

WIPO Independent Advisory Oversight Committee

Fifty-first Session
Geneva, December 4 to 7, 2018

REPORT

adopted by the WIPO Independent Advisory Oversight Committee

INTRODUCTION

1. The 51st session of the WIPO Independent Advisory Oversight Committee (IAOC) took place from December 4 to 7, 2018. Present were Misses Tatiana Vasileva and Maria Vicien-Milburn, Messrs. Gabor Amon, Mukesh Arya, Othman Sharif and Zhang Long. Mr. Egbert Kaltenbach sent apologies for his absence.

AGENDA ITEM 1: ADOPTION OF THE AGENDA

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2. The Committee adopted its Agenda, which is attached to this report as Annex I. A list of session documents is attached as Annex II.
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AGENDA ITEM 2: CONFLICT OF INTEREST DECLARATION

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

AGENDA ITEM 3: MATTERS ARISING FROM PREVIOUS SESSION

4. The IAOC took stock of the actions carried out following the decisions taken at its 50th session.

AGENDA ITEM 4: MEETING WITH THE DIRECTOR GENERAL

5. The Director General briefed the Committee on developments in the field of Intellectual Property and on ongoing WIPO projects and initiatives.

AGENDA ITEM 5: INTERNAL OVERSIGHT (INCLUDING PROPOSED WORKPLAN 2019)

6. The Committee reviewed, together with the Director, Internal Oversight Division (IOD), the proposed Oversight Annual Workplan for 2019 and was satisfied with ongoing risk-based methodology applied. The Oversight Annual Workplan 2019 includes the five internal audits, three evaluations and two combined audit and evaluation engagements.

7. The Committee was informed that a Senior Investigator and an Evaluation Officer would join IOD shortly and that the recruitment process for a Senior Internal Auditor was ongoing.

8. The Committee discussed with the Director, IOD, the budgeting for the Division and encouraged the Director to take into consideration the trend of increasing need for external consultants when a conflict of interest prevents IOD from undertaking certain investigation engagements.

9. The Committee noted that the Staff Regulations and Rules enables Selection Panels to create a roster from those applicants that were short-listed but not selected. The Committee encouraged the Director, IOD, to take advantage of this tool to minimize the time required to fill vacant positions.

10. The Committee discussed with the Director, IOD, the initiative to create a roster of external consultants to address cases where IOD is unable to undertake an investigation. The Committee concluded that separate rosters of consultants should be set up mutually exclusive for both IOD and the IAOC. The Committee believes that this will facilitate engaging consultants in a timely manner. The rosters should contain different consultants for IOD and IAOC.

Audits

11. The Committee discussed with the Director, IOD, the status of audits since its last session. The IAOC was informed that :
- The Audit of Physical Access Systems Security had been concluded. The Committee took note of the fact that the Director, IOD, after consultation with the Secretariat, decided not to publish the resulting audit report.
 - The Audit of Enterprise Resource Planning Portfolio is at the reporting stage.
 - The fieldwork for the Audit of the Management of Funds-in-Trusts is near completion.

Evaluations

12. The Committee discussed with the Director, IOD, the Meta-Evaluation Synthesis Report of WIPO Evaluation Products that sought to identify improvement opportunities from the 22 Evaluation Reports issued during the years from 2011 to 2017.
13. The Committee was informed that there were two evaluations reports, one at the drafting stage and the other pending comments from Management.

Investigations

14. The Committee was briefed on the status of investigation cases. As of November 23, 2018, there were 15 pending investigation cases, of which five were under preliminary evaluation and seven under full investigation. Three cases were on hold, as the staff members concerned were not available for interview. Of the 15 pending cases, one was registered in 2016, four registered in 2017 and ten registered in 2018. Since the last session of the Committee, five cases have been closed; in one of those cases, the allegations of misconduct were substantiated.
15. As required by the Internal Oversight Charter (Section E: Conflict of Interest), the Director, IOD, requested advice from the Committee on how to proceed in a number of investigation cases.

AGENDA ITEM 6: FOLLOW-UP ON OVERSIGHT RECOMMENDATIONS

16. The Committee was informed that, as of November 26, 2018, there were 173 open oversight recommendations. The Committee noted that a number of recommendations made by the previous External Auditor had been marked as completed, and were awaiting clearance by the incumbent External Auditor. During a conference call with National Audit Office (NAO), the Committee was informed that they are in the process of reviewing pending recommendations and their implementation.
17. The Committee noted that the Secretariat and IOD planned to review those recommendations that had been made at least three years ago. The purpose of this exercise is to update the residual risk of these recommendations.

