

WIPO Independent Advisory Oversight Committee

Forty-Sixth Session
Geneva, October 17 to 20, 2017

REPORT

adopted by the WIPO Independent Advisory Oversight Committee

INTRODUCTION

1. The 46th session of the WIPO Independent Advisory Oversight Committee (IAOC) took place from October 17 to 20, 2017. Present were Misses Tatiana Vasileva and Maria Vicien-Milburn, Messrs. Gábor Ámon, Egbert Kaltenbach, and Othman Sharif. Messrs. Mukesh Arya and Zhang Long sent apologies for their absences.

AGENDA ITEM 1: ADOPTION OF THE AGENDA

2. The Committee revised and adopted its Agenda, which is attached to this report as Annex I. A list of session documents is attached as Annex II.

AGENDA ITEM 2: MATTERS ARISING FROM PREVIOUS SESSION

3. The IAOC took stock of the actions carried out following the decisions taken at its 45th session.

AGENDA ITEM 3: MATTERS ARISING FROM PROGRAM AND BUDGET COMMITTEE, WIPO GENERAL ASSEMBLY, AND WIPO COORDINATION COMMITTEE SESSIONS

4. The Chair briefed the Committee on deliberations during the 27th Session of the Program and Budget Committee (PBC), the WIPO General Assembly and the WIPO Coordination Committee.

5. The Chair recalled that, at the request of the PBC at its 26th Session, the Committee had provided comments on the proposed amendments to the Financial Regulations and Rules. Those comments supported the streamlining of program and financial performance reporting proposed by the Secretariat. Upon recommendation of the PBC, the WIPO General Assembly approved the amendments.

6. The Chair also informed the Committee that the WIPO Coordination Committee approved the amendments to the Staff Regulations proposed by the IAOC. The Committee noted that WIPO is the first UN specialized agency to promulgate appropriate provisions in case of misconduct by an Executive Head.

AGENDA ITEM 4: INTERNAL OVERSIGHT

7. The Committee reviewed with the Director, IOD the Activity Report for the period ending September 30, 2017. The Committee noted that, despite vacancies in key positions (Head of Internal Audit, Head of Evaluation) during the year, most of the planned assignments will be completed on schedule. Five assignments included in the 2017 workplan were deferred to 2018 and further, on the basis of mid-year review of the annual workplan in June 2017, taking into consideration the inputs from program managers about the readiness and timeliness of these five areas to be audited/evaluated. However, these five assignments were replaced with others planned in 2018 keeping the number of audits and evaluations planned at the same level.

8. The Committee discussed with the Director, IOD the repercussions of the amendments to the Staff Regulations approved by the WIPO Coordination Committee. As suggested by the Committee, the Director, IOD will reflect those amendments in the Investigation Policy, the Investigation Manual and, as appropriate, in the IOD Standard Operating Procedures. This applies *inter alia* to the new requirement to inform the complainant of the status of the matter within six (6) months of receipt of the complaint.

Evaluation

9. The Committee reviewed the Evaluation Report of the WIPO's Corporate Communications Activities and their Contributions to WIPO's Brand and Reputation, which was issued on September 1, 2017 and published on the IOD page of the WIPO website.

10. The Committee discussed the main results of the evaluation with the Deputy Director General (DDG) of the Copyright and Creative Industries Sector, the Director, Communications Division, the Director, IOD, and the evaluation team. The Committee noted and supports the recommendations for strengthening the Communications Division's strategic impact, for developing a corporate communication strategy and for better coordinating the communication activities undertaken by the various WIPO business units.

11. The Committee is pleased that IOD Evaluation Reports now come with a short "evaluation brief", concisely summarizing the findings, conclusions and recommendations. It considers those briefs to be a very useful tool for informing various stakeholders. Nevertheless, the Committee encouraged IOD to make further efforts to keep evaluation reports short and succinct.

Internal Audit

12. The Committee took note of the Audit Report on the Management of Third Party Events organized/hosted by WIPO, issued on September 29, 2017. It will review the report in detail at its next session when the managers in charge will be available.

Investigations

13. The Committee was briefed on the status of investigation cases and noted that currently 24 cases are open (21 resulting from complaints received in 2017). The Committee was pleased that preliminary evaluations of complaints are generally completed within a short period of time, thus allowing closure of cases which do not require a full investigation at the earliest possible stage.

14. In accordance with the Internal Oversight Charter, the Committee provided advice to the Director, IOD on a number of cases. In one case, the Director, IOD, exercising his independence and professional judgement, decided not to follow the advice provided by the Committee at the previous session.

Staffing

15. The position of Head, Evaluation Section, which had been vacant since 2016, was filled on September 1, 2017; the Committee met the incumbent and looks forward to future interaction. The Committee also met with the newly recruited Auditor. The recruitment processes for the Head of Internal Audit Section, one Investigator and the Secretary of the Investigation Section are ongoing.

AGENDA ITEM 5: FOLLOW-UP ON OVERSIGHT RECOMMENDATIONS

16. The Committee noted that significant progress was made in closing outstanding external audit recommendations, reducing their number to 42. The number of open internal oversight recommendations has remained almost stable, with a number of recommendations closed and new recommendations added, resulting in a total of 154 open recommendations.

