

# WIPO



WO/GA/27/8

ORIGINAL: English

DATE: October 3, 2001

WORLD INTELLECTUAL PROPERTY ORGANIZATION  
GENEVA

E

## WIPO GENERAL ASSEMBLY

**Twenty-Seventh (15<sup>th</sup> Ordinary) Session  
Geneva, September 24 to October 3, 2001**

### REPORT

*adopted by the Assembly*

1. The General Assembly was concerned with the following items of the Consolidated Agenda (document A/36/1): 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 18, 19, 21, 22, 23, 24, 25, 27 and 28.
2. The report on the said items, with the exception of items 18, 19, 21, 22 and 23, is contained in the General Report (document A/36/15).
3. The reports on items 18, 19, 21, 22 and 23, are contained in the present document.
4. Mr. Álvaro de Mendonça E Moura (Portugal), Chair of the General Assembly, presided over the meeting of the General Assembly.

## ITEM 18 OF THE CONSOLIDATED AGENDA:

## INTERNET DOMAIN NAMES

5. Discussions were based on documents WO/GA/27/1 and WO/GA/27/5.

6. In introducing this item, the Secretariat recalled that the two documents concerned two related work programs of WIPO which have been conducted over the past 12 months. The first document, WO/GA/27/5, concerned WIPO's work in relation to the country-code Top Level Domains (ccTLDs). The ccTLDs represented a set of more than 240, largely privately administered, domain name registries. The Member States had requested the Secretariat to cooperate, on a voluntary basis, with the administrators of the ccTLDs in order to enhance intellectual property protection within their domains and, in particular, with a view to the adoption by ccTLDs of the Uniform Domain Name Dispute Resolution Policy (UDRP). The Secretariat established a process to accomplish this work, which included the organization of an international conference in Geneva in February, 2001 on the issues concerned and the publication of the WIPO ccTLD Best Practices for the Prevention and Resolution of Intellectual Property Disputes. As a result of this process, 22 ccTLDs had adopted the UDRP, and the WIPO Arbitration and Mediation Center had received 56 domain name disputes relating to registrations in the ccTLDs. While expressing appreciation for the sensitive relationship between governments and ccTLDs, the Secretariat invited the Member States to encourage the ccTLDs to adopt the UDRP, in view of, on the one hand, the enhanced uniformity this would foster among domain name dispute resolution procedures throughout the world and, on the other, the possibility this would offer to consolidate complaints against abusive registrations of the same name across gTLDs and ccTLDs by the same domain name registrant.

7. Turning to the second document (WO/GA/27/1), the Secretariat explained that it concerned the generic Top-Level Domains (gTLDs), of which the three most important ones are .COM, .NET and .ORG and to which seven new ones would be added soon (.AERO, .BIZ, .COOP, .INFO, .MUSEUM, .NAME, .PRO). It was recalled that WIPO conducted a first Domain Name Process which resulted in the entry into effect of the UDRP, which applies only to trade and service marks. However, at the time the first WIPO Process was conducted, it was already apparent that identifiers, other than trade or service marks, also were the subject of abusive registrations in the domain name system. In view thereof, the Member States requested WIPO to undertake the Second WIPO Domain Name Process, which involved the examination of means of dealing with the bad faith and misleading use, within the domain name system, of:

- International Nonproprietary Names (INNs) for pharmaceutical substances;
- the names and acronyms of international intergovernmental organizations;
- personal names;
- geographical identifiers, such as indications of geographical source on goods, geographical indications and geographical terms; and
- trade names.

The Second Process Report of the Second WIPO Internet Domain Name Process (the Second Process Report) was published on September 3, 2001. The Second Process Report reached three main conclusions:

- There was widespread evidence of the registration of the identifiers subject to the Second Internet Domain Name Process by persons with no connection or only a weak connection with the identifiers concerned.
- In the Secretariat's analysis, it is believed that the existing international legal framework is insufficiently complete to deal with all aspects of the problem. A comprehensive solution, in the Secretariat's opinion, would require the creation of new law, at least in certain areas covered by the Second Process Report. It was recognized, however, that this was a matter of judgement.
- The Member States would need to decide whether they wished to address the issues concerned and, if so, by which mechanism or instrument this could be achieved. In this connection, account should be taken of the fact that the Internet is in rapid development, as illustrated by the growth in the number of gTLDs and the fact that, soon, there will be more than 40 million domain names (the current rate of registration being 50,000 to 100,000 new domain names per week).

