

Program and Budget Committee

Twenty-Eighth Session Geneva, September 10 to 14, 2018

PROGRESS REPORT ON THE IMPLEMENTATION OF THE JOINT INSPECTION UNIT'S (JIU) RECOMMENDATIONS

prepared by the Secretariat

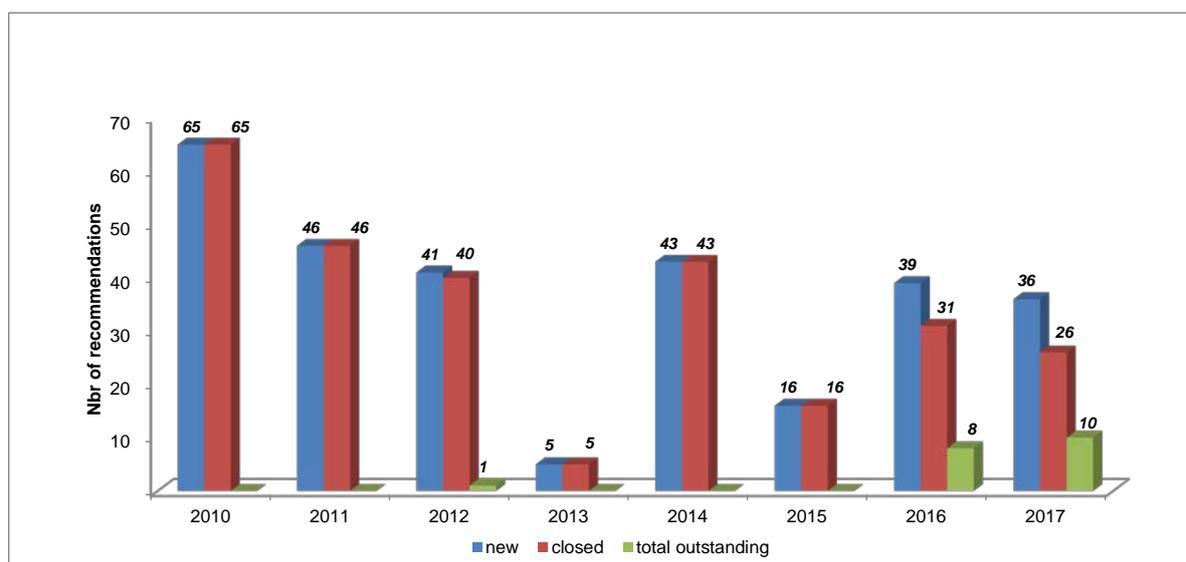
1. This document provides an overview of the status of implementation of outstanding recommendations addressed to the World Intellectual Property Organization's (WIPO) Legislative Bodies, resulting from the reviews of the Joint Inspection Unit (JIU) during the period 2010 to mid-May 2018.
2. Annex I to the present document contains recommendations addressed to the Legislative Bodies of United Nations system organizations, where these recommendations are marked for action by WIPO. The current status of acceptance/implementation of recommendations reflects the Secretariat's proposals and assessments for consideration by Member States.
3. Since the last report submitted to Member States (WO/PBC/27/5) on the same subject, the JIU issued nine reports, of which seven were relevant to WIPO. New reports have been signaled as such, with the status updates from reports issued in prior years highlighting the change from the previous reporting period.
4. It is highlighted that in addition to the follow up of outstanding JIU recommendations, the Secretariat continues its work to facilitate and coordinate responses to the JIU's questionnaires, surveys and interviews in relation to ongoing and new reviews. In line with the JIU's Program of Work (PoW), eight reports are scheduled for launch this year, with three to be completed from those launched in 2017. For each Report, the JIU (i) provides Terms of Reference (TOR) to participating organizations for comments; (ii) requests the completion of an extensive questionnaire by each organization; (iii) requests interviews to be arranged with responsible staff; and (iv) requests comments on the draft of the JIU Report to address any factual inaccuracies. The Secretariat then provides its high level views on the Report, once finalized, to the Chief Executives Board (CEB) for compilation into the document issued to the UN General Assembly.

