAOC).⁵ Vacant seats on the IAOC shall be filled via a competitive recruitment process administered by a Selection Panel (Panel) established especially for that purpose. The Program and Budget Committee (PBC) will take a decision on the appointment of the new members of the IAOC based on the Panel's recommendations, once the selection procedure has been concluded.

B. ESTABLISHMENT OF THE SELECTION PANEL

2. The Panel shall be composed of seven members. The Director General shall invite each Regional Group of countries of WIPO Member States to nominate one suitable individual from that Group to constitute the seven-member Panel. There can be no more than one member of the Panel of any given nationality. The members of the Panel shall ensure their availability to carry out their mandate throughout the entire recruitment process.

3. The members shall elect from amongst themselves a Chair and Vice-Chair of the Panel.

4. If, for some reason, a member of the Panel is unable to continue with her or his membership, the Chair of the PBC shall appoint as a new member of the Panel another individual from the same Regional Group, upon the recommendation of such Group. If, for any reason, no representative of a given Regional Group can be appointed as a member of the Panel to replace the outgoing member, the Chair of the PBC shall decide on the designation.

5. The Director General shall appoint a member of the Secretariat of WIPO as Secretary to the Panel. The Secretary's functions shall include the notification of meetings, distribution of documentation for each meeting, preparation of draft reports of the meetings, recording of the decisions of the Panel and any other function the Director General or the Panel may determine. The Secretary shall not have the right to vote.

6. The Panel shall continue to exist until the PBC adopts a decision appointing the new members of the IAOC, at which time the Panel shall be disbanded and cease to have any function. A new Panel shall be constituted for each recruitment process.

⁵ This Annex supersedes the recommendations contained in document WO/GA/39/13, as approved by the WIPO General Assembly in September 2010 (see paragraph 30 of WO/GA/39/14).

C. MANDATE AND FUNCTIONING OF THE SELECTION PANEL

7. The Panel is responsible for administering a competitive recruitment process to fill vacant seats on the IAOC. Based on the overall criteria set out in the vacancy announcement, the Panel is tasked with conducting a rigorous assessment of the candidates, in order to identify those who are most suitable. Expertise as well as geographical distribution, rotation, and gender balance should guide the selection process. After the Panel's assessment, it shall make its recommendations to the PBC as to the appointment of the candidate(s) as members of the IAOC.

8. The Panel shall define its own rules of procedure, detailing, amongst other things, its functioning and working methods.

9. The Panel shall work in an independent manner, while maintaining transparency in its work. The Panel may benefit from the advice of experts as and when deemed necessary. Members of the WIPO Secretariat shall be available to the Panel to provide assistance and advice upon request.

10. The deliberations of the Panel shall be confidential.

D. VACANCY ANNOUNCEMENT

11. The vacancy announcement shall be based on the provisions of Annex III that deal with the membership and qualifications of the IAOC.

12. The Panel shall finalize the vacancy announcement, an initial draft of which shall be provided by the Secretary. The vacancy announcement shall indicate, amongst other things, the following: the number of seats to be filled; the duration of the appointment; and, the essential qualifications, skills and experience that are required to undertake the role. With a view to ensuring representation of each of the seven Regional Groups of Member States on the IAOC, the vacancy announcement shall also specify which Regional Groups require a new member, and indicate that priority shall be given to the selection of a candidate from each of those Regional Groups.

13. The WIPO Secretariat shall be responsible for the advertisement of the vacancy. It shall invite applications from interested candidates through a dual-track approach, namely by:

a) Placing open advertisements on WIPO and United Nations websites and other websites and/or in publications.

b) Sending a communication from the Director General to all Member States inviting applications from interested candidates and nominations from Member States, on the understanding that such applications/nominations will not be given precedence and will be treated in the same manner as applications received in response to open advertisements.

14. Interested candidates who are nominated by a Member State shall be required to submit their application through WIPO's online recruitment system.

E. ASSESSMENT OF THE CANDIDATES

15. All applications/nominations received through this dual-track approach shall be submitted to the Panel.

16. Following the closure of the vacancy announcement, the Panel shall screen all applications/nominations received from the Regional Groups that are to be given priority in the vacancy announcement, and determine the eligibility of those candidates by reference to the requirements stipulated in the vacancy announcement. The Panel shall ensure that those candidates possess the relevant mandatory qualifications, competencies and experience outlined in the vacancy announcement. If necessary, the Panel may invite relevant external expert(s) to assist them in this task and request funding from the WIPO Secretariat for this purpose.

