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Assemblies of the Member States of WIPO

Fifty-Eighth Series of Meetings
Geneva, September 24 to October 2, 2018

LIST OF DECISIONS ADOPTED BY THE PROGRAM AND BUDGET COMMITTEE

Document prepared by the Secretariat

1. The present document contains the “List of Decisions Adopted by the Program and Budget Committee” at its twenty-eighth session (September 10 to 12, 2018) (document WO/PBC/28/14).

2. *The Assemblies of WIPO, each as far as it is concerned, are invited to:*

(i) take note of the “List of Decisions Adopted by the Program and Budget Committee” (document A/58/6); and

(ii) approve the recommendations made by the Program and Budget Committee as contained in the same document.

[Document WO/PBC/28/14 follows]

Program and Budget Committee

Twenty-Eighth Session
Geneva, September 10 to 12, 2018

LIST OF DECISIONS ADOPTED BY THE PROGRAM AND BUDGET COMMITTEE (PBC)

Document prepared by the Secretariat

AGENDA ITEM 1. OPENING OF THE SESSION

AGENDA ITEM 2. ELECTION OF THE CHAIR AND TWO VICE-CHAIRS OF THE PROGRAM AND BUDGET COMMITTEE (PBC)

The Program and Budget Committee (PBC) elected, for its sessions to be held in 2018 and 2019: Ambassador Andrew STAINES (United Kingdom) as the Chair of the PBC, and Mr. Raúl VARGAS JUÁREZ (Mexico) and Ms. Liene GRIKE (Latvia) as Vice-Chairs of the Committee.

AGENDA ITEM 3. ADOPTION OF THE AGENDA

document WO/PBC/28/1.

The Program and Budget Committee (PBC) adopted the agenda (document WO/PBC/28/1).

AGENDA ITEM 4. REPORT BY THE WIPO INDEPENDENT ADVISORY OVERSIGHT COMMITTEE (IAOC)

document WO/PBC/28/2

The Program and Budget Committee (PBC) recommended to the WIPO General Assembly to take note of the “Report by the WIPO Independent Advisory Oversight Committee (IAOC)” (document WO/PBC/28/2)

AGENDA ITEM 5. PROPOSED AMENDMENTS TO THE TERMS OF REFERENCE OF THE WIPO INDEPENDENT ADVISORY OVERSIGHT COMMITTEE AND TO THE INTERNAL OVERSIGHT CHARTER

document WO/PBC/28/3.

The Program and Budget Committee (PBC):

- a) *recommended to the WIPO General Assembly to approve:*
 - (i) *the proposed amendments to the Terms of Reference of the WIPO Independent Advisory Oversight Committee (IAOC) as amended during the 28th session of the PBC, and attached to this document; and*
 - (ii) *the proposed amendments to the Internal Oversight Charter contained in Annex II of document WO/PBC/28/3.*

- b) *also directed the IAOC to review and propose amendments as appropriate to the WIPO Internal Oversight Charter or the investigation policy, in line with the IAOC Terms of Reference, with the view to provide clarification of targeted timelines in the reporting and investigation processes to ensure cases are addressed in a timely manner, while taking into account UN system-wide best practice and the UN Joint Inspection Unit's report on "Review of Whistleblower Policies and Practices in UN System Organizations" (JIU/REP/2018/4) by the 29th session of the PBC.*

AGENDA ITEM 6. REPORT BY THE EXTERNAL AUDITOR

document WO/PBC/28/4.

The Program and Budget Committee (PBC) recommended to the General Assembly and other Assemblies of the Member States of WIPO, to take note of the "Report by the External Auditor" (document WO/PBC/28/4).

AGENDA ITEM 7. ANNUAL REPORT BY THE DIRECTOR OF THE INTERNAL OVERSIGHT DIVISION (IOD)

document WO/PBC/28/5.

The Program and Budget Committee (PBC) took note of the "Annual Report by the Director of the Internal Oversight Division (IOD)" (document WO/PBC/28/5).

AGENDA ITEM 8. PROGRESS REPORT ON THE IMPLEMENTATION OF THE JOINT INSPECTION UNIT'S (JIU) RECOMMENDATION

document WO/PBC/28/6.