8. The Chair thanked the Secretariat for its introduction of the subject matter and opened the floor for discussion. Noting that there were no observations concerning document WO/GA/27/5, the Chair proposed to move to the consideration of document WO/GA/27/1.

9. The Delegation of Argentina congratulated the Secretariat for its work on the Second Internet Domain Name Process in which Argentina has actively participated. With respect to the Second Process Report, the Delegation raised no objections against the recommendation contained in paragraph 244 concerning indications of source and geographical indications. With regard to the recommendation in paragraph 273 of the Second Process Report, the Delegation expressed the view that the protection of country names in the gTLDs was a very relevant issue, but that expanding protection to municipalities would be difficult in view of possible conflicting entitlements to the same name by different municipalities. Concerning paragraph 288 of the Second Process Report, the Delegation agreed that there should be new international rules for the protection of country names in particular. The Delegation also expressed its agreement with the recommendation contained in paragraph 293 of the Second Process Report concerning the avoidance of confusion regarding ISO 3166 country codes in the domain name system.

10. The Delegation of Uruguay congratulated the Secretariat for its work on the Second Internet Domain Name Process and for the recommendations that had been submitted to the General Assembly for consideration. The Delegation stated that it supported the creation of protection for the names and acronyms of international intergovernmental organizations. The Delegation emphasized that WIPO had an important role to play in this sensitive area and that it would like to see WIPO continue its work on the issues concerned.

11. The Delegation of Bulgaria, speaking on behalf of the Central European and the Baltic States, stated that the Group appreciated the work of the Secretariat in the framework of the Second Internet Domain Name Process, which contained a number of valuable conclusions on current domain name registration practices which, to a great extent, could not be dealt with through the existing international regimes. The Second Process Report contained a number of recommendations which the Group could endorse. However, these recommendations could not provide comprehensive solutions to situations where conflicts of interest arise. Against the background of the inadequate legal framework for the domain name system and the growing need for finding solutions to upcoming problems, the Group encouraged the

Secretariat to undertake the role of facilitator in designing policy solutions to intellectual property problems on the Internet, instead of reverting to ad hoc administrative solutions. This process should take into account best practices on the level of national regulations and be carried out in cooperation with other important partners such as the Internet Corporation for Assigned Names and Numbers (ICANN). The Group expressed the view that WIPO could play an important role by way of channeling the discussions on issues stemming from the Second Process Report, as well as future related issues, and that perhaps those could be structured through the establishment of an ad hoc body within WIPO. The Group urged that duplication of ongoing work in other WIPO statutory bodies or in other international organizations should be avoided to the maximum extent possible. In view of the speed of the developments related to the Internet, the Group proposed that work be started immediately by identifying the most difficult issues within this new body and asking that body to report back to the General Assembly at its next meeting.

12. The Delegation of Belgium, speaking on behalf of the European Community and its Member States, congratulated the Director General and the Secretariat for the extensive work carried out in the Second Internet Domain Name Process. They expressed their appreciation for the efforts made by the Secretariat in examining the issues concerning the bad faith and misleading registration and use of a range of identifiers other than trademarks as domain names. They also welcomed the Second Process Report. As the Second Process Report was made available only in early September, the European Community and its Member States stated that they found it difficult to formulate a position on the recommendations contained in the Report during the current General Assembly. Therefore, the European Community and its Member States considered that the recommendations contained in the Second Process Report should be further assessed before any position is taken. Echoing what was stated by the Secretariat regarding the volatility and the speed of development of the Internet and echoing also what was stated by the Delegation of Bulgaria, the European Community and its Member States proposed the creation of an ad hoc working group whose task it would be to proceed with a comprehensive evaluation of the recommendations of the Second Process Report and a definition of the actions to be taken by WIPO in this field. It was added that this type of activity could be covered by Sub-Program 10.3 of the Program and Budget for the period 2002-2003. Finally, the European Community and its Member States expressed the view that the working group should finalize its work at least three months before the next General Assembly in 2002 and should report to it.

13. The Delegation of China stated that the study of the problem was both timely and necessary. The domain name system was in rapid development, leading to enormous growth in the number of domain name registrations and related conflicts. In China, cases had been found that trademarks and trade names of others were registered as domain names in order to blackmail rightful owners. A number of cases had gone to court. The Delegation expressed its Government's interest in this matter and its desire to actively participate in the discussions and activities. The Delegation also supported WIPO's role in the area concerned.