5. The following reviews are ongoing at the time of finalizing the present document:

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| Managing cloud computing services in the United Nations system | 2018 PoW |
| Organizational change management in the United Nations system: lessons learned and strategies for the future | 2018 PoW |
| Review of oversight committees in the United Nations system | 2018 PoW |
| Strengthening the policy research uptake in service of the 2030 Agenda | 2018 PoW |
| Review of the integration/mainstreaming of disaster risk reduction in the work of United Nations system entities | 2018 PoW |
| Review of the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women | 2018 PoW |
| Accessibility of United Nations conferences and meetings for persons with disabilities | 2018 PoW |
| Improving efficiency and effectiveness in administrative support service delivery through inter-agency cooperation | 2018 PoW |
| Review of management and administration in the United Nations Office for Project Services (UNOPS) | 2017 PoW - to be completed in 2018 |
| Review of whistle-blower policies and practices in the United Nations system | 2017 PoW - to be completed in 2018 |
| Review of internship programmes in the United Nations system | 2017 PoW - to be completed in 2018 |

6. The JIU issued a total of 36 recommendations relevant for WIPO across seven Reports that were part of its 2017 PoW (there are three further Reports to be issued, as indicated above, which will be included in the 2017 figures in the 2018 progress report). The oldest recommendation remaining outstanding from previous years is from a Report issued in 2012, on the subject of the management of sick leave, addressed to the Executive Head. All other recommendations currently outstanding and under implementation by WIPO are from Reports issued in 2016 or 2017.

**Chart 1. All JIU Recommendations Relevant to WIPO 2010-2017
Status as at mid-May 2018¹**

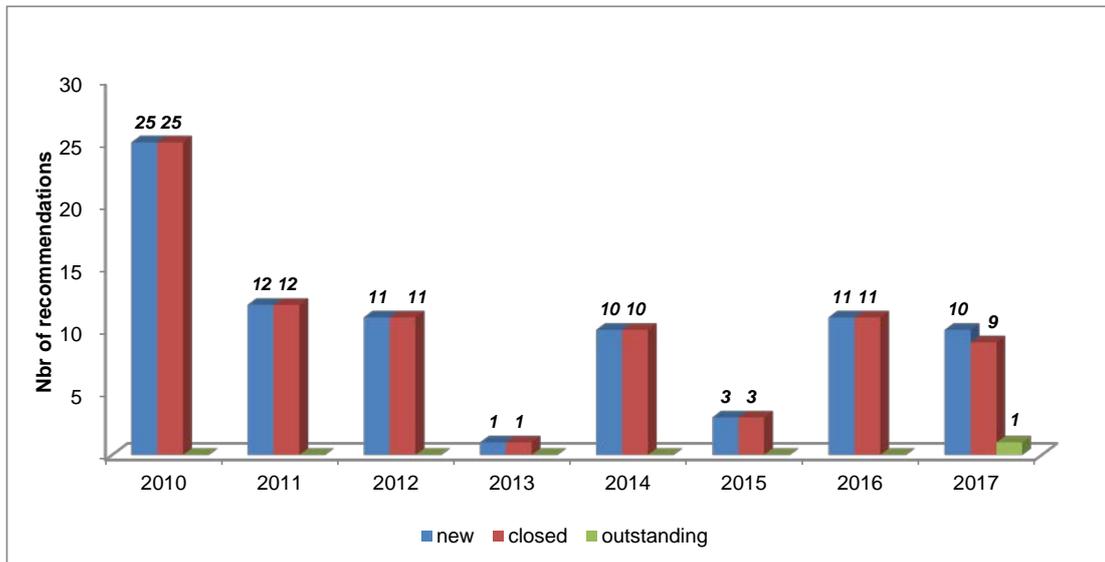


7. As at mid-May 2018, subject to the endorsement of Member States in respect of recommendations contained in the present report, there will be only one recommendation addressed to WIPO's Legislative Bodies which will remain outstanding, all other

¹ New and closed recommendations are shown in the year in which the relevant Report of the JIU was issued.