17. If there are no eligible candidates from the Regional Group(s) that require(s) a new member, the Panel shall be obliged to assess candidates from the Regional Groups that are not given priority in the vacancy announcement, in the manner as outlined in the preceding paragraph.

18. By reference to the vacancy announcement, the Panel shall develop an evaluation matrix in consultation with the IAOC and with the support of the Secretary. The evaluation matrix provides for an assessment of the individual skills, as well as an assessment of the candidate's contribution to the collective skills of the IAOC.

19. The Panel shall send the finalized evaluation matrix to the IAOC, together with the applications of the eligible candidates, for a ranking-based assessment on the basis of that matrix. When forwarding the applications to the IAOC, the Panel shall suppress some selected identifying information, such as name and nationality, of the candidates for a fair and impartial assessment.

20. The IAOC shall undertake the assessment of the eligible candidates using the evaluation matrix. The members of the IAOC shall notify the Panel, via its Secretary, of any potential conflict of interest of which they may become aware throughout the assessment exercise, despite the anonymized applications.

21. Upon completion of the task, the IAOC shall send its assessment back to the Panel. On receipt, the Panel shall regroup the candidates according to the Regional Groups, and establish a shortlist.

22. The Panel shall interview the short-listed candidates (preferably via videoconferencing) to ensure the collegiality, as well as the right mix of skills and expertise, in the overall composition of the IAOC. The Panel shall also ensure that the candidates possess the relevant personal qualities stipulated in the vacancy announcement. Due consideration should also be given to the availability, commitment and professionalism of the candidates. The Panel shall ensure that adequate records are taken during the interviews.

23. The Panel may also decide to administer a written test, or other forms of testing. If necessary, the Panel may request the assistance of the IAOC, and/or other relevant expert(s) to assist it in these tasks. If external expertise is required, the Panel may request funding from the WIPO Secretariat for this purpose.

24. For the purposes of making its recommendation(s) to the PBC, the Panel shall perform a ranking exercise on the pool of short-listed candidates taking into account the application, performance during the interview, and any written test or other forms of testing.

25. If, following the above selection procedure, there is no qualified candidate available from a required Regional Group, the Panel shall be obliged to assess candidates from the Regional Groups that are not given priority in the vacancy announcement, in the manner as outlined in paragraph 16, and shall resume the process from paragraph 18 onwards. At the end of that exercise, the Panel shall identify the highest-ranking candidate, irrespective of her or his regional representation.

F. CONFIRMATION OF SUITABILITY AND AVAILABILITY

26. Prior to the finalization of its report, the Panel shall request the Secretary to undertake the following tasks in respect of the candidate(s) to be recommended to the PBC:

a) Carry out all relevant background checks. Once completed, said background checks shall be provided to the Panel for its examination.

b) Request the candidate(s) to declare any significant impairment to her or his independence, objectivity and impartiality, including past and/or current conflicts of interest, should they be appointed.

c) Request confirmation from the candidate(s) as to their availability in respect of the term of office, should they be appointed.

G. RECOMMENDATION AND APPOINTMENT

27. The Panel shall make its final recommendation(s) to the PBC, via a detailed report, the draft of which shall be prepared by the Secretary. The report shall be approved by the Chair and by each member of the Panel. The Panel shall also attach to its report curricula vitae for all individuals being recommended for appointment to the IAOC.

28. The PBC will take the final decision on the composition of the IAOC by appointing the candidate(s), following the Panel's recommendation(s).

H. ROSTER/POOL OF EXPERTS

29. All the short-listed candidates, as ranked by the Panel, shall be included in a roster/pool of experts for future use in exceptional circumstances, as described in paragraphs 30 and 31 below.

30. If, during the time that elapses between the PBC taking its final decision and the commencement of an appointed candidate's term, said candidate unexpectedly becomes unfit for office, or unable or unwilling to assume the responsibility, despite the confirmation received under Section F above, the next highest-ranking available candidate from that region based on the Panel's assessment will be appointed. In case there is no such alternative candidate available, the highest-ranking available candidate

in the Panel's assessment will be appointed, irrespective of her or his regional representation.

31. In the case of the resignation or demise of a member of the IAOC while serving her or his term, the vacant seat will be filled, to the extent possible, by the highest-ranking available candidate from the same Regional Group. If this is not possible, the vacant seat should be filled by the highest-ranking available candidate irrespective of her or his regional representation. The same methodology will be applied if a seat becomes vacant as a result of a member becoming unfit for office, or unable or unwilling to fulfil her or his duties.