17. The Committee noted that in some areas recently audited, new recommendations have been issued while certain recommendations resulting from previous audits were still open. The

Committee suggested that audit reports should explicitly deal with outstanding recommendations in the same field. This would ensure their continued relevance and validity, and would avoid overlapping recommendations.

AGENDA ITEM 6: FOLLOW-UP ON JOINT INSPECTION UNIT (JIU) RECOMMENDATIONS

18. The Committee reviewed the status of implementation of recommendations made by the Joint Inspection Unit (JIU) and was pleased with the progress achieved. The Committee commended the Secretariat on the new format for tracking and reporting on JIU recommendations which greatly facilitates monitoring the progress made.

19. The Committee suggested using a similar format for tracking long-outstanding internal oversight recommendations.

AGENDA ITEM 7: SAFETY AND SECURITY

20. The Chief Security Officer, Security and Information Assurance Division (SIAD) and the Head of the Safety and Security Coordination Service briefed the Committee on developments in the area of security and information assurance and on WIPO's response to potential security threats. The Committee welcomed the structured approach in dealing with challenges in this field which is crucial to WIPO's ability to generate income.

21. In response to immediate threats resulting from the external environment, WIPO has also developed a Security and Risk Management Plan 2016-17 which aims *inter alia* at enhancing physical security at its Headquarters, developing the Operations Center, and increasing staff security, awareness, knowledge and skills. The Division is also dealing with the additional challenges to physical and information security resulting from the increasing number of WIPO External Offices.

22. The Committee welcomed the significant progress made in implementing the Information Assurance Strategy and the Enterprise Information Assurance Plan 2016-20, and the continuous improvements being made to address potential threats to safety and security.

AGENDA ITEM 8: BRIEFING ON COPYRIGHT AND CREATIVE INDUSTRIES SECTOR

23. The DDG of the Copyright and Creative Industries Sector and her Management Team provided a briefing on the functions and major activities of the Sector. She highlighted the need to respond to the opportunities and challenges of the digital environment.

24. The Committee appreciated the comprehensive description provided by the DDG on the activities undertaken and on the efforts made to address challenges in the area of Copyright.

AGENDA ITEM 9: ETHICS

WIPO Policy to Protect against Retaliation

25. The Committee reviewed the recently promulgated WIPO Policy to Protect against Retaliation ("Whistleblower Protection Policy"). It was pleased to note that the Secretariat had fully considered the extensive comments provided by the Committee on the draft policy and that most of the suggestions made were incorporated in the final policy. The Committee will monitor the implementation of the policy.

26. In that regard, the Committee recommended that the Chief Ethics Officer provide input to the Director, IOD on how to identify situations of potential retaliatory threats in the investigative phase, and how to interact with the Ethics Office in addressing those threats.

Proposed WIPO Policy on Financial Disclosure and Declaration of Interests (FDDI)

27. At the request of the Director General, the Committee reviewed the proposed Policy on Financial Disclosure and Declaration of Interests (FDDI) and discussed its observations and suggestions with the Chief Ethics Officer and the Legal Counsel.

28. The Committee welcomes the proposed introduction of a financial disclosure program to be launched in 2018. The Committee is pleased to note that the proposed policy is aligned with financial disclosure policies in other UN systems organizations and that it incorporates additional International Public Sector Accounting Standards (IPSAS) disclosure requirements. The Committee also noted that the proposed policy contains adequate safeguards for the protection of confidentiality.

29. The Secretariat provided a number of clarifications and will consider several suggestions made by the Committee prior to finalizing and promulgating the policy. The Committee looks forward to the implementation of the disclosure program.

Interaction with the Chief Ethics Officer

30. The Committee discussed with the Chief Ethics Officer its role and responsibilities with regard to WIPO's ethics function. The Committee and the Chief Ethics Officer exchanged views on the Ethics Office annual workplan and on ways to improve progress reporting on its implementation. The Committee emphasized the need for the workplan to include milestones and target dates for major projects. The Committee stands ready to review and provide its advice on the proposed 2018 workplan at its next session in December 2017.

AGENDA ITEM 10: OMBUDSPERSON

31. The Committee reviewed the Activity Report of the WIPO Ombudsperson, issued on June 26, 2017, and discussed with the Ombudsperson his main observations and recommendations. The Committee noted that cases of conflict resolution play a much larger role than cases of conflict prevention in seeking advice from the Ombudsperson. The Committee fully shares the Ombudsperson's observation that in cases of alleged harassment, there is often "hasty recourse" to investigations without prior consideration of alternatives. This coincides with the Committee's own observations from the review of investigation cases over an extended period of time.

32. The Committee suggested that the Ombudsperson explore with the Director, IOD and the Director, HRMD, how the recourse to informal resolution mechanisms could be more assertively encouraged before taking the formal action of filing a request for investigation.

AGENDA ITEM 11: INFORMATION MEETING WITH MEMBER STATES' REPRESENTATIVES

33. As provided in its Terms of Reference, an information meeting was held with Member States. The Committee briefed representatives of Member States on deliberations during the present session and responded to questions posed by the attending delegates.