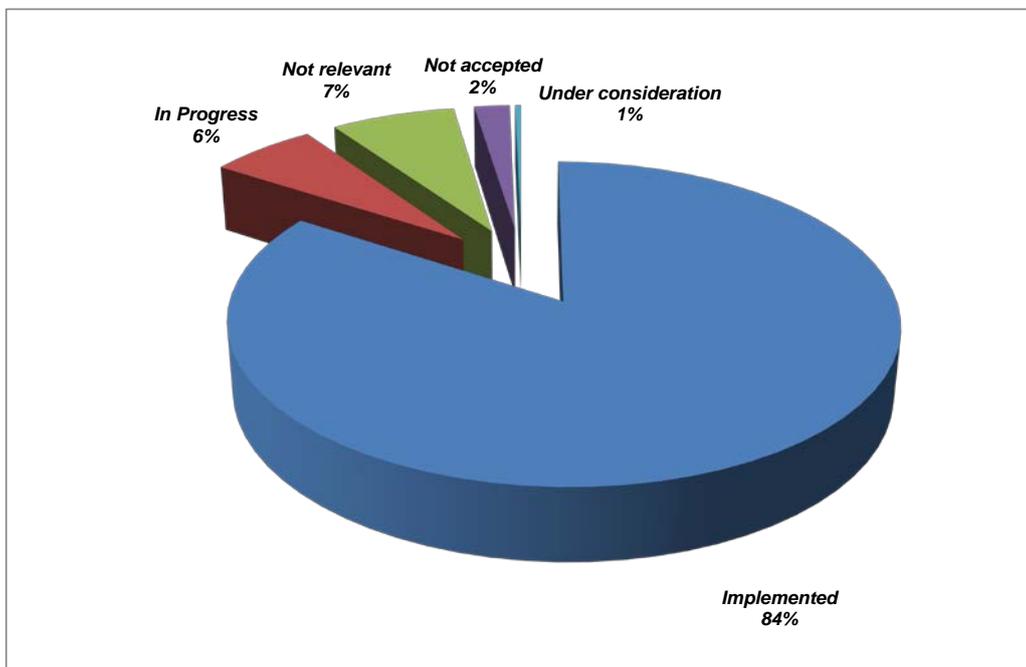
recommendations having been closed (implemented, considered not relevant to WIPO, or not accepted).

**Chart 2. JIU Recommendations Addressed to Legislative Bodies 2010-2017
Status as at mid-May 2018²**



8. As a result, overall, 84 per cent of all the 291 JIU recommendations made since 2010, and relevant to WIPO, will have been implemented, with a further nine per cent closed (not relevant or not accepted), and six per cent accepted and in the process of being implemented, with only a final one per cent remaining under consideration.

**Chart 3. All JIU Recommendations Relevant to WIPO from Reports 2010-2017
Status as at mid-May 2018**



² Subject to the endorsement of Member States in respect of recommendations addressed to WIPO's Legislative Bodies (LB).

9. The following decision paragraph is proposed.

10. *The Program and Budget Committee (PBC):*

(i) took note of the present report (document WO/PBC/28/6);

(ii) welcomed and endorsed the Secretariat's assessment of the status of the implementation of recommendations under:

- *JIU/REP/2017/9 (Recommendations 3 and 6);*
- *JIU/REP/2017/7 (Recommendation 7);*
- *JIU/REP/2017/6 (Recommendation 6);*
- *JIU/REP/2017/3 (Recommendations 1 and 2);*
- *JIU/REP/2016/7 (Recommendation 8);*
- *JIU/REP/2014/9 (Recommendation 3);*
- *JIU/REP/2014/2 (Recommendation 1)*
- *JIU/REP/2012/9 (Recommendation 3) as set out in the present report; and*

(iii) called on the Secretariat to propose assessments for the open recommendations made by the Joint Inspection Unit (JIU) for Member States' consideration.

[Annexes follow]

JIU RECOMMENDATIONS ADDRESSED TO THE LEGISLATIVE BODIES OF JIU PARTICIPATING ORGANIZATIONS – STATUS AS AT MID-MAY 2018

I. RECOMMENDATIONS FROM JIU REVIEWS HELD IN 2017

JIU/REP/2017/9 “Review of mechanisms and policies addressing conflict of Interest in the United Nations system” [LINK](#)

This report was issued by the JIU on March 1, 2018. All recommendations are therefore new within the context of this report to Member States.