I. REVIEW MECHANISM

32. Member States will review the Selection Procedure for members of the IAOC as necessary to ensure it remains fit for purpose.

[End of Annex I]

ANNEX II - PROPOSED AMENDMENTS TO ANNEX III OF THE FINANCIAL REGULATIONS AND RULES AND OTHER HOUSEKEEPING AMENDMENTS

| Current Text | Proposed amendments (“track changes”) | Final proposed amendments (“clean” text) | Reason for proposed change |
|---|--|---|---|
| B: ROLES AND RESPONSIBILITIES | | B: ROLES AND RESPONSIBILITIES | |
| <p>2. The IAOC is a subsidiary body of the WIPO General Assembly and of the Program and Budget Committee (PBC). It serves in an independent expert advisory capacity and assists the WIPO General Assembly and the PBC in fulfilling their oversight responsibilities.</p> | <p>2. The IAOC is a subsidiary body of the WIPO General Assembly and of the Program and Budget Committee (PBC). It serves in an independent expert advisory capacity and assists the WIPO General Assembly and the <u>PBC Program and Budget Committee</u> in fulfilling their oversight responsibilities.</p> | <p>2. The IAOC is a subsidiary body of the WIPO General Assembly and of the Program and Budget Committee. It serves in an independent expert advisory capacity and assists the WIPO General Assembly and the Program and Budget Committee in fulfilling their oversight responsibilities.</p> | <p>This is the only time the acronym is used in the text; everywhere else, the Program and Budget Committee is written in full (or “Committee” is simply used, when it is clear from the context that the PBC is being referred to, and not the IAOC).</p> |
| C: MEMBERSHIP AND QUALIFICATIONS | | C: MEMBERSHIP AND QUALIFICATIONS | |
| <p>4. The IAOC shall be composed of seven members, from each of the seven Regional Groups of WIPO Member States. The seven members will be nominated by the Program and Budget Committee following a selection process carried out by a Selection Panel set up by the Committee for this purpose, to be assisted by the current IAOC.</p> | <p>4. The IAOC shall, <u>to the maximum extent possible</u>, be composed of seven members, from each of the seven Regional Groups of WIPO Member States. The seven members will be nominated <u>appointed</u> by the Program and Budget Committee following a selection process carried out by a Selection Panel set up by the Committee for this purpose, to be assisted by the current IAOC.</p> | <p>4. The IAOC shall, to the maximum extent possible, be composed of seven members, from each of the seven Regional Groups of WIPO Member States. The seven members will be appointed by the Program and Budget Committee following a selection process carried out by a Selection Panel set up for this purpose, to be assisted by the current IAOC.</p> | <p>The first sentence of paragraph 4 cannot be cast as an absolute obligation, in light of paragraph 5(b).</p> <p>Correction of terminology, since to “nominate” someone is to “propose” her or him “for appointment” to an office.</p> <p>This change is proposed to simplify and streamline the process. In reality, the Director General, on behalf of the PBC, invites each Regional Group to nominate one individual from that Group to constitute the seven-member Panel, each time there is a need for rotation.</p> |

