

WIPO Independent Advisory Oversight Committee

Fifty-Fifth Session
Geneva, December 2 to 6, 2019

REPORT

adopted by the WIPO Independent Advisory Oversight Committee

INTRODUCTION

1. The 55th session of the WIPO Independent Advisory Oversight Committee (IAOC) took place from December 2 to 6, 2019. Present were Misses Maria Vicien-Milburn (Chair) and Tatiana Vasileva (Vice-Chair), Messrs. Gabor Amon, Mukesh Arya, Egbert Kaltenbach, Othman Sharif and Zhang Long.

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.

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 54th session.

AGENDA ITEM 4: MATTERS ARISING FROM THE WIPO GENERAL ASSEMBLY AND COORDINATION COMMITTEE SESSIONS

5. The Chair apprised the Committee of the statement she made at the General Assembly contained in the Committee's Annual Report (Document WO/GA/51/2).

AGENDA ITEM 5: MEETING WITH THE DIRECTOR GENERAL

6. A meeting planned with the Director General did not take place because of his conflicting schedule.

AGENDA ITEM 6: INTERNAL OVERSIGHT (INCLUDING PROPOSED WORPLAN 2020)

7. The Committee discussed with the Director, Internal Oversight Division (IOD), the IOD Activity Report for the present quarter. The Committee was pleased with IOD's accomplishments, including the results of the Client Satisfaction Survey. The Committee also took note of two audit reports, three management implication reports, and two evaluation reports. All oversight reports issued since the previous Committee meeting and subject to public disclosure, are published on WIPO's website.

Audits

8. The Committee reviewed, together with the Director, IOD and Management, two reports: Audit of Internal Service Management in the Administration and Management Sector, issued on September 2, 2019, and Audit of the WIPO Enterprise Content Management (ECM) System Project, issued on September 3, 2019.

9. Regarding the Audit of Internal Service Management in the Administration and Management Sector, the Committee was pleased to note that there are various services provided by nine business areas in WIPO. As to how prioritization is being done, Management has in place a comprehensive process that includes extensive coordination at the workplanning stage. The Committee suggested that it would be useful to have some internal benchmarking in order to improve internal services. It also suggested that performance indicators on service

management be made more specific. The Committee noted that one of the two recommendations, pertaining to developing a customized Service Charter and conducting the study to identify the right Service Management Framework and Maturity Model/Roadmap, is already being implemented

10. The Committee was pleased with the Audit Report of WIPO's Enterprise Content Management System Project. The Committee took note that Content Management is more mature than Knowledge Management at WIPO. It also noted that quality pertaining to Knowledge Management needs improvement. Information maintained should not be trivial, thus quality must be regularly assessed for relevance. It is also important to identify a powerful search tool for more efficiency. The report contains three recommendations, implementation of which is already in progress.

Evaluations

11. The Committee reviewed, with IOD and Management, two reports: Evaluation and Audit Report of WIPO's Policy on Gender Equality, issued on August 29, 2019, and Evaluation of WIPO's Partnerships, issued on September 4, 2019.

12. The Committee noted that WIPO has taken initiatives to incentivize people in various ways. The Committee inquired how WIPO is contributing to longer-term behavioural changes and how certain biases are affecting functioning within the Organization, as old biases continue to exist. In particular, the Committee discerned from the report that inequality persists with some marginal improvements. Existing measures must be complemented by behavioural measures and enforcement policies to achieve expected effects in closing the gender gap. Staff parity has been achieved at the Deputy Director General level and slightly reduced at the P4 level. However, disparity persists in other grade levels. The report contains a number of recommendations to effectively support gender mainstreaming in programs and enhance diversity and inclusion in WIPO.

