



WO/IAOC/30/2
ORIGINAL: ENGLISH
DATE: SEPTEMBER 6, 2013

WIPO Independent Advisory Oversight Committee

Thirtieth Session
Geneva, August 26 to 30, 2013

REPORT

prepared by the WIPO Independent Advisory Oversight Committee

INTRODUCTION

1. The 30th session of the WIPO Independent Advisory Oversight Committee (hereinafter referred to as “the Committee” or “IAOC”) took place from August 26 to 30, 2013. Present were Messrs. Fernando Nikitin (Chair), Ms. Mary Ncube (Vice Chair), Messrs. Anol Chatterji, Kjell Larsson, Nikolay Lozinskiy and Ms. Maria Beatriz Sanz Redrado. Mr. Ma Fang sent regrets for his absence.

AGENDA ITEM 1: ADOPTION OF THE AGENDA

2. The Committee adopted its Agenda without modifications. The Agenda is attached to this report as Annex I. The list of documents is attached as Annex II.

AGENDA ITEM 2: MEETING WITH THE DIRECTOR GENERAL

3. The IAOC met with the Director General and discussed, *inter alia*: matters relating to the 21st session of the Program and Budget Committee (PBC); human resources management; the establishment of new external offices; and, WIPO’s ICT Strategy.

AGENDA ITEM 3: MEETING WITH THE EXTERNAL AUDITOR

4. The IAOC met with the External Auditor (EA) to discuss the EA’s report to the PBC (document WO/PBC/21/6). The IAOC’s observations appear in the Report of the IAOC to the PBC (document WO/PBC/21/2).

5. It was agreed that IAOC-EA meetings would take place twice a year to discuss the EA’s audit plan and the EA’s report.

AGENDA ITEM 4: REVIEW OF DOCUMENTATION FOR THE 21st SESSION OF THE PROGRAM AND BUDGET COMMITTEE

6. Under this item, the IAOC met with the Assistant Director General for Administration and Management and other WIPO officials from this sector. It also met with the Director of the Internal Audit and Oversight Division and Heads of IAOD Sections. The IAOC’s observations under this item appear in the Report of the IAOC to the PBC (document WO/PBC/21/2).

AGENDA ITEM 5: FOLLOW-UP MEETING WITH THE JOINT INSPECTION UNIT

7. At its 29th session (March 2013), the IAOC met with members of a team from the Joint Inspection Unit (JIU) who are conducting a “Review of Management and Administration” at WIPO. At the present session, a follow-up meeting was held with the JIU. Discussions focused on various administration and management matters at WIPO from an oversight perspective.

AGENDA ITEM 6: INFORMATION SESSION FOR MEMBER STATES

8. An Information Session for Member States was held. The IAOC briefed the representatives on the present session, following which questions were raised *inter alia* on: the matter of recovery of monies identified in IAOD's audit report on the New Construction Projects; potential cost savings identified in IAOD's audit report on Travel and Mission support; the JIU's "Review of Management and Administration at WIPO"; WIPO's Human Resources Strategy and the Human Resources (HR) Annual Report; closure without implementation of an audit recommendation on staff training; use of the Reserves, in particular as regards its application to projects that might be considered to be multi-annual as opposed to one-time exceptional undertakings; legal aspects of agreements on external offices; and, After-Service Health Insurance (ASHI).

9. On recovery of monies, the IAOC advised that it had received assurance from the Secretariat on this matter and drew attention the bank guarantees that were held by WIPO and which could be drawn upon if required. Concerning travel cost savings, the IAOC had been informed that the Secretariat was taking concrete steps to improve travel planning and had advised that, on deeper analysis, cost savings may be less than forecast due the majority of flights being either less than five hours or greater than nine hours. With respect to the JIU's Review, the IAOC said that views were exchanged on a number of administration and management issues from an oversight perspective. A general discussion followed on WIPO governance, the Committee's position on which was contained in a document presented at the 19th session of the PBC (September 2012).

10. With regard to human resources management, the Committee believed that considerable progress had been made in this area. It drew attention to the significant reduction in the number of human resources-related open audit recommendations, which was to be commended. On the HR Annual Report, it said that this had benefited from a more analytical depiction and use of HR statistics. In this connection, the Committee noted the impact that WIPO's Enterprise Resource Planning (ERP) system would have on the speeding up of administrative systems and customized reporting. As regards closure without implementation of an audit recommendation on staff training, the IAOC had discussed with the EA the importance of regular follow-up on audit recommendations closed without implementation, i.e., on the basis of a formal acceptance by Management of the residual risk of non-implementation of a recommendation. The IAOC believed that Management did provide good explanations as to closure without implementation but that it would be good practice to establish a periodical follow-up process for this category of recommendations.

11. Concerning the use of the Reserves, the IAOC believes that a clearer depiction of the Reserves, including the inclusion of a separate Reserve to be used for construction projects, should be introduced. In this connection, it drew the attention to recommendation No.1 in the EA's report to the PBC (document WO/PBC/21/6). On the legal aspects of agreements on external offices and ASHI, the IAOC informed Member States that it had taken note of the concerns expressed but was not in a position to provide further information.