AGENDA ITEM 7: EXTERNAL AUDIT

18. The Committee conducted a conference call with the External Auditor, NAO, United Kingdom, and was briefed on the interim audit and the timing of the final audit report.
19. The Committee was informed that Management and the External Auditor are jointly addressing the challenges involved in the timely completion of the interim audit.

20. With regard to the final audit report, the External Auditor assured the Committee that every effort would be made to meet the previously set deadline, and that they would share the draft report with the Committee in its session in May 2019.

AGENDA ITEM 8: REPORT TO THE PBC ON “TARGETED TIMELINES FOR THE INVESTIGATION AND RELATED PROCESSES”

21. At its 28th session, the Program and Budget Committee (PBC) requested the IAOC to review and propose amendments to the WIPO Internal Oversight Charter or the investigation policy, with a view to provide clarification of targeted timelines in the reporting and investigation processes.

22. At its 51st session, the IAOC reviewed the WIPO Internal Oversight Charter, the WIPO Investigation Policy, the WIPO Policy to Protect against Retaliation for Reporting Misconduct and for Cooperating with Duly Authorized Audits or Investigations and other relevant documents.

23. The Committee exchanged views with the Director, IOD and made recommendations to amend the Investigation Policy. This amendment will include a consultation with Member States. The Committee sees no reason to recommend amendments to the Internal Oversight Charter.

AGENDA ITEM 9: BRIEFING ON DEVELOPMENT SECTOR

24. During the 51st session, the Committee had an opportunity to meet the Deputy Director General, Development Sector, and his senior management team. The team briefed the Committee on how WIPO's Development Agenda was developed, mainstreamed and the manner in which it is being executed. The Committee was briefed on the scope of the agenda, including policy development and capacity building, and the benefit derived from the initiatives to the Member States, especially in enhancing their capacity in Intellectual Property and in building their policy and legislative infrastructure. The Committee appreciated the information provided, which helped it to better understand the business context for its oversight responsibilities.

AGENDA ITEM 10: ETHICS (INCLUDING PROPOSED WORKPLAN)

25. The Committee discussed with the Chief Ethics Officer matters relating to the functioning of her office during 2018, as well as the proposed workplan for 2019, which was provided to the Committee during the session.

26. Since June 2016, the Committee has engaged in extensive consultations with the Chief Ethics Officer concerning the preparation of the workplan. In June 2016, the Committee had recommended to the Chief Ethics Officer that she “...*prepare the workplan in a different structure, prioritizing activities and indicating expected results, target dates and resource requirements. The activities should be grouped under the different areas of responsibility typically assigned to an Ethics Office in the UN system (norm setting and policy development, provision of confidential ethics advice, ethics training and outreach, administration of the Whistleblower Protection Policy; and administration of the Financial Disclosure Program.)*” (See document WO/IAOC/41/2, paragraph 28).

27. The workplan submitted to the Committee was not in line with the Committee's prior recommendations and did not meet the Committee's expectations. Furthermore, the Chief Ethics Officer submitted the workplan on December 5, 2018. Pursuant to paragraph 3(e)(iii) of the Terms of Reference of the IAOC, the Secretariat [i.e. the Chief Ethics Officer] must provide

the Committee with documents and information related to its agenda “...well in advance of each session”.

28. In line with its revised Terms of Reference concerning Conflict of Interest (“*To advise the Chief Ethics Officer in cases of significant impairment to his or her independence and objectivity including conflicts of interest*”), the Committee discussed a case with the Ethics Officer and provided advice on conflict of interest.

29. The Chief Ethics Officer assured the Committee that a revised proposed workplan for 2019 would be submitted shortly. The Committee would utilize the above revised workplan to monitor the progress of its implementation.

AGENDA ITEM 11: ELECTION OF CHAIR AND VICE-CHAIR FOR 2019

30. The IAOC elected Ms. Maria Vicien-Milburn as Chair and Ms. Tatiana Vasileva as Vice-Chair, in accordance with its Terms of Reference and Rules of Procedure.

AGENDA ITEM 12: INFORMATION MEETING WITH MEMBER STATES’ REPRESENTATIVES

31. 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

WIPO Investment Reports

32. Management submitted to the Committee the Investment Performance Reports and the Investment Monitoring Reports for September and October 2018, prepared by the investment advisors and the Custodian, respectively. The corresponding reports for November 2018 were not yet available.

33. The Committee reviewed the documents received and confirms that the information provided shows that during the period reviewed, and based on the investment market benchmark, all the vehicles in WIPO’s investment portfolio delivered the expected results and were managed in accordance with the stated strategy.

34. In addition, the Committee confirms that the Custodian did not report any breaches, active or passive, nor justified exceptions.