14. The Delegation of Chile expressed appreciation for the Secretariat's extraordinary work in the Second Internet Domain Name Process. The Delegation invited all Member States to consider the substantive nature of the analysis and recommendations by WIPO. With regard to geographical indications, the Delegation noted the absence of solid criteria for resolving the difficulties encountered. The Delegation also noted the considerable evidence regarding the practice of registering the names of places by persons who have no connection with the places concerned. The Delegation stated that the question of whether there should be international legislation on this matter must be addressed. The Delegation expressed the view that there

was a great deal of material to be studied by the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT). The Delegation opposed the creation of any additional bodies for this purpose.

15. The Delegation of India, speaking on behalf of the Asian group, congratulated the Secretariat for its work on the Second Domain Name Process. The Delegation agreed with the creation of an ad hoc working group to consider the recommendations contained in the Second Process Report. This group should finish its work within a prescribed time limit.

16. The Delegation of Switzerland emphasized that although Switzerland had not been one of the initiators of the Second WIPO Internet Domain Name Process, it had welcomed the efforts undertaken by the International Bureau in that regard. The Delegation underlined that Switzerland had participated actively in the process and had made clear its position on the various occasions appeals had been made for comments. In view of the Final Report, the Delegation thanked WIPO for the valuable work it had done. The Delegation noted that as regards recommendations, the International Bureau's intention had been to reject the creation of new rights providing protection against domain names, as well as the extension of the field of application of existing rights. The Delegation noted that the Final Report contained only recommendations stemming directly from a Treaty and which corresponded to the generally acknowledged level of protection for the sign in question. The Delegation emphasized that such self-limitation by WIPO was understandable but not essential. It noted that the administration of primary-level general domains had a partly contractual basis and an autonomous system within which it was possible to introduce protection for designations going beyond international standards. In that regard, the Delegation cited the example according to which if only countries could use the name of the country in question as a domain name, the Internet Corporation for Assigned Names and Numbers (ICANN) could impose this rule, without Article 6<sup>ter</sup> of the Paris Convention providing general protection for country names. The Delegation emphasized that insofar as the origin of the number of Internet domain-name disputes lay in the specific nature of the Internet, according to which a domain name could, for technical reasons, be used only by one person, it would be more advisable to take administrative measures rather than draw up a special treaty. The Delegation pointed out that it was examining the extent to which it could undertake obligations within the appropriate bodies such as the Governmental Advisory Committee of the ICANN for country names. Finally, as regards the procedure to be followed, the Delegation expressed support for the position adopted by Belgium on behalf of the European Union and its Member States, as to the creation of an ad hoc body which would examine all the issues included in the report in a rapid and effective manner, and determine what action WIPO should take. In conclusion, the Delegation said that it was essential to meet these two requirements, if both useful and credible work were to be carried out.

17. Speaking on behalf of the African Group, the Delegation of Algeria thanked the Secretariat for the consultations undertaken and the proposed recommendations. The Delegation said that the African Group had carefully examined the documents drawn up relating to Internet domain names and hoped that the intellectual property community would take note of the issue of the digital divide. In that regard, the Delegation reiterated the recommendations made during the consultations which had taken place in Accra in April 2001, and expressed the African Group's support for the WIPO Digital Agenda. The Delegation emphasized that the African Group was in favor of protecting country names and geographical terms in the domain name system, and of WIPO helping to fund African experts wishing to receive training in this sector. The Delegation also underlined that the African Group supported a sustained role for WIPO in this field, with a view to the preparation of

appropriate standards. The Delegation said that States should play a major role and, in conclusion, that the African Group supported any proposal that would comply with the stated principles.

18. The Delegation of Cuba congratulated the Secretariat for its Report on the Second Internet Domain Name Process and remarked that it was now timely to establish an ad hoc working group to study the bad faith use of domain names and other identifiers in the domain name space.

19. The Delegation of Jordan remarked on the lack of effective protection of trademarks in the domain name space and noted that, in light of the rapid development of the Internet, the Secretariat must take measures to defend such rights when utilized on the Internet.

20. The Delegation of Ghana expressed its support for the intervention of the Delegation of Algeria on behalf of the African Group. The Delegation of Ghana also noted that Ghana had been privileged to co-host with the International Bureau a regional consultation in April 2001 as part of the Second Internet Domain Name Process, that coincided with World Intellectual Property Day. It was noted that this consultation had enjoyed significant success, and that it had increased participation and heightened awareness of the role of intellectual property in the development of humankind. The Delegation expressed its satisfaction with the quality of documents WO/GA/27/1 and WO/GA/27/5 and the presentation of the issues they contained. The Delegation noted, however, that this work also served to highlight the sizeable gap in the digital world between developed and developing economies, and the need for urgent work to be done to enable the effective participation of all in the new technologies.