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 (Recommendation 1);
JIU/REP/2016/7 (Recommendation 8);
JIU/REP/2014/9 (Recommendation 3);
JIU/REP/2012/9 (Recommendation 3)*

as set out in the present report;

- (iii) without prejudice to Member States' future proposals regarding the review of the WIPO governance framework, endorsed the Secretariat's assessment of the status of the implementation of Recommendation 1 under JIU/REP/2014/2; and*
- (iv) called on the Secretariat to propose assessments for the open recommendations made by the Joint Inspection Unit (JIU) for Member States' consideration.*

AGENDA ITEM 9. WIPO PERFORMANCE REPORT 2016/17

document WO/PBC/28/7.

The Program and Budget Committee (PBC), having reviewed the "WIPO Performance Report (WPR) 2016/17" (document WO/PBC/28/7), and recognizing its nature as a self-assessment of the Secretariat, recommended that the Assemblies of WIPO note the positive financial and programmatic performance of the Organization in the Biennium 2016/17.

AGENDA ITEM 10. INTERNAL OVERSIGHT DIVISION (IOD) VALIDATION REPORT OF THE WIPO PERFORMANCE REPORT 2016/17

document WO/PBC/28/8.

The Program and Budget Committee (PBC) took note of the IOD Validation Report of the WIPO Performance Report for 2016/17 (document WO/PBC/28/8).

AGENDA ITEM 11. ANNUAL FINANCIAL REPORT AND FINANCIAL STATEMENTS 2017

document WO/PBC/28/9.

The Program and Budget Committee (PBC) recommended to the General Assembly and other Assemblies of the Member States of WIPO to approve the "Annual Financial Report and Financial Statements 2017" (document WO/PBC/28/9).

AGENDA ITEM 12. STATUS OF THE PAYMENT OF CONTRIBUTIONS AND WORKING CAPITAL FUNDS AS AT JUNE 30, 2018

document WO/PBC/28/10.

The Program and Budget Committee (PBC) took note of the “Status of the Payment of Contributions and Working Capital Funds as at June 30, 2018” (document WO/PBC/28/10).

AGENDA ITEM 13. ANNUAL REPORT ON HUMAN RESOURCES

document WO/PBC/28/INF/1.

AGENDA ITEM 14. AFTER SERVICE HEALTH INSURANCE (ASHI) LIABILITY

document WO/PBC/28/11.

The Program and Budget Committee (PBC) recommended to the Assemblies of WIPO, each as far as it is concerned, to request the Secretariat to continue to participate in the Finance and Budget Network’s ASHI Working Group and to monitor any specific proposals to be made by the Secretary-General to the United Nations General Assembly at its 73rd session.

AGENDA ITEM 15. STATUS OF THE CONSTITUTIONAL REFORM PROCESS

document WO/PBC/28/12.

The Program and Budget Committee (PBC) took note of the status of the constitutional reform process (document WO/PBC/28/12), and requested the Secretariat to update the PBC on the status of the process at its 30th session in September 2019.

AGENDA ITEM 16. METHODOLOGY FOR ALLOCATION OF INCOME AND EXPENDITURE BY UNION

documents WO/PBC/25/16 and WO/PBC/27/13.

The Program and Budget Committee (PBC):

- (i) noted the 2017 GA decision in document A/57/12, para 88 and 89, and held a corresponding discussion, taking into account documents WO/PBC/25/16 and WO/PBC/27/13, as well as the statements of Member States;*
- (ii) noted that there was no consensus on the matters discussed under the current agenda item; and*
- (iii) decided to request the Secretariat to give during the 29th session of the PBC an oral explanation of the draft proposed Program and Budget 2020/21 and the allocation methodology for the income and expenditure by Union used.*

AGENDA ITEM 17. SUPPLEMENTARY CAPITAL MASTER PLAN PROJECTS

document WO/PBC/28/13.

The Program and Budget Committee (PBC) recommended to the Assemblies of WIPO, each as far as it is concerned, to approve, from the WIPO Reserves, the funding of the two Supplementary CMP Projects amounting to a total of 3.0 million Swiss francs, and to take note of the future opportunities for premises infrastructure enhancements.

AGENDA ITEM 18. CLOSING OF THE SESSION

[Annex follows]

(REVISED) PROPOSED AMENDMENTS TO THE
WIPO INDEPENDENT ADVISORY OVERSIGHT COMMITTEE TERMS OF REFERENCE

Prepared by the WIPO Independent Advisory Oversight Committee

September 12, 2018

A. PREAMBLE

1. In September 2005, the WIPO General Assembly approved the establishment of a WIPO Audit Committee. In September 2010, the WIPO General Assembly approved a change to the title of the Committee to the Independent Advisory Oversight Committee (IAOC) and amended its composition and rotation procedures.