| Current Text | Proposed amendments ("track changes") | Final proposed amendments ("clean" text) | Reason for proposed change |
|--|--|---|---|
| <p>5.(a) All members of the IAOC shall be nominated for a term of three years, renewable once. No member of the IAOC shall serve for more than six years in aggregate;</p> | <p>5.(a) All members of the IAOC shall be nominated appointed for a term of three years, renewable once. No member of the IAOC shall serve for more than six years in aggregate;</p> | <p>5.(a) All members of the IAOC shall be appointed for a term of three years, renewable once. No member of the IAOC shall serve for more than six years in aggregate;</p> | <p>Correction of terminology, since to "nominate" someone is to "propose" her or him "for appointment" to an office.</p> |
| <p>5.(b) Each member of the IAOC would be replaced by a candidate from the same Regional Group that he or she belongs to. If the departing member belongs to a Regional Group that already has another representative, he/she will be replaced by a member originating from the Regional Group(s) not represented in the Committee. However, in case there is no candidate available from the Regional Group concerned, who meets the criteria established by the Selection Panel in accordance with the General Assembly decision (recorded in paragraph 30, of document WO/GA/39/14) as contained in paragraphs 14, 15, 21, 22 and 26 of document WO/GA/39/13, then the position would be filled in by the highest ranking candidate irrespective of his or her regional representation;</p> | <p>5.(b)Each departing member of the IAOC shall, in principle, would be replaced by a candidate from the same Regional Group to which that he or she belongs to. If the departing member belongs to a Regional Group that already has another representative, he/she will shall be replaced by a member candidate originating from the Regional Group(s) not represented in the Committee. However, in case there is no candidate available from the Regional Group concerned, who meets the criteria established in the vacancy announcement by the Selection Panel in accordance with the General Assembly decision (recorded in paragraph 30, of document WO/GA/39/14) as contained in paragraphs 14, 15, 21, 22 and 26 of document WO/GA/39/13, then the position would shall be filled in by the highest ranking candidate irrespective of his or her regional representation;</p> | <p>5.(b)Each departing member of the IAOC shall, in principle, be replaced by a candidate from the same Regional Group to which he or she belongs. If the departing member belongs to a Regional Group that already has another representative, he/she shall be replaced by a candidate originating from the Regional Group(s) not represented in the Committee. However, in case there is no candidate available from the Regional Group concerned, who meets the criteria established in the vacancy announcement, then the position shall be filled by the highest ranking candidate irrespective of his or her regional representation;</p> | <p>Replacement of "would" with "shall, in principle", to make the fundamental starting point clearer.</p> <p>Small editorial change, to ensure that the sentence does not end with a preposition.</p> <p>To ensure consistency with the terminology used in this sub-paragraph, which refers to "candidate" in three places.</p> <p>Removal of text suggested for simplification, since the vacancy announcement will have to comply with the provisions of Annex III and proposed Annex IV, which in turn are approved by the Member States.</p> |
| <p>5.(c) The selection process as described in paragraph 28 of document WO/GA/39/13 shall apply;</p> | <p>5.(c)The selection process as described in Annex IV paragraph 28 of document WO/GA/39/13 shall apply;</p> | <p>5.(c)The selection process as described in Annex IV shall apply;</p> | <p>If adopted, Annex IV will replace WO/GA/39/13.</p> |

| Current Text | Proposed amendments (“track changes”) | Final proposed amendments (“clean” text) | Reason for proposed change |
|--|---|---|---|
| <p>5.(d) In case of resignation or demise of a member of the IAOC while serving his or her term, a roster/pool of experts identified during the selection process may be used.</p> | <p>5.(d) In case of resignation or demise of a member of the IAOC while serving during his or her term, or if he or she becomes unfit for office, or unable or unwilling to fulfil their duties, a roster/pool of experts identified during the selection process may be used in order to appoint a replacement to complete the remainder of the term of office.</p> | <p>5.(d) In case of resignation or demise of a member of the IAOC during his or her term, or if he or she becomes unfit for office, or unable or unwilling to fulfil their duties, a roster/pool of experts identified during the selection process may be used in order to appoint a replacement to complete the remainder of the term of office.</p> | <p>For the sake of alignment with proposed Annex IV. It is necessary to anticipate additional eventualities, as departures through resignations or deaths do not cover all possible scenarios.</p> |
| <p>6. The Selection Panel, in recommending candidates for nomination by the Program and Budget Committee shall ensure that the candidates possess relevant qualifications and experience, for example, in audit, evaluation, accounting, risk management, investigations, legal affairs, information technology, ethics, human resources management and other financial and administrative matters. Expertise as well as geographical distribution and rotation should guide the selection process. In making its final recommendations to the Program and Budget Committee, the Selection Panel will try to ensure collegiality, the right mix of skills and expertise, and gender balance in the overall composition of the Committee.</p> <p>Due consideration shall be given to the availability, commitment, professionalism, integrity and independence of the candidates. Candidates must be fluent in English; working knowledge of other WIPO official languages is an advantage. When making its recommendations to the Program and Budget Committee the Selection Panel shall provide</p> | <p>6. The Selection Panel, in recommending candidates for nomination by the Program and Budget Committee shall ensure that the candidates Members of the IAOC shall possess relevant qualifications and at least 10 years of relevant and recent professional experience at the senior management level, for example, in audit, evaluation, finance, accounting, risk management, investigations, legal affairs, information technology, ethics, human resources management and other financial and administrative matters administration. Expertise as well as geographical distribution and rotation should guide the selection process. In making its final recommendations to the Program and Budget Committee, the Selection Panel will try to ensure collegiality, the right mix of skills and expertise, and gender balance in the overall composition of the Committee.</p> <p>Due consideration shall be given to</p> | <p>6. Members of the IAOC shall possess relevant qualifications and at least 10 years of relevant and recent professional experience at the senior management level, for example, in audit, evaluation, finance, accounting, risk management, investigations, legal affairs, information technology, ethics, human resources management and administration.</p> <p>They shall also possess relevant personal qualities, such as independence, objectivity, impartiality, integrity and strong ethical values. Members of the IAOC should display commitment, and professionalism, and be available to carry out their mandate. They must have strong communication skills and be fluent in English, while a working knowledge of other WIPO official languages is an advantage.</p> | <p>Removal of references to the selection process from this Annex, which deals with the ToRs of the IAOC.</p> <p>Introduction of more specific requirements regarding professional experience. See also paragraph 103 of the Joint Inspection Unit (JIU) Report on “Review of Audit and Oversight Committees in the United Nations System” (JIU/REP/2019/6), as well as Recommendation 5 thereof.</p> <p>Slight changes to the non-exhaustive list of areas of expertise in order to introduce greater specificity.</p> <p>Since this paragraph concerns <i>individual</i> competencies, references to <i>collective</i> competencies of the IAOC as a whole should be moved to the next paragraph.</p> |