21. The Delegation of Canada welcomed the Second Process Report and proposed that the SCT utilize its expertise in these issues to review the Report's recommendations. The Delegation agreed with the remarks of the Delegation of Chile and stated that it could not support the establishment of a new body to consider these issues, representation at which could overburden national resources. It was noted that, in accordance with the Program and Budget for the period 2002-2003, the SCT is responsible for developing its own work program and priorities, and that the further consideration of this Report should form part of that program.

22. The Delegation of Guatemala expressed its appreciation for the Secretariat's efforts in undertaking the Second Internet Domain Name Process. It noted that the ongoing work on these issues should take place in existing Committees, and that no new body should be formed to deal with geographical indications or names.

23. The Delegation of Mexico expressed its appreciation to the Secretariat for the work undertaken in the Second Internet Domain Name Process, and agreed that the recommendations made in the Second Process Report should be studied carefully. The Delegation remarked that this work should be undertaken in the SCT and that no new body should be established for this purpose.

24. The Delegation of the United States of America supported the interventions of the Delegations of Chile, Canada, Guatemala and Mexico, among others, and noted that time was needed in order to study the issues raised by the Second Internet Domain Name Process at a national level and subsequently in the program of the SCT. The Delegation remarked that the SCT possessed the expertise to address the relevant issues, and noted its concern for maximizing limited resources, including the need to send experts from capitals to attend

numerous working groups. The Delegation also noted that these issues should not be rushed, and called for thorough study.

25. The Delegation of Australia congratulated the Secretariat on its work on the Second Internet Domain Name Process and noted that, in the short time allowed to study the Second Process Report, it was unable to give a full response to the recommendations made therein. The Delegation of Australia endorsed the interventions of the Delegations of Chile, Canada, Guatemala, Mexico and the United States of America, stating that the work of the SCT touched upon most key matters raised in the Report and it is therefore the appropriate body in which further study of these issues should take place. The Delegation noted that this work was important and should be carried out as soon as possible, and that in this context the next meeting of the SCT will take place in December 2001. The Delegation agreed with the intervention of the Delegation of Canada that this approach would make best use of limited human and time resources. It supported the Secretariat's ongoing work in this area, within the auspices of the SCT.

26. The Delegation of Brazil congratulated the Secretariat upon its work on the Second Internet Domain Name Process and noted that the indiscriminate use of country names and geographical indications has long been a matter of concern in international fora. The Delegation noted, in particular, that the protection of official States' names had been proposed by developing countries in the Third Session of the Diplomatic Conference (October 4 to 30, 1982 and November 23 to 27, 1982) that met to revise the Paris Convention. The Delegation noted that this proposal has become more significant with the development of the Internet and the circumstance that any person, whether natural or legal, could register any country or other geographical names as domain names. For example, it was noted that registrations by any person of the names of countries in the new generic Top Level Domain, .INFO, was of concern to many countries. The Delegation remarked that the issue should be brought before the Assemblies, to consider the advisability of creating a legal framework in which to deal with these issues. It noted that the Governmental Advisory Committee (GAC) of ICANN has considered this matter at its meetings in Marina del Rey in November 2000 and in Montevideo in September 2001. In its Communiqué following the Montevideo meeting, the GAC clearly outlined the need to establish a legal arrangement to avoid potential conflicts in this area. The Delegation commented upon the sensitivity of this issue, in view of the fact that private interests may come into direct conflict with community and State interests with respect to geographical names. The Delegation expressed its concern that the attribution of domain names in the new generic Top Level Domains enables individuals unconnected with the name in question to register the domain name improperly, as described in paragraphs 250-252 of the Second Process Report. In this connection, it noted in particular the pre-registration of country names in the .INFO Top Level Domain during the sunrise period of registrations. The Delegation noted that in this circumstance there was a need to protect legitimate interests with respect to the use of country names. The Delegation noted, with reference to paragraph 276 of the Second Process Report and in agreement with the Delegation of Argentina, that the appropriate approach was to develop a legal arrangement to protect country names and a corresponding mechanism to enable communities to prevent the abuse of recognized names of geographical localities, although in this context the Delegation noted that such names may be duplicated both within and between countries. On the question of the forum within the Secretariat in which this work should take place, the Delegation had reached no final position, but took note of the interventions of the Delegations of Guatemala, Chile, Mexico, Australia, the United States of America and Canada.