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|  <p>Recommendation 3</p> | <p>The governing bodies of the United Nations system organizations should request the executive heads of the organizations to prepare a detailed report on existing financial disclosure programmes and propose any changes to the rationale and scope of those programmes that are needed to increase their effectiveness.</p> |
| <p>Management/Focal Point Assessment</p> | <p>The Annual Report of the Ethics Office includes a dedicated chapter on the Organization's 2017 revised financial disclosure program.</p> |
| <p>Acceptance</p> | <p>Accepted</p> |
| <p>Implementation</p> | <p>Implemented</p> |
| <p>Responsible Officer</p> | <p>Chief Ethics Officer (CEO)</p> |

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|  <p>Recommendation 6</p> | <p>The governing bodies of the United Nations system organizations should, in exercising their oversight role on the accountability framework of their respective organizations, regularly monitor conflict of interest issues, including updates to relevant policies, administrative instruments and mechanisms.</p> |
| <p>Management/Focal Point Assessment</p> | <p>WIPO's Member States receive updated annual reports from the Ethics Office that provide information on conflict of interest issues, including updates to relevant policies, administrative instruments and mechanisms.</p> |
| <p>Acceptance</p> | <p>Accepted</p> |
| <p>Implementation</p> | <p>Implemented</p> |
| <p>Responsible Officer</p> | <p>CEO</p> |

JIU/REP/2017/7 “Review of donor reporting requirements across the United Nations system”

[LINK](#)

This report was issued by the JIU on March 8, 2018. All recommendations are therefore new within the context of this report to Member States.

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|  Recommendation 1 | The governing bodies of the United Nations system organizations should encourage the Secretary-General and executive heads of other organizations, in the framework of the United Nations System Chief Executives Board for Coordination, to develop a common position and pursue a high-level strategic dialogue with donors, in order to address the challenges posed by the current funding models and practices and the impact of strict earmarking of voluntary contributions and reporting to donors. |
| Management/Focal Point Assessment | WIPO's agreements with donors for the use of voluntary contributions, which represent approximately three per cent only of the final funding, are appropriate to its business model and do not pose the type of challenges that other UN system organizations encounter. However, WIPO will provide its experiences and input to the work of the CEB as appropriate in order to contribute to the proposed dialog with donors. |
| Acceptance | Accepted |
| Implementation | Not started (Subject to launch of process by CEB) |
| Responsible Officer | Director (D)/Department of Program Planning and Finance (DPPF) (Controller) |

JIU/REP/2017/7 "Review of donor reporting requirements across the United Nations system"
(continued)

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|  <p>Recommendation 7</p> | <p>The governing bodies of the United Nations system organizations should request the executive heads to task, and adequately support, the internal audit and evaluation offices of their respective organizations with ensuring that the relevant oversight reports provide the required levels of assurance that would help minimize reporting to individual donors on the use of their earmarked contributions.</p> |
| <p>Management/Focal Point Assessment</p> | <p>WIPO's Oversight Charter tasks the "internal audit and evaluation offices to examine and evaluate, in an independent manner, WIPO's control and business systems and processes in order to identify good practices and to provide recommendations for improvement." (...)</p> <p>The "Director, IOD shall: (a) Establish long and short term internal oversight work plans in coordination with the External Auditor. The annual work plan shall be based, where relevant, on a risk assessment to be carried out at least annually, on which basis work would be prioritized. In preparing the annual work plan, the Director, IOD shall take into account any suggestions received from Management, the IAOC or from Member States. Prior to finalizing the internal oversight plan, the Director, IOD shall submit the draft plan to the IAOC for its review and advice." (...)</p> <p>The Internal Oversight Charter further stipulates: "46. In presenting Program and Budget proposals to the Member States, the Director General shall take into account the need to ensure the operational independence of the internal oversight function and shall provide the necessary resources to enable the Director, IOD to achieve the objectives of his/her mandate. The allocation of financial and human resources including in-sourcing, outsourcing or co-sourcing of services shall be clearly identified in the Program and Budget proposal, which will take into account the advice of the IAOC. 47. The Director, IOD shall ensure that IOD comprises staff, appointed in accordance with WIPO Staff Regulations and Rules, which collectively possess the knowledge, skills and other competencies needed to perform the internal oversight functions. He/she shall promote continuing professional development to meet the requirements of this Charter."</p> |
| <p>Acceptance</p> | <p>Accepted</p> |
| <p>Implementation</p> | <p>Implemented</p> |
| <p>Responsible Officer</p> | <p>D/DPPF (Controller)</p> |

JIU/REP/2017/6 “Result-based management in the United Nations development system – analysis of progress and policy effectiveness” [LINK](#)

This report was issued by the JIU on February 21, 2018. All recommendations are therefore new within the context of this report to Member States.