| Current Text | Proposed amendments ("track changes") | Final proposed amendments ("clean" text) | Reason for proposed change |
|--|---|---|--|
| redacted curricula vitae for all individuals being nominated for appointment to the IAOC. | They shall also possess relevant personal qualities, such as independence, objectivity, impartiality, integrity and strong ethical values. the availability, Members of the IAOC should display commitment, and professionalism, integrity and independence of the candidates, and be available to carry out their mandate. They Candidates must have strong communication skills and be fluent in English; while a working knowledge of other WIPO official languages is an advantage. When making its recommendations to the Program and Budget Committee the Selection Panel shall provide redacted curricula vitae for all individuals being nominated for appointment to the IAOC. | | See paragraph 98 of the aforementioned JIU Report. |
| . The IAOC should collectively possess the following competencies: | 7. The overall composition of the IAOC shall reflect collegiality, as well as the right mix of skills and expertise, taking into consideration gender balance. The IAOC should collectively possess the following competencies: | 7. The overall composition of the IAOC shall reflect collegiality, as well as the right mix of skills and expertise, taking into consideration gender balance. The IAOC should collectively possess the following competencies: | The first sentence was previously in paragraph 6. |
| 7.(b) Experience of managing organizations of similar size and complexity; | (b) Public and private sector Experience of in managing organizations and businesses of similar size and complexity; | (b) Public and private sector experience in managing organizations and businesses of similar size and complexity; | See Recommendation 5 of the aforementioned JIU Report. |
| 8. New members should have or should acquire by a structured induction program organized by the WIPO Secretariat in consultation and with the participation of | 8. New members should have, or should acquire by a structured induction program organized by the WIPO Secretariat in consultation and | 10. New members should have, or should acquire by a structured induction program organized by the WIPO Secretariat in consultation and with the participation of | Moved before paragraph 11, where it would make more sense, both from a chronological point of view and in terms of priority. |

| Current Text | Proposed amendments ("track changes") | Final proposed amendments ("clean" text) | Reason for proposed change |
|--|--|---|--|
| Member States an understanding of the objectives of the Organization, its structure and its culture, and the relevant rules governing it. | with the participation of Member States, an understanding of the objectives of the Organization, its structure and its culture, and the relevant rules governing it. | Member States, an understanding of the objectives of the Organization, its structure and its culture, and the relevant rules governing it. | |
| 11. Members of the IAOC and their immediate family members shall not be eligible for employment at WIPO either directly or indirectly during their mandate period and for up to five years after their mandate period. | 11. Members of the IAOC and their immediate family members shall not be eligible for employment at WIPO either directly or indirectly during their mandate period and for up to five years after their mandate period. Equally, members of the IAOC shall not have served as a staff member of WIPO within five years of joining the Committee. | 11. Members of the IAOC and their immediate family members shall not be eligible for employment at WIPO either directly or indirectly during their mandate period and for up to five years after their mandate period. Equally, members of the IAOC shall not have served as a staff member of WIPO within five years of joining the Committee. | See paragraph 101 of the aforementioned JIU Report. |
| M: AMENDMENTS TO THE TERMS OF REFERENCE | | M: AMENDMENTS TO THE TERMS OF REFERENCE | |
| 28. Previous revisions to these Terms of Reference have been approved by the WIPO General Assembly in September 2007, September 2010, September 2011, October 2012, and October 2015. The latest revision has been approved by the WIPO General Assembly in October 2018 (document WO/PBC/28/3). | 28. Previous revisions to these Terms of Reference have been approved by the WIPO General Assembly in September 2007, September 2010, September 2011, October 2012, and October 2015, and October 2018 . The latest revision has been approved by the WIPO General Assembly in October 2018 2021 (document WO/PBC/28/3 [reference to be inserted]). | 28. Previous revisions to these Terms of Reference have been approved by the WIPO General Assembly in September 2007, September 2010, September 2011, October 2012, October 2015, and October 2018. The latest revision has been approved by the WIPO General Assembly in October 2021 (document [reference to be inserted]). | Document reference to be updated, if and when approved by the WIPO General Assembly. |