27. The Delegation of Japan expressed its appreciation for the Secretariat's work on the Second Internet Domain Name Process and noted that, as the Report had only recently been received, it had not yet fully analyzed the recommendations, nor formed a position. The Delegation noted that these recommendations required full assessment before action could be taken. The Delegation agreed that the SCT, which had the necessary expertise, should undertake the work to define the Secretariat's future action in this area and stated that, in view of concern for limited human resources, no separate working group should be established. The Delegation of Japan recognized the need for a rapid time frame in undertaking this work, but remarked that no hasty action should be taken.

28. The Delegation of Argentina noted its agreement with other Delegations to the effect that no new body should be established to consider the Second Process Report and that developing countries shared the developed countries' concern to make the best use of limited resources. The Delegation enquired of the Secretariat whether the Member States were being asked to evaluate and take note of the contents of the Report as a final document (as had occurred with the Report of the first WIPO Internet Domain Name Process), or whether States were being asked to take a decision on the Report before it would be submitted to ICANN.

29. In reply to the question of the Delegation of Argentina, the Secretariat noted that, in effect, the Member States were being asked to address the question of whether action should be taken where the legal framework proved inadequate to deal with the problems. In this respect, the Second Internet Domain Name Process differed from the first Internet Domain Name Process, which had considered the protection of trademarks in the domain name space based on more than 100 years of development of harmonized trademark law. The convergence of national trademark norms had enabled the expression of these norms in the domain name space without requiring the creation of new law. The Secretariat noted that, in contrast, the issues examined in the Second Process Report seemed to require, if action was to be taken, the creation of new law.

30. The Chair noted, in summary, that all Delegations had unanimously expressed their support for the Secretariat's work in the area of domain names. The Chair observed that the Assemblies had taken note of document WO/GA/27/5, expressed no objections against it and encouraged WIPO to continue its work with the ccTLDs. With respect to document WO/GA/27/1, the Chair noted the Assemblies' desire to fully study the Second Process Report and a general view that the time since its publication had been insufficient to do so. That being the case, further study of the Second Process Report's recommendations was required. The Chair noted that two positions had emerged on the question of which forum was appropriate for this further analysis; first, that an ad hoc working group be established to consider and report on the issue, and second, that the SCT would be the appropriate forum.

31. The Chair stated that, following consultations with the regional groups, a consensus statement has been reached on document WO/GA/27/1, reflected in paragraph 33 below.

32. The General Assembly takes note of document WO/GA/27/5 and the work undertaken by the Secretariat with the ccTLDs and encourages the Secretariat to continue this work.

33. With regard to document WO/GA/27/1, the General Assembly recognizes the significance of the issues examined in the Second Process Report of the Second WIPO Internet Domain Name Process (*The Recognition of Rights and the Use of Names in the*



*Internet Domain Name System*) (the Second Process Report) and stresses the political importance that it attaches to those issues. It accordingly decides that:

- (i) Two special sessions of the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) should be held back-to-back with ordinary sessions of the SCT. The two special sessions should be held within a period of time that permits the circulation of a report on them to be transmitted to the Member States in adequate time before the meetings of the Assemblies of WIPO in September 2002;
- (ii) The two special sessions should be devoted to a comprehensive analysis of the Second Process Report, taking into account the specificities of the issues treated in that Report and dealing with them on their own;
- (iii) The other work of the SCT dealt with in ordinary sessions of the SCT should not interfere with the consideration by the special sessions of the SCT of the issues in the Second Process Report;
- (iv) A Report of the two special sessions of the SCT should be prepared which presents the options for the treatment of the issues dealt with in the Second Process Report, indicating whether such issues are ripe for action, require further discussion, are not sufficiently significant in their impact to require any action or are not the subject of consensus. The Report of the two special sessions should be transmitted to the meetings of the WIPO General Assembly in September 2002 for consideration and decision.

#### ITEM 19 OF THE CONSOLIDATED AGENDA:

##### WIPO ARBITRATION AND MEDIATION COUNCIL

34. Discussion on the item was based on document WO/GA/27/2.

35. In introducing this item the Secretariat explained that the WIPO Arbitration and Mediation Council had been established by the WIPO General Assembly in September 1993, with a view to providing expertise to and enhancing the credibility of WIPO's new private intellectual property dispute resolution activity. Composed of eminent personalities in this area, the Council has fully served this purpose, allowing the Center to benefit from the Council's experience during the initial years of its operations. The Center has been able to build on this expertise and has significantly expanded the scope of its work. The recent increase in the volume of cases administered by the Center facilitates the integration of the Center's activity into the regular program and budget framework of the Organization. The proposal to discontinue the Council should be seen against this background. The members of the Council have graciously reacted to this proposal and have generally confirmed their informal availability for consultations if and when the Center may deem this useful. The Secretariat expressed high appreciation for the Council members' performance of their tasks.