B. ROLES AND RESPONSIBILITIES

2. The IAOC is a subsidiary body of the WIPO General Assembly and of the Program and Budget Committee (PBC). It serves in an independent expert advisory capacity and assists the WIPO General Assembly and the PBC in fulfilling their oversight responsibilities.

3. The responsibilities of the IAOC are:

(a) With regard to Financial Reporting:

- (i) To advise on the implication for WIPO of issues and trends apparent in the financial statements and in the WIPO Performance Report;
- (ii) To discuss with Management changes to accounting policies and accounting standards.

(b) With regard to Risk Management and Internal Controls:

- (i) To review and advise on the quality and effectiveness of risk management procedures;
- (ii) To review and advise on the adequacy and effectiveness of the internal control framework;
- (iii) To review and advise on proposed amendments to the Financial Regulations and Rules.

(c) With regard to External Audit:

- (i) To exchange information and views with the External Auditor on their overall audit strategy, significant risks and proposed workplans;
- (ii) To establish a mechanism for discussing with the External Auditor significant audit findings and recommendations;
- (iii) To consider the Report of the External Auditor and provide comments thereon for consideration by the Program and Budget Committee;
- (iv) To review the management action in response to the external audit findings and recommendations.

(d) With regard to Internal Oversight:

- (i) To review, at its last session of the previous year, and advise on the proposed workplan of the Internal Oversight Division (IOD), ascertaining coordination with the External Audit workplan;
- (ii) To review the implementation of the IOD workplan and the results of internal and external assessments and advise on the quality, effectiveness and efficiency of the internal oversight function and on its organizational independence;
- (iii) To advise the Director, IOD in cases of significant impairment to his or her independence and objectivity, including conflicts of interest;
- (iv) To review and advise on proposed internal oversight policies and manuals;
- (v) To review and advise in the implementation of internal oversight recommendations;
- (vi) To review periodically, in consultation with the Director, IOD, the WIPO Internal Oversight Charter and recommend amendments, if any, for consideration by the Program and Budget Committee;
- (vii) To advise the Director General on the appointment and dismissal, if any, of the Director, IOD, including by reviewing the proposed vacancy announcement and the list of pre-screened candidates, and to provide comments to assist the Coordination Committee when considering the endorsement of the proposed appointment;
- (viii) To provide input to the Director General into the performance appraisal of the Director, IOD;
- (ix) To provide advice in case of allegations of misconduct against the Director General in accordance with the Internal Oversight Charter (paragraphs 24, 41 and 42);
- (x) To provide advice in case of allegations of misconduct against the Director, IOD, in accordance with the Internal Oversight Charter (paragraph 22). No investigative proceedings into allegations against the Director IOD or previous incumbents shall be initiated without the concurrence of the IAOC;
- (xi) To review allegations of misconduct against IOD personnel or former IOD staff members and advise the Director, IOD on how to proceed.

(e) With regard to Ethics:

- (i) To review, at its last session of the previous year, and advise on the proposed workplan of the Ethics Office;
- (ii) To review the implementation of the work plan of the Ethics Office and advise on the quality, effectiveness and efficiency of the ethics function;
- (iii) To advise the Chief Ethics Officer in cases of significant impairment to his or her independence and objectivity, including conflicts of interest;

- (iv) To review and advise on proposed ethics policies;
 - (v) To advise the Director General on the appointment and dismissal, if any, of the Chief Ethics Officer, including by reviewing the proposed vacancy announcement and the list of pre-screened candidates;
 - (vi) To provide input to the Director General into the performance appraisal of the Chief Ethics Officer.
- (f) Other:
- (i) To review and advise on proposed policies or on particular activities or projects, as requested by the WIPO General Assembly or the Program and Budget Committee;
 - (ii) To make recommendations to the Program and Budget Committee on matters within its Terms of Reference, as it considers appropriate.

C. MEMBERSHIP AND QUALIFICATIONS

4. The IAOC shall be composed of seven members, from each of the seven Regional Groups of WIPO Member States. The seven members will be nominated by the Program and Budget Committee following a selection process carried out by a Selection Panel set up by the Committee for this purpose, to be assisted by the current IAOC.
5. The rotation mechanism for the IAOC members will be as follows:
- (a) All members of the IAOC shall be nominated for a term of three years, renewable once. No member of the IAOC shall serve for more than six years in aggregate;
 - (b) Each member of the IAOC would be replaced by a candidate from the same Regional Group that he or she belongs to. If the departing member belongs to a Regional Group that already has another representative, he/she will be replaced by a member originating from the Regional