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|  Recommendation 6 | Legislative Bodies may wish to work with heads of organizations to enhance the focus on managing for results beyond the demand for accountability and reporting to give a greater focus on what works, what does not work and why, and do so with due regard to context. |
| Management/Focal Point Assessment | Performance dialog is ongoing with Member States, in particular where discussing performance reports of the Organization, which over the year have matured from focusing on accountability to also focus on learning. In this respect, reference is also made to the new section, "Looking forward", introduced in the new biennial WIPO Performance Report, which aims to address those targets that are Partially Achieved or Not Achieved and that had the largest impact on Program Performance. In respect of these, a concise explanation is provided to explain the substantive reason for not achieving the target, as well as the lessons learned and corrective measure(s) that were or will be undertaken moving forward. |
| Acceptance | Accepted |
| Implementation | Implemented |
| Responsible Officer | Director (D)/Program Performance and Budget Division (PPBD) |

JIU/REP/2017/3 “Review of air travel policies in the United Nations system: achieving efficiency gains and cost savings and enhancing harmonization” [LINK](#)

This report was issued by the JIU on August 21, 2017. All recommendations are therefore new within the context of this report to Member States.

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|  Recommendation 1 | The Legislative Bodies of the United Nations system organizations should request their executive heads, who have yet to do so, to establish by 2019 a consistent percentage cost threshold below which the most direct route may be selected in lieu of the most economic route, taking into account the time thresholds established in each organization’s travel policy for the selection of the most economic routes. |
| Management/Focal Point Assessment | As part of WIPO’s travel policy, the most direct economical route is to be selected for all official travel, without any threshold. |
| Acceptance | Accepted |
| Implementation | Implemented |
| Responsible Officer | Director (D)/Procurement and Travel Division (PTD) |

JIU/REP/2017/3 “Review of air travel policies in the United Nations system: achieving efficiency gains and cost savings and enhancing harmonization” (continued)

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|  Recommendation 2 | The Legislative Bodies of all United Nations system organizations, if they have not already done so, should abolish first class travel for all categories of staff and non-staff by January 2019 and permit its use only when business class is not available. |
| Management/Focal Point Assessment | In accordance with WIPO's policy on official travel, staff members do not travel first class. The Director General is the only high level official entitled to travel first class in the interest of the Organization. |
| Acceptance | Accepted |
| Implementation | Implemented |
| Responsible Officer | D/PTD |

II. RECOMMENDATIONS FROM JIU REVIEWS HELD IN 2016

JIU/REP/2016/7 “Comprehensive review of United Nations system support for small island developing states: final findings” [LINK](#)

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| Recommendation 8 | The Governing Bodies of the United Nations system organizations should coordinate their efforts in designing monitoring and accountability frameworks and tools adapted to the capacity of SIDS to monitor and report on the implementation of the SAMOA Pathway and other sustainable development-related global mandates, while avoiding the burden of multiple reporting frameworks. | |
| Management/Focal Point Assessment | The 3rd Heads of IP Offices Conference (HIPOC) for Pacific Island Countries, April 24 to 27, 2017, was held in Cook Islands, and the participating countries were Cook Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. The focus of the conference was strengthening business competitiveness by promoting local products, brands and designs, as well as strengthening of trademark examination procedures. The IP Policy mission took place in Marshall Islands, November 6-10, 2017. The purpose of this mission was to develop a National IP Policy and Strategy. Training for trademark examiners of the Pacific Island Countries, April 18-21, 2017, took place in Papua New Guinea. Seven countries participated as follows: Fiji, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. As these countries are not yet members of the Madrid, the benefits of the Madrid System were focused in this event. | |
| Acceptance | Accepted | <i>Previously “in progress”</i> |
| Implementation | Implemented | |
| Responsible Officer | Deputy Director General (DDG)/Development Sector (DS); Director/External Relations Division (ERD) | |

III. RECOMMENDATIONS FROM JIU REVIEWS HELD IN 2014

JIU/REP/2014/9 “Contract management and administration in the United Nations system” [LINK](#)

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| Recommendation 3 | The Legislative Bodies of the United Nations system organizations should direct the executive heads of their organizations to put in place a system whereby the persons designated to manage contracts after award are notified in writing about their accountability and responsibilities when managing a contract, and possess the required qualifications to manage the contract. | |
| Management/Focal Point Assessment | For MoU's of Funds-in-Trust, WIPO formally records Contract Managers' names. For commercial contracts, a designation notification is sent to the staff member appointed as the Contract Manager. Guidance is provided on the role and responsibilities assigned to this function, and is available on WIPO's intranet. Training has now been put in place to reinforce skills for performance evaluation and management of suppliers under these contracts as well. | |
| Acceptance | Accepted | <i>Previously “in progress”</i> |
| Implementation | Implemented | |
| Responsible Officer | D/PTD | |