36. The General Assembly approved the proposal contained in paragraph 11 of document WO/GA/27/2 to discontinue the WIPO Arbitration and Mediation Council.

ITEM 21 OF THE CONSOLIDATED AGENDA:

COOPERATION WITH THE WORLD TRADE ORGANIZATION

37. Discussion was based on document WO/GA/27/6.

38. In introducing the item the Secretariat provided information on a new joint initiative that was launched with the World Trade Organization (WTO) on June 14, 2001. The Secretariat stated that this joint initiative was specifically designed to benefit the least-developed countries in their efforts to meet the obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement). This was similar to an earlier joint initiative, which was launched in July 1998 to assist developing countries in their efforts to implement the TRIPS Agreement. A ceremony was held at WIPO to mark the launch, where the two Directors General, Dr. Kamil Idris and Mr. Mike Moore, signed a joint communication in the presence of representatives from least-developed countries. Since the launching of the new joint initiative, a number of requests had been received by the two Organizations. The Secretariat informed the General Assembly that legal and technical assistance programs of WIPO always included least-developed countries, which will also continue in the future.

39. The General Assembly took note of the information contained in document WO/GA/27/6.

ITEM 22 OF THE CONSOLIDATED AGENDA:

CREATION OF A NEW WIPO LOGO

40. Discussions were based on document WO/GA/27/7.

41. In introducing this item the Secretariat presented a summary on the process and outcome of the WIPO international logo competition and the proposed next steps to be taken for the creation of a new logo. It added that a new logo would be approved by the Director General after consultations with the Regional Group Coordinators of the Member States, while the costs involved would be covered by the regular budget of the next biennium.

42. The Delegation of India, speaking on behalf of the Asian Group, noted that none of the entries of the competition fulfilled the necessary criteria for a new WIPO logo. The Group supported the proposal of the Secretariat, noting that the WIPO logo should fulfill its role as part of the Organization's corporate image.

43. The Delegation of Egypt took note of the document and said it agreed with the proposals contained therein. It asked for an explanation of the financial implications and the cost of the proposed next steps for a new logo as noted in paragraph 13 of the document.

44. The Secretariat responded that, in anticipation of approval by the Member States of the proposal for the creation of a new logo, it had already included funds under Program 09 of the

Program and Budget for the biennium 2002-2003 which would be sufficient for the costs of creation and subsequent phasing in and implementation of a new logo. The Secretariat informed the meeting that the new logo would be introduced into WIPO's documents, publications and other products over an appropriate transitional period. This would ensure that all existing supplies bearing the existing logo would be depleted first, without wastage.

45. The WIPO General Assembly approved the proposals contained in paragraph 11 of document WO/GA/27/7.

#### ITEM 23 OF THE CONSOLIDATED AGENDA:

#### RESOLUTIONS AND DECISIONS OF THE UNITED NATIONS; REPORTS OF THE JOINT INSPECTION UNIT (JIU)

46. Discussion was based on document WO/GA/27/3.

47. The Representative of the Joint Inspection Unit (JIU), noting that it was the first time the JIU had addressed the General Assembly, provided some general information concerning the relationship between WIPO and the JIU. The JIU is the only external oversight organ with competence over both the United Nations and all the specialized agencies and other international organizations within the United Nations system which have accepted its Statute. At its November 1981 session, the WIPO General Assembly accepted the JIU Statute, with effect from January 1, 1982. Under Article 5 of the JIU Statute, the Inspectors have the broadest powers of investigation in all matters having a bearing on the efficiency of the services and the proper use of funds; they provide an independent view through inspection and evaluation aimed at improving management and methods and at achieving greater coordination between organizations. The Unit, as stated in the Statute, shall satisfy itself that the activities undertaken by the organizations are carried out in the most economical manner and that optimum use is made of resources available to carry out those activities. Further, the Inspectors may propose reforms or make recommendations they deem necessary to the competent organs of the organizations.

48. Reports are issued by the JIU which concern one or more organizations. Such reports are expected to be considered by the competent legislative bodies together with the comments of the Executive Head or Heads concerned. When reports concern more than one organization, it is expected that the respective Executive Heads, normally within the framework of the Administrative Committee on Coordination (ACC), consult with one another and, to the extent possible, coordinate their comments. Although the Unit has not to date produced any report specifically limited to WIPO, many of its reports of a system-wide nature are of interest to WIPO. Thus, in document WO/GA/27/3 the Director General has drawn to the attention of the General Assembly five JIU reports which concern WIPO. However, ACC comments have been prepared only in respect of one of these reports, which hampers their effective consideration by legislative organs.