13. With regard to the report on WIPO's Partnerships, the Committee noted from the conclusion that there is clear evidence of value added for WIPO and its partners and of partners delivering results that the WIPO partnership could not achieve on its own, particularly in cases where services provided did not previously exist. In addition, the report made one generic recommendation. The Committee suggested that for future evaluations with generic recommendations, the report should also present how implementation of such recommendations would be monitored, particularly if there are varied conclusions pertaining to each of the entities evaluated.

Investigations

14. The Committee was briefed on the status of investigation cases. Since its last session, five new cases were opened and seven cases were closed; in five instances, the allegations were substantiated. As of November 15, 2019, there were six pending investigation cases, of which four were under preliminary evaluation and two cases on hold. The Committee noted that of the six pending cases, five were registered 2019 and the one that was registered in 2016 still remained unresolved.

15. The Committee deliberated on a number of pending cases and provided advice.

Oversight Annual Workplan for 2020

16. The Committee reviewed with the Director, IOD the proposed Oversight Annual Workplan for 2020. Based on discussions with Member States, the Director General and Senior Managers, as well as the results of audit risk assessment, IOD plans to undertake four audits,

four evaluations, one evaluation advisory, one combined audit/evaluation and one combined audit/integrity review.

17. The Committee welcomed the initiatives of IOD to perform combined reviews (audit/evaluation and audit/integrity) as well as its plan to build its capacity to conduct continuous auditing and data analytics. The Committee was pleased to note that the External Quality Assessment of the three functions of IOD (internal audit, evaluation and investigation) will be conducted in 2020, and expressed its interest to see the respective Terms of Reference.

18. The Committee provided a number of suggestions, which IOD committed to incorporate in the final Annual Workplan for 2020. Overall, the Committee was satisfied with the planned coverage and thus supported IOD's proposed Annual Workplan.

19. In accordance with its Terms of Reference, the Committee met in a private session with the Director, IOD. Furthermore, prior to its next in-person session in April 2020, the Committee will provide inputs to the performance appraisal of Director, IOD for the year 2019.

AGENDA ITEM 7: FOLLOW-UP ON OVERSIGHT RECOMMENDATIONS

20. The Committee took note of the 129 outstanding oversight recommendations, 46 (or 36 per cent) of which are of high priority.

21. The Committee also noted that during the reporting period, 29 recommendations had been closed and that overdue recommendations had been reduced from 74 to 48. The Committee was satisfied with the monitoring and reporting performed by IOD on the implementation status of oversight recommendations.

AGENDA ITEM 8: EXTERNAL AUDIT

22. The Committee discussed with the External Auditor, and with Management also in attendance, the 2019 Interim Audit Outcomes. The Committee was pleased with the continued fruitful interaction with the External Auditor.

23. The Committee was pleased to note the positive progress during the interim audit and that the External Auditor is well positioned for the final audit. The Committee also noted that the External Auditor commenced work on the performance audit of External Offices, the outcome of which will form a substantive part of the 2019 External Auditor's Long-Form Report.

24. In accordance with its Terms of Reference, the Committee also met in a private session with the External Auditor.

AGENDA ITEM 9: ETHICS: PROPOSED WORKPLAN 2020

25. The Committee reviewed the draft Office Instruction on WIPO Ethics Office, which has been further amended in response to comments provided by the Committee in March 2019. The Committee is satisfied that the current revised draft properly reflects the interaction between the Ethics Office and the IAOC.

26. The Committee reviewed the proposed Ethics Office Workplan for 2020 and found it to be a suitable basis for finalizing the workplan. The Committee suggested the inclusion of which activities are envisaged in a separate section entitled "Implementation of Policies assigned to the Ethics Office". The Committee highlighted the need to include, where applicable, suitable workload or caseload indicators.

27. The Committee is concerned about the effectiveness of Whistleblower Protection in WIPO. The Committee noted a case where the Chief Ethics Officer was advised in May 2018 that she was in a conflict of interest situation. As the Chief Ethics Officer did not designate an alternative acceptable to the complainant, the conflict of interest situation remains unresolved. As a result, the final determination on the complaint has been pending for almost seven months after completion in April 2019 of the investigation on the case.