AGENDA ITEM 7: OTHER MATTERS

12. The next session is scheduled to take place from Tuesday, November 26 to Friday, November 29, 2013. The draft Agenda is as follows:

- (a) Meeting with the Director General
- (b) New Construction Projects
- (c) Internal Audit and Oversight
- (d) Follow-up on Oversight Recommendations
- (e) Assessment of the Work of the IAOC
- (f) Other Matters

[Annex I follows]



WO/IAOC/30/1
ORIGINAL: ENGLISH
DATE: AUGUST 26, 2013

WIPO Independent Advisory Oversight Committee

Thirtieth Session
Geneva, August 26 to 30, 2013

AGENDA

adopted by the WIPO Independent Advisory Oversight Committee

1. Adoption of the Agenda
2. Meeting with the Director General
3. Meeting with the External Auditor
4. PBC/21 Matters:
 - A. Audit and Oversight
 - B. Program Performance and Financial Reviews
 - C. Planning and Budgeting
 - D. Progress Reports on Major Projects and Administrative Matters
5. Meeting with the Joint Inspection Unit
6. Assessment of the Work of the IAOC
7. Information Session for Member States
8. Other Matters

[Annex II follows]

LIST OF DOCUMENTS

ITEM 1: ADOPTION OF THE AGENDA

WO/IAOC/30/2 Prov. Draft Agenda

AGENDA ITEM 3: MEETING WITH THE EXTERNAL AUDITOR

See documents listed under Item 4.A(ii) and 4B below

AGENDA ITEM 4: PBC/21 MATTERS

WO/PBC/20/7 Summary of Decisions and Recommendations (PBC/20)

WO/PBC/21/1 Prov. Draft Agenda

A. Audit and Oversight

(i) WO/PBC/21/3 Report of the Selection Panel for the Appointment of the New Members of the IAOC

(ii) External Audit

WO/PBC/21/6 Report by the External Auditor

IAOD Annual Report (July 1, 2012 to June 30, 2013) on External Audit Recommendations¹

(iii) Internal Audit and Oversight

WO/PBC/21/17 Report by the Director of IAOD

Related documents:

IAOD Annual Report (July 1, 2012 to June 30, 2013) on External Audit Recommendations²

2013 Oversight Plan Status of Work – August 2013

Comparative Table of proposed amendments to the Internal Oversight Charter

WO/PBC/21/8 Extract Program 26 – Internal Oversight

¹ Also listed under Item 4A(iii)

² Also listed under Item 4A(ii)

Oversight Recommendations – June 2013 update

Internal Audit Report 2012-02 Review of Conference
and Language Services

Internal Audit Report 2012-06 Audit of WIPO Construction Projects³

Management Implication Report 12-12

Management Implication Report 13-06

Draft Investigation Policy (1st edition)

Draft Investigation Procedures Manual (2nd edition)

Overview of pending cases in the Investigation Section of IAOD as at
August 19, 2013 (*onsite circulation only*)

(iv) Joint Inspection Unit

WO/PBC/21/16 Progress Report on the implementation of JIU
recommendations

B. Program Performance and Financial Reviews

WO/PBC/21/4 Annual Financial Report and Financial Statements 2012

WO/PBC/21/5 Status of Payment of Contributions as at June 30, 2012

WO/PBC/21/7 Status of the Utilization of the Reserves

WO/PBC/21/13 Annual Report on Human Resources

Related document:

Core Values Survey. Analysis Report.” Dalberg Global Development Advisors

WO/PBC/21/19 Report on Implementation of Cost Efficiency Measures

C. Planning and Budgeting

WO/PBC/21/8 Proposed Program and Budget for 2014/15 Biennium

WO/PBC/21/INF.1 Information Paper on External Offices

WO/PBC/21/18 Capital Master Plan

³ Also listed under Item 4 (D) Progress Reports on Major Projects and Administrative Matters

D. Progress Reports on Major Projects and Administrative Matters

WO/PBC/21/9 Progress Report on the Project to Upgrade Safety and Security Standards for the Existing WIPO Buildings

WO/PBC/21/10 Final Report on the Implementation of the WIPO Strategic Realignment Program (SRP)

Related document:

SRP Final Quarterly Progress Report, prepared for the IAOC

WO/PBC/21/11 Progress Report on the New Conference Hall and New Construction Project

Related documents:

Quarterly Progress Report on the New Construction Projects, prepared for the IAOC

Internal Audit Report 2012-06 Audit of WIPO Construction Projects⁴

WO/PBC/21/12 Progress Report on the Implementation of an Enterprise Resource Planning (ERP) System in WIPO

WO/PBC/21/14 Progress Report on the Information and Communication Technology (ICT) Capital Investment Project

WO/PBC/21/15 Progress Report on the Implementation of WIPO Language Policy

[End of Annex II and of document]

⁴ Also listed under Item 4A(ii) above