[End of Annex II]

**TERMS OF REFERENCE OF
THE WIPO INDEPENDENT ADVISORY OVERSIGHT COMMITTEE***

[INCORPORATING PROPOSED AMENDMENTS]

A. PREAMBLE

1. In September 2005, the WIPO General Assembly approved the establishment of a WIPO Audit Committee. In September 2010, the WIPO General Assembly approved a change to the title of the Committee to the Independent Advisory Oversight Committee (IAOC) and amended its composition and rotation procedures.

B. ROLES AND RESPONSIBILITIES

2. The IAOC is a subsidiary body of the WIPO General Assembly and of the Program and Budget Committee. It serves in an independent expert advisory capacity and assists the WIPO General Assembly and the Program and Budget Committee in fulfilling their oversight responsibilities.

3. The responsibilities of the IAOC are:

(a) With regard to Financial Reporting:

- (i) To advise on the implication for WIPO of issues and trends apparent in the financial statements and in the WIPO Performance Report;
- (ii) To discuss with Management changes to accounting policies and accounting standards.

(b) With regard to Risk Management and Internal Controls:

- (i) To review and advise on the quality and effectiveness of risk management procedures;
- (ii) To review and advise on the adequacy and effectiveness of the internal control framework;
- (iii) To review and advise on proposed amendments to the Financial Regulations and Rules.

(c) With regard to External Audit:

- (i) To exchange information and views with the External Auditor on their overall audit strategy, significant risks and proposed workplans;
- (ii) To establish a mechanism for discussing with the External Auditor significant audit findings and recommendations;
- (iii) To consider the Report of the External Auditor and provide comments thereon for consideration by the Program and Budget Committee;
- (iv) To review the management action in response to the external audit findings and recommendations.

* Last amended on [October XX, 2021]

(d) With regard to Internal Oversight:

- (i) To review, at its last session of the previous year, and advise on the proposed workplan of the Internal Oversight Division (IOD), ascertaining coordination with the External Audit workplan;
- (ii) To review the implementation of the IOD workplan and the results of internal and external assessments and advise on the quality, effectiveness and efficiency of the internal oversight function and on its organizational independence;
- (iii) To advise the Director, IOD in cases of significant impairment to his or her independence and objectivity, including conflicts of interest;
- (iv) To review and advise on proposed internal oversight policies and manuals;
- (v) To review and advise in the implementation of internal oversight recommendations;
- (vi) To review periodically, in consultation with the Director, IOD, the WIPO Internal Oversight Charter and recommend amendments, if any, for consideration by the Program and Budget Committee;
- (vii) To advise the Director General on the appointment and dismissal, if any, of the Director, IOD, including by reviewing the proposed vacancy announcement and the list of pre-screened candidates, and to provide comments to assist the Coordination Committee when considering the endorsement of the proposed appointment;
- (viii) To provide input to the Director General into the performance appraisal of the Director, IOD;
- (ix) To provide advice in case of allegations of misconduct against the Director General in accordance with the Internal Oversight Charter (paragraphs 24, 41 and 42);
- (x) To provide advice in case of allegations of misconduct against the Director, IOD, in accordance with the Internal Oversight Charter (paragraph 22). No investigative proceedings into allegations against the Director, IOD or previous incumbents shall be initiated without the concurrence of the IAOC;
- (xi) To review allegations of misconduct against IOD personnel or former IOD staff members and advise the Director, IOD on how to proceed.