28. At its 54th session in September 2019, the Committee recommended that the Chief Ethics Officer designate, as an alternative, an Ethics Officer of another UN system organization in order to bring the matter to a close. The Chief Ethics Officer chose not to follow this advice on the basis that she “consider(s) that paragraph 30 of WIPO Office Instruction 33/2017 envisages that the person to be designated as an alternative to act in (her) stead, should be a suitable staff member from within WIPO (and not from outside WIPO).” The Committee disagrees.

29. In the view of the Committee, the provisions of the Policy to Protect against Retaliation for Reporting Misconduct and for Cooperating with Duly Authorized Audits or Investigations (Office Instruction No. 33/2017) concerning conflict of interest should be further strengthened in order to protect the integrity of the process.

30. The Committee noted that two recommendations remain unimplemented from the 2017 Audit of WIPO’s Ethics Framework.

31. In accordance with its Terms of Reference, the Committee, prior to its next in-person session in April 2020, will provide inputs to the performance appraisal of the CEO for the year 2019.

AGENDA ITEM 10: ELECTION OF CHAIR AND VICE-CHAIR FOR 2020

32. The Committee elected Mr. Mukesh Arya and Ms. Tatiana Vasileva as the Chair and Vice Chair, respectively, for 2020.

AGENDA ITEM 11: IAOC SELF-ASSESSMENT

33. In line with its Terms of Reference, the Committee conducted a self-assessment exercise of its work since July 2018. The Committee concluded that it is effectively achieving its mandate. Nevertheless, based on experience, the Committee expressed the need for more extensive briefing for new members.

AGENDA ITEM 12: INFORMATION MEETING WITH MEMBER STATES’ REPRESENTATIVES

34. 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 15: OTHER MATTERS

WIPO Investment Reports

35. Management submitted to the Committee the Investment Performance Reports and the Investment Monitoring Reports for September and October 2019, prepared by the Investment Advisors and the Custodian, respectively. November 2019 reports were not yet available.

36. 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 investment strategy. In addition, the Committee confirms that the Custodian did not report any breaches, active or passive, or justified exceptions.

Fourth Meeting of United Nations System Oversight Committees

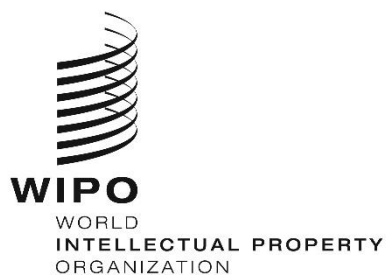
37. The Committee designated Mr. Mukesh Arya as its representative to attend the meeting from December 10 to 11, 2019 in New York.

Next Session

38. The IAOC's next session will take place from Monday, April 20 to Friday, April, 24, 2020. 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) Induction of new IAOC members
- (5) Internal Oversight
- (6) External Audit: Update on Financial and Performance Audits
- (7) Financial Reporting: Draft Financial Statements 2019
- (8) Update on Risk Management and Internal Controls
- (9) Ethics: Final Ethics Office Workplan 2020
- (10) Information Meeting with Member States' Representatives
- (11) Other Matters

[Annexes follow]



WO/IAOC/55/1
ORIGINAL: ENGLISH
DATE: JANUARY 22, 2020

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Fifty-Fifth Session
Geneva, December 2 to 6, 2019

AGENDA

prepared by the WIPO Independent Advisory Oversight Committee

1. Adoption of the Agenda
2. Conflict of Interest Declaration
3. Matters arising from previous Sessions
4. Matters arising from the WIPO General Assembly and Coordination Committee Sessions
5. Meeting with the Director General
6. Internal Oversight (including Proposed Workplan 2020)
7. Follow-up on Oversight Recommendations
8. External Audit
9. Ethics: Proposed Workplan 2020
10. Election of Chair and Vice-Chair for 2020
11. IAOC Self-Assessment