AGENDA ITEM 13: OTHER MATTERS

Next Session

34. The IAOC's next session will take place from Tuesday, December 12 to Friday, December 15, 2017. The draft Agenda for that session is as follows:

- (1) Adoption of the Agenda
- (2) Matters arising from previous Session
- (3) Meeting with the Director General
- (4) Internal Oversight: Proposed Workplan 2018
- (5) Follow-up on Oversight Recommendations
- (6) Update on Financial Management
- (7) Briefing on Patents and Technology Sector
- (8) Ethics: Proposed Workplan 2018
- (9) Election of Chair and Vice-Chair for 2018
- (10) Information Meeting with Member States' Representatives
- (11) Other Matters

[Annexes follow]



WO/IAOC/46/1
ORIGINAL: ENGLISH
DATE: NOVEMBER 6, 2017

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AGENDA

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1. Adoption of the Agenda
2. Matters arising from previous Session
3. Matters arising from Program and Budget Committee, WIPO General Assembly, and WIPO Coordination Committee Sessions
4. Internal Oversight
5. Follow-up on Oversight Recommendations
6. Follow-up on Joint Inspection Unit (JIU) Recommendations
7. Safety and Security
8. Briefing on Copyright and Creative Industries Sector
9. Ethics
10. Ombudsperson
11. Information Meeting with Member States' Representatives
12. Other Matters

[Annex II follows]



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LIST OF DOCUMENTS

adopted by the WIPO Independent Advisory Oversight Committee

ITEM 1: ADOPTION OF THE AGENDA

- [01] Agenda
- [02] Timetable
- [03] List of Documents
- [04] IAOC Rolling Agenda, 44th to 49th sessions

ITEM 2: MATTERS ARISING FROM PREVIOUS SESSION

- [05] IAOC Action List

ITEM 3: MATTERS ARISING FROM PROGRAM AND BUDGET COMMITTEE, WIPO GENERAL ASSEMBLY, AND WIPO COORDINATION COMMITTEE SESSIONS

- [06] Annual Report: by the IAOC (WO/GA/49/2) – *Briefing by IAOC Chair*
- [07] Amendments to Staff Regulations Proposed by the Independent Advisory Oversight Committee (IAOC) – (WO/CC/74//7 & WO/CC/74/7 CORR.)

ITEM 4: INTERNAL OVERSIGHT

Internal Oversight Division:

Audit:

- [08] Audit Report: Management of Third Party Events Organized/Hosted by WIPO, September 29, 2017 (Reference: IA 2017-02)
- [09] Internal Oversight Division (IOD) Activity Report – October 2, 2017 (Reference: IOD-IAOC-2017/03)
- [10] Annual Report: by the Director, IOD (WO/GA/49/3)

Evaluation:

- [11] Evaluation Report: Evaluation of the WIPO's Corporate Communications Activities and their Contributions to WIPO's Brand and Reputation, September 1, 2017 (Reference EVAL 2017-01)

Investigation:

ITEM 5: FOLLOW-UP ON OVERSIGHT RECOMMENDATIONS

- [12] Open Oversight Recommendations, as at September 30, 2017

ITEM 6: FOLLOW-UP ON JOINT INSPECTION UNIT (JIU) RECOMMENDATIONS

- [13] Joint Inspection Unit (JIU) Recommendations addressed to Executive Heads of JIU Participating Organizations – Status as at mid-July 2017

ITEM 7: SAFETY AND SECURITY

- [14] Presentation: "Security and Information Assurance Briefing", October 19, 2017

ITEM 8: BRIEFING ON COPYRIGHT AND CREATIVE INDUSTRIES SECTOR

- [15] Presentation: "Overview of Copyright and Creative Industries Sector", October 18, 2017

ITEM 9: ETHICS

- [16] Annual Report by the Ethics Office (WO/CC/74/3)

a. WIPO Policy on Protection against Retaliation

- [17] Office Instruction No. 33/2017 – Policy to Protect against Retaliation for Reporting Misconduct and for Cooperating with Duly Authorized Audits or Investigations

b. WIPO Policy on Financial Disclosure and Declaration of Interests

- [18] Draft Office Instruction No. [..]/2017 – WIPO Policy on Financial Disclosure and Declaration of Interests (September 12, 2017)
[19] Background Note on Draft Office Instruction No. [..]/2017 – WIPO Policy on Financial Disclosure and Declaration of Interests September 27, 2017

ITEM 10: OMBUDSPERSON

- [20] Activity Report, May 1, 2016 to April 30, 2017 (August 9, 2017)

ITEM 11: INFORMATION MEETING WITH MEMBER STATES' REPRESENTATIVES

No document: Oral account.

ITEM 12: OTHER MATTERS

- [21] Report – Forty-Fifth Session (WO/IAOC/45/2)
[22] Annual Report on Human Resources (WO/CC/74/2)
[23] Annual Report on Human Resources, Corrigendum (WO/CC/74/2 CORR.)
[24] Office Instruction No. 31/2017 – Vendor Sanctions Policy

[End of Annex II and of document]