(e) With regard to Ethics:

- (i) To review, at its last session of the previous year, and advise on the proposed workplan of the Ethics Office;
- (ii) To review the implementation of the work plan of the Ethics Office and advise on the quality, effectiveness and efficiency of the ethics function;
- (iii) To advise the Chief Ethics Officer in cases of significant impairment to his or her independence and objectivity, including conflicts of interest;

- (iv) To review and advise on proposed ethics policies;
 - (v) To advise the Director General on the appointment and dismissal, if any, of the Chief Ethics Officer, including by reviewing the proposed vacancy announcement and the list of pre-screened candidates;
 - (vi) To provide input to the Director General into the performance appraisal of the Chief Ethics Officer.
- (f) Other:
- (i) To review and advise on proposed policies or on particular activities or projects, as requested by the WIPO General Assembly or the Program and Budget Committee;
 - (ii) To make recommendations to the Program and Budget Committee on matters within its Terms of Reference, as it considers appropriate.

C. MEMBERSHIP AND QUALIFICATIONS

4. The IAOC shall, to the maximum extent possible, be composed of seven members, from each of the seven Regional Groups of WIPO Member States. The seven members will be appointed by the Program and Budget Committee following a selection process carried out by a Selection Panel set up for this purpose, to be assisted by the current IAOC.
5. The rotation mechanism for the IAOC members will be as follows:
- (a) All members of the IAOC shall be appointed for a term of three years, renewable once. No member of the IAOC shall serve for more than six years in aggregate;
 - (b) Each departing member of the IAOC shall, in principle, be replaced by a candidate from the same Regional Group to which he or she belongs. If the departing member belongs to a Regional Group that already has another representative, he/she shall be replaced by a candidate originating from the Regional Group(s) not represented in the Committee. However, in case there is no candidate available from the Regional Group concerned, who meets the criteria established in the vacancy announcement, then the position shall be filled by the highest ranking candidate irrespective of his or her regional representation;
 - (c) The selection process as described in Annex IV shall apply;
 - (d) In case of resignation or demise of a member of the IAOC during his or her term, or if he or she becomes unfit for office, or unable or unwilling to fulfil their duties, a roster/pool of experts identified during the selection process may be used, in order to appoint a replacement to complete the remainder of the term of office.
6. Members of the IAOC shall possess relevant qualifications and at least 10 years of relevant and recent professional experience at the senior management level, for example, in audit, evaluation, finance, accounting, risk management, investigations, legal affairs, information technology, ethics, human resources management and administration.

They shall also possess relevant personal qualities, such as independence, objectivity, impartiality, integrity and strong ethical values. Members of the IAOC should display commitment, and professionalism, and be available to carry out their mandate. They must have strong communication skills and be fluent in English, while a working knowledge of other WIPO official languages is an advantage.

7. The overall composition of the IAOC shall reflect collegiality, as well as the right mix of skills and expertise, taking into consideration gender balance. The IAOC should collectively possess the following competencies:

- (a) Technical or specialist knowledge of issues pertinent to the Organization's business;
- (b) Public and private sector experience in managing organizations and businesses of similar size and complexity;
- (c) Understanding of the wider relevant environments in which the Organization operates, including its objectives, culture and structure;
- (d) Detailed understanding of the Organization's governance environment and accountability structures;
- (e) Oversight or management experience at a senior level in the United Nations system;
- (f) International and/or intergovernmental experience.

8. Members shall serve in their personal capacity; they cannot delegate their duties and may not be represented by any other person in the sessions of the Committee. In performing their duties, members shall not seek or receive instructions from any Government or any other party.

9. Members of the IAOC shall sign a statement of disclosure of interest.

10. New members should have, or should acquire by a structured induction program organized by the WIPO Secretariat in consultation and with the participation of Member States, an understanding of the objectives of the Organization, its structure and its culture, and the relevant rules governing it.

11. Members of the IAOC and their immediate family members shall not be eligible for employment at WIPO either directly or indirectly during their mandate period and for up to five years after their mandate period. Equally, members of the IAOC shall not have served as a staff member of WIPO within five years of joining the Committee.