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12. Information Meeting with Member States' Representatives
13. Other Matters

[Annex II follows]



WO/IAOC/55/INF/1
ORIGINAL: ENGLISH
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LIST OF DOCUMENTS

ITEM 1: ADOPTION OF THE AGENDA

- [01] Agenda
- [02] Timetable
- [03] List of Documents

ITEM 2: CONFLICT OF INTEREST DECLARATION

No document:

ITEM 3: MATTERS ARISING FROM PREVIOUS SESSION

No document:

**ITEM 4: MATTERS ARISING FROM THE WIPO GENERAL ASSEMBLY AND
COORDINATION COMMITTEE SESSIONS**

No document:

ITEM 5: MEETING WITH THE DIRECTOR GENERAL

No document:

ITEM 6: INTERNAL OVERSIGHT (INCLUDING PROPOSED WORKPLAN 2020)

Internal Oversight Division:

- [04] IOD Activity Report – November 25, 2019 (Reference: IOD-IAOC-2019/04)
- [05] Internal Oversight Division (IOD) – 2020 Oversight Annual Workplan (Reference: IOD/WP/2020/1) November 25, 2019
- [06] IOD Required Communications Checklist with the IAOC – 2019, November 25, 2019
- [07] Management Implication Report (MIR) Customer Service System, June 27, 2019 (Reference: IOD-INV-2019-03)

- [08] Management Implication Report (MIR) on risks relating to business dealings with former employees, September 19, 2019
(Reference: IOD-INV-2018-28)
- [09] Management Implication Report (MIR) on Vehicle Entry at WIPO, October 31, 2019 (Reference: IOD-INV-2018-23)

Audit:

- [10] Audit Report: Internal Service Management in the Administration and Management Sector, September 2, 2019 (Reference: IA 2019-01)
- [11] Audit Report: Audit of the WIPO's Enterprise Content Management (ECM) System Project, September 3, 2019 (Reference: IA 2019-02)

Evaluation:

- [12] Evaluation-Audit Report: Evaluation-Audit Report of WIPO's Policy on Gender Equality, August 29, 2019 (Reference: EVAL 2019-02)
- [13] Evaluation Report: Evaluation of WIPO's Partnerships, September 4, 2019 (Reference: EVAL 2018-04)

Investigation:

ITEM 7: FOLLOW-UP ON OVERSIGHT RECOMMENDATIONS

- [14] Open Oversight Recommendations – November 25, 2019

ITEM 8: EXTERNAL AUDIT

- [15] 2019 Interim Audit Outcomes (December 2019)
Audit Planning Report on the 2019 Financial Statement Audit (November 2019)

ITEM 9: ETHICS: PROPOSED WORKPLAN 2020

- [16] Ethics Office proposed Workplan 2020
- [17] Revised draft Office Instruction N° xx/2019 – submitted October 31, 2019

ITEM 10: ELECTION OF CHAIR AND VICE-CHAIR FOR 2020)

No document: Oral account.

ITEM 11: IAOC SELF-ASSESSMENT

- [18] IAOC Self-Assessment Questionnaire (September 2019)

ITEM 12: INFORMATION MEETING WITH MEMBER STATES' REPRESENTATIVES

No document: Oral account.

ITEM 13: OTHER MATTERS

- [19] Report – Fifty-Fourth Session (WO/IAOC/54/2)
- [20] IAOC Rolling Agenda, 56th to 59th Sessions
- [21] "Review of audit and oversight committees in United Nations system organizations", October 2019 (JIU/REP/2019/6)
- [22] Office Instruction No. 35/2019 – The Office of the Ombudsperson, November 18, 2019

Investment Reports:

- [23] Credit Suisse – Investment Monitoring Reports for September and October 2019
- [24] MBS Capital Advice – Investment Performance Reports for September and October 2019