JIU/2014/2 “Review of management and administration in the World Intellectual Property Organization (WIPO)” [LINK](#)

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| Recommendation 1 | The WIPO General Assembly should review the WIPO governance framework as well as current practices with a view to strengthen the capacity of the governing bodies to guide and monitor the work of the organization. In doing so, Member States may wish to consider in their deliberations the options suggested in this report. | |
| Management/Focal Point Assessment | Member States held deliberations on this recommendation since 2014. The Assemblies of WIPO in October 2017 took note of the decisions adopted by the Program and Budget Committee (PBC), including that the PBC: <ul style="list-style-type: none"> (i) Took note of the status of the constitutional reform process presented in document WO/PBC/26/8; (ii) Encouraged the continuation of outreach efforts to Member States regarding the ratification process of the 1999 and 2003 amendments to the WIPO Convention and other WIPO-administered treaties; and (iii) Requested the Secretariat to report back to the 28th session of the PBC on the status of the implementation of the 1999 and 2003 amendments. | |
| Acceptance | Accepted | <i>Previously “in progress”</i> |
| Implementation | Implemented | |
| Responsible Officer | Legal Counsel (LC) | |

IV. RECOMMENDATIONS FROM JIU REVIEWS HELD IN 2012

JIU/REP/2012/9 “Lump-sum payments in lieu of entitlements” [LINK](#)

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| Recommendation 3 | The legislative/governing bodies of United Nations system organizations should request their respective executive heads to suspend, if not already the case, the payment of additional DSA (15 or 40 per cent), to those officials travelling on organizational budgets. |
| Management/Focal Point Assessment | WIPO has implemented various measures and achieved significant cost efficiencies in its travel policies over the past years. It has also implemented all JIU recommendations under the Review of Air Travel Policies in the United Nations system: achieving efficiency gains, and cost savings and enhancing harmonization. In view of these efficiency gains, and the clarifications provided to Member States on previous occasions, no change is made to the current practice. |
| Acceptance Implementation | Not accepted <i>Previously “under consideration”</i> |
| Responsible Officer | D/PTD |

[Annex II follows]

LIST OF ACTIVE³ JIU REPORTS RELEVANT TO WIPO AS AT MID-MAY 2018

This annex serves to provide links to active JIU reports relevant to WIPO. All JIU reports, notes and management letters may be accessed/are available through the JIU's website. [LINK](#)

| REFERENCE | LINK TO JIU REPORT | NUMBER OF OUTSTANDING RECOMMENDATIONS (LB ⁴ and EH ⁵) | COMMENTS | OTHER DOCUMENTS |
|-----------------|--|--|------------------------------|---|
| JIU/REP/2017/9 | Review of mechanisms and policies addressing conflict of interest in the United Nations system | 4 EH | | Attachments I - IV |
| JIU/REP/2017/8 | The United Nations system - private sector partnerships arrangements in the context of the 2030 agenda for sustainable development | 3 EH | | Report Visual Summary |
| JIU/REP/2017/7 | Review of donor reporting requirements across the United Nations system | 1 LB 1 EH | | |
| JIU/REP/2017/6 | Result-based management in the United Nations development system - analysis of progress and policy effectiveness | 1 EH | CEB Comments | Full RBM Report |
| JIU/REP/2016/10 | Knowledge management in the United Nations system | 1 EH | CEB Comments | Visual Summary Annexes I-II |
| JIU/REP/2016/9 | Safety and security in the United Nations system | 3 EH | CEB Comments | |
| JIU/REP/2016/4 | Fraud prevention, detection and response in United Nations system organizations | 4 EH | CEB Comments | |
| JIU/REP/2012/2 | The management of sick leave in the United Nations system | 1 EH | CEB Comments | |

[End of Annex II and of document]

³ JIU reports containing outstanding recommendations, including all those included in the present report.

⁴ Subject to the endorsement of Member States in respect of recommendations addressed to WIPO's Legislative Bodies (LB).

⁵ The report on outstanding recommendations addressed to Executive Heads (EH) is presented to the Director General of WIPO, as well as to the Independent Advisory Oversight Committee.