49. The Representative of the JIU stated, on behalf of the Unit, its appreciation for the excellent cooperation received from the Director General and the Secretariat of WIPO in the process of preparation of JIU reports. Their timely and thoughtful comments and observations and their responses to questionnaires are of invaluable assistance. The JIU is in contact with the Secretariat with regard to improving the handling of JIU reports and their

follow-up by WIPO so as to ensure maximum benefit to the Organization from JIU recommendations. While there are areas where the JIU feels improvements are necessary, it is gratified by the Director General's positive and constructive positions and it looks forward to continuing the dialogue to which reference is made in paragraph 46 of document WO/GA/27/3.

50. As to the specific reports before the General Assembly, the report on "Private Sector Involvement and Cooperation with the United Nations System" has already been examined by the Governing Bodies of several United Nations agencies and has been favorably commented on. In particular, the ACC welcomed the report, and concurred with most of its recommendations. The United Nations Secretary-General issued, on July 17, 2000, guidelines for cooperation of the United Nations and the business community which incorporate and build upon the JIU substantive findings. Similarly, the Committee for Program and Coordination of the United Nations (CPC) drew the attention of the governing bodies of the United Nations system to the report and the importance of its subject. JIU's review is intended to improve the relationship with the private sector and the long-standing cooperation that has existed, as part of the concept of a new partnership that is being promoted, provided that a basic set of values and goals of the United Nations is respected. This is the essence of the Secretary-General's "Global Compact." With this in mind, the JIU report contains a set of recommendations aimed, first, at promoting cooperation with the business community; second, at suggesting ways and means to make it more effective; third, at avoiding the inherent risks. In this regard, the Inspectors found that the normative frame is weak and calls for caution. Under the heading "difficulties incurred" the report deals at length with a number of identified risks, such as the selection of partners, the acknowledgement of contributions, conflicts of interest and undue influence. Recommendations 4, 5 and 6 address these issues. Recommendation 7 stresses the need to simplify national bureaucratic procedures which are likely to discourage cooperation initiatives from the private sector. The Inspectors have availed themselves of the useful information and contribution given by WIPO during the preparation of the report, based on the nature of its mandate and on the long-standing experience of the Organization in dealing with the business community.

51. The main objectives of the report entitled "Policies and Practices in the Use of the Services of Private Management Consulting Firms in the Organizations of the United Nations System" are, first, to examine the policies and practices governing the use of private management consulting firms by the organizations of the system; secondly, to determine what practical advantages and disadvantages have resulted from the use of such firms; thirdly, to draw conclusions regarding system-wide standards, guidelines and procedures in this area and, fourthly, to formulate recommendations designed to improve present policies and practices with a view to regulating the use of such firms bearing in mind the need for economies and to make the optimum use of resources available.

52. The report entitled "United Nations System Common Services at Geneva. Part II: Case Studies," is one of a series of JIU reports related to common services operated by organizations of the United Nations system located at the same duty stations. The objective is to develop, for each duty station, a coherent framework for increased administrative cooperation in the delivery of support services, thereby enabling the organizations to streamline their overhead structures and costs. The report under review is the follow-up to the JIU report prepared in 1998 entitled "United Nations System Common Services at Geneva: Part I: Overview of Administrative Cooperation and Coordination," which essentially proposed a new framework for United Nations system common services at Geneva. This central recommendation of the report was endorsed by United Nations General Assembly

resolution 54/255 of May 4, 2000, which encouraged the Secretary-General and ACC “to take concrete steps to enhance common services” and also invited the legislative organs of other organizations “to take similar action” on the basis of that resolution. The case studies and recommendations contained in Part II provide some guidelines for giving effect to the General Assembly resolution on common services at Geneva. WIPO is especially concerned by recommendation 1 on the International Computing Centre (ICC) and recommendation 2 on the Joint Medical Service (JMS), which are among the two most important common services operated by the Geneva-based organizations. Attention is drawn to recommendation 2(e) which invites WIPO to share with other JMS members its experience in operating a separate health care facility and to reintegrate this facility within a reformed and strengthened JMS, especially in the light of the Relationship Agreements and UN General Assembly resolution 54/255.