D. CHAIRPERSONSHIP

12. The members of the IAOC shall elect annually a Chairperson and a Vice-Chairperson. In the event of the chairpersonship becoming vacant during the term, the Vice-Chairperson shall assume the office of the Chairperson until the expiration of the predecessor's term and members shall elect another Vice-Chairperson. In the event of both the Chairperson and the Vice-Chairperson being absent, the remaining members may designate an Acting Chairperson from among themselves to conduct the meeting or the entire session.

E. REIMBURSEMENT OF COSTS

13. Members will not be remunerated for activities undertaken in their capacity as members of the Committee. However, WIPO shall reimburse Committee members, in accordance with WIPO Financial Regulations and Rules, for any travel and subsistence

costs that are necessarily incurred in relation to participation in Committee and other official meetings.

F. INDEMNITY OF MEMBERS

14. Committee members will be indemnified from actions taken against them as a result of activities performed in the course of exercising their responsibilities as members of the Committee, as long as such activities are performed in good faith and with due diligence.

G. MEETING AND QUORUM

15. The IAOC will meet regularly every quarter in formal session at WIPO headquarters. In exigent circumstances, the Committee may decide to consider issues through virtual consultations and come to conclusions that will have the same force as conclusions arrived at during its regular sessions.

16. A minimum of four members of the IAOC are required to be present for a meeting of the Committee to be quorate.

17. The IAOC may invite officials of the WIPO Secretariat or others to attend its sessions.

18. The IAOC shall meet at least once a year in private sessions with the Director General, the Director, Human Resources Management Department, the Controller, the Director, Internal Oversight Division, the Chief Ethics Officer, the Ombudsperson and the External Auditor, respectively.

H. REPORTING AND REVIEW

19. The IAOC shall keep Member States informed of its work on a regular basis. In particular, following each of its formal sessions the Committee shall organize an information meeting with representatives of WIPO Member States and submit a report to the Program and Budget Committee.

20. The IAOC shall submit an annual report to the Program and Budget Committee and to the WIPO General Assembly, summarizing its activities, assessments and conclusions. The annual report shall also include the IAOC's comments on the Report of the External Auditor for consideration by the Program and Budget Committee. To this end, the IAOC shall receive a signed copy of the External Auditor's Report at least four weeks prior to the session of the Program and Budget Committee.

21. The Chairperson or other members designated by the Chairperson shall attend ex officio, relevant meetings of the General Assembly and of the Program and Budget Committee. At the invitation of other WIPO committees, the Chairperson or other members designated by the Chairperson may attend meetings of such committees.

I. SELF-ASSESSMENT

22. The IAOC shall perform, at least every two years, a self-assessment relative to the Committee's purpose and mandate to ensure it is operating effectively.

J. SECRETARY OF THE COMMITTEE

23. The WIPO Secretariat, in consultation with the IAOC, shall designate a Secretary to the IAOC who shall provide logistical and technical assistance to the Committee. Furthermore, the IAOC may retain external consultants, as necessary, in a support capacity.

24. Such assistance entails preparing for and attending the sessions of the Committee and assisting with preparing draft reports or any correspondence. Such assistance may also entail research and background position papers in preparation for the sessions of the Committee, as may be requested by the Committee.

25. The performance appraisal of the IAOC Secretary shall be done with input from and in consultation with the Chairperson of the IAOC.

K. BUDGET

26. WIPO shall include in its biennial budget a specific allocation for the IAOC, providing for the costs associated with the Committee's mandated activities, namely four formal sessions of four to five days each in principle, attendance by IAOC members at Program and Budget Committee sessions, at the General Assembly, and at other meetings as required, support by the IAOC Secretary, and, as required, external consultants.

L. INFORMATION REQUIREMENTS

27. Well in advance of each session, the WIPO Secretariat shall provide the Committee with documents and information related to its Agenda, and any other relevant information. The Committee shall have unhindered access to all staff and consultants of the Organization, as well as access to records.

M. AMENDMENTS TO THE TERMS OF REFERENCE

28. Previous revisions to these Terms of Reference have been approved by the WIPO General Assembly in September 2007, September 2010, September 2011, October 2012, October 2015, and October 2018. The latest revision has been approved by the WIPO General Assembly in October 2021 (document [reference to be inserted]).

29. Member States will review, at least every three years, the role and responsibilities, functioning and membership of the IAOC. To facilitate that review, the IAOC shall periodically review its Terms of Reference and recommend amendments as appropriate, for consideration by the Program and Budget Committee. Notwithstanding this periodic review, Member States may request such review to be put on the agenda of any session of the Program and Budget Committee.

[End of Annex III and of document]