Next Session

35. The IAOC’s next session will take place from Tuesday, March 19 to Friday, March 22, 2019. The draft Agenda for that session is as follows:

- (1) Adoption of the Agenda
- (2) Conflict of Interest Declaration
- (3) Matters arising from previous Session
- (4) Meeting with the Director General
- (5) Internal Oversight
- (6) Update on Financial Management
- (7) Draft Financial Report and Financial Statements 2018

- (8) External Audit
- (9) Update on ICT
- (10) Follow-up on PBC Request (Report to the PBC)
- (11) Ethics
- (12) Evaluation of IAOC Candidates
- (13) Information Meeting with Member States' Representatives
- (14) Other Matters

[Annexes follow]



WO/IAOC/51/1
ORIGINAL: ENGLISH
DATE: JANUARY 15, 2019

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AGENDA

adopted by the WIPO Independent Advisory Oversight Committee

1. Adoption of the Agenda
2. Conflict of Interest Declaration
3. Matters arising from previous sessions
4. Meeting with the Director General
5. Internal Oversight (including Proposed Workplan 2019)
6. External Audit
7. Follow-up on Oversight Recommendations
8. Report to the PBC on “Targeted Timelines for the Investigation and Related Processes”
9. Briefing on Development Sector
10. Ethics (including Proposed Workplan 2019)
11. Election of Chair and Vice-Chair for 2019
12. Information Meeting with Member States’ Representatives
13. Other Matters

[Annex II follows]



WO/IAOC/51/INF/1
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LIST OF DOCUMENTS

ITEM 1: ADOPTION OF THE AGENDA

- [01] Agenda
- [02] Timetable
- [03] List of Documents
- [04] IAOC Rolling Agenda, 52nd to 55th sessions

ITEM 2: CONFLICT OF INTEREST DECLARATION

No document:

ITEM 3: MATTERS ARISING FROM PREVIOUS SESSIONS

- [05] IAOC Action List

ITEM 4: MEETING WITH THE DIRECTOR GENERAL

No document: Oral account.

ITEM 5: INTERNAL OVERSIGHT (INCLUDING PROPOSED WORKPLAN 2019)

Internal Oversight Division:

- [06] IOD Activity Report – November 26, 2018 (Reference: IOD-IAOC-2018/04)
- [07] Internal Oversight Division (IOD) – 2019 Oversight Annual Workplan (Reference: IOD/WP/2019/1) November 26, 2018
- [08] IOD Required Communications Checklist with the IAOC – 2018 November 26, 2018

Audit:

- [09] Audit Report: Audit of Physical Access Security Systems, November 6, 2018
(Reference: IA 2018-04)

Evaluation:

- [10] Evaluation Report: Meta-Evaluation Synthesis Report of WIPO Evaluation Products, November 22, 2018 (Reference: EVAL 2018-03)

Investigation:

ITEM 6: EXTERNAL AUDIT

- [11] 2018 Interim Audit Outcomes (December 2018)

ITEM 7: FOLLOW-UP ON OVERSIGHT RECOMMENDATIONS

- [12] Open Oversight Recommendations – November 26, 2018 (November 26, 2018)
[12a] Memo explaining Open Oversight Recommendations Corrigendum – November 26, 2018 (November 28, 2018)
[12b] Corrigendum – Open Oversight Recommendations – November 26, 2018 (November 28, 2018)

ITEM 8: REPORT TO THE PBC ON “TARGETED TIMELINES FOR THE INVESTIGATION AND RELATED PROCESSES”

- [13] Draft of “*Targeted Timelines for the Investigation and Related Processes*”, (document WO/IAOC/29/X), as of November 20, 2018

ITEM 9: BRIEFING ON DEVELOPMENT SECTOR

- [14] Presentations on Development Sector – December 2018

ITEM 10: ETHICS (INCLUDING PROPOSED WORKPLAN 2019)

- [15] Ethics Office proposed Workplan 2019

ITEM 11: ELECTION OF CHAIR AND VICE-CHAIR FOR 2019

No document:

ITEM 12: INFORMATION MEETING WITH MEMBER STATES’ REPRESENTATIVES

No document: Oral account.

ITEM 13: OTHER MATTERS

- [16] Report – Fiftieth Session (WO/IAOC/50/2)
[17] Information Circular N° 22/2018 “*Amendments to the Financial Regulations and Rules of the World Intellectual Property Organization*”, October 25, 2018

Investment Reports:

- [18] Credit Suisse – Investment Monitoring Reports, for September and October 2018
[19] MBS Capital Advice – Investment Performance Reports for September and October 2018

[End of Annex II and of document]