53. In respect of the report entitled “Strengthening the Investigations Function in United Nations System Organizations,” the investigations function has become an increasingly important component of internal oversight for most United Nations system organizations. However, it remains very much in a developmental stage with a number of issues still needing to be resolved. The report addresses those issues and makes recommendations to enhance the capability of organizations in the System to meet the need for investigations. The JIU recommendations regarding the investigations function in United Nations system organizations may be summarized as follows: (1) Common standards and procedures should be developed and adopted. (2) Training in the use of standards and procedures should be extended to managers who may be involved in conducting investigations. (3) A risk profile of each organization should be conducted by the respective executive head to determine the need for access to a professional investigations capability. (4) Options for financing access by small organizations to a professional investigations capability should be reviewed. (5) Preventive measures should be developed based on proactive investigations and lessons learned. (6) Inter-agency cooperation should continue to be fostered, particularly through the Conferences of United Nations Investigators.

54. The report entitled “United Nations system support for science and technology in Latin America and the Caribbean” is the third of a series prepared by the JIU since 1994. The first report focused on Africa, and the second on Asia and the Pacific. Each report evaluated an average of ten projects executed in the region concerned by United Nations system organizations and assessed the degree to which the projects achieved their objectives to develop scientific and technological capacities and conformed with legislative directives in the field of science and technology. The reports on Africa and on Asia and the Pacific found that WIPO had delivered an excellent performance in its support for science and technology in the two regions. Although no WIPO-executed project was included in the sample of projects evaluated in the third report, on Latin America and the Caribbean, the general recommendation of the report, proposing the creation of a UN system joint program for science and technology, is of relevance to WIPO. Justification for this recommendation is provided by the strong position taken on the subject of science and technology by the Group of 77 and the China South Summit Declaration in Havana in April 2000, by the Summit Declaration of the Group of Eight industrialized countries in Okinawa in July 2000, as well as by the United Nations Millennium Summit Declaration in September 2000. It should be noted that WIPO is specifically mentioned in paragraph 123 of the report as one of the potential lead agencies in the context of the proposed joint program.

55. The Representative of the JIU stated that he hoped that the issues requiring legislative action would receive careful consideration. The members of the JIU are available should any

clarification be sought. The JIU wants to contribute in all areas within its mandate to the improvement of the functioning of the organizations of the United Nations system, and therefore it looks forward to contributing effectively to WIPO.

56. In the ensuing discussion, the Delegation of the United States of America indicated that it was pleased to hear the report of the JIU and was pleased, in particular, with the recent report of the JIU on the use within the United Nations system of independent consulting firms and contractors. Referring to the first part of document WO/GA/27/3, the Delegation noted with satisfaction that there were areas in which WIPO has taken an important role, notably by increasing the Organization's assistance to least-developed countries, assisting the economies in transition, strengthening the capacity of governmental, private and civil society institutions in meeting the intellectual property needs of small and medium sized enterprises (SMEs), and giving particular attention to measures for the involvement of women in the activities of WIPO. In conclusion, the Delegation indicated that it wished to receive assurances that the Organization's activities in these areas could be accomplished within the approved budget of WIPO.

57. The Delegation of Mexico thanked the Secretariat for the report prepared by the JIU. It noted with satisfaction that this was the first year that such a report had been made. Referring to the first part of document WO/GA/27/3, the Delegation highlighted the activities of WIPO in various fields, such as in respect of the Convention on Biological Diversity, small and medium sized enterprises (SMEs), science and technology for development and the situation of women within the Organization. It further thanked the Secretariat for the Organization's support for the UN program on science and technology in Latin America and the Caribbean.

58. The Delegation of Egypt indicated that it had examined document WO/GA/27/3 with great interest and underlined the positive interaction between WIPO, as a specialized agency, and the rest of the United Nations system. It welcomed the information contained in the report with regard to the assistance to developing countries and least-developed countries in particular, and further expressed its satisfaction with the role of the Organization, in particular in the field of science and technology, through the WIPONET project and the WIPO Academy.

59. The Delegation of Algeria, speaking on behalf of the African Group, expressed its satisfaction with the report submitted to the General Assembly, and thanked the JIU Inspectors for their recommendations. It welcomed this new exercise which more and more integrates WIPO within the framework of the UN system and sets the Organization on an equal footing with other intergovernmental organizations. The Delegation encouraged the pursuit of this new process set up between the JIU and WIPO. It further thanked the Director General and the WIPO staff members for the help and support provided to the JIU Inspectors.

60. The Delegation of Sudan extended its thanks to the Secretariat and the JIU for the report presented to the General Assembly, and expressed its approval of the procedures taken or proposed to be taken by the Secretariat.

61. The WIPO General Assembly noted the information contained in document WO/GA/27/3 and approved the actions taken or proposed to be taken as described in the document.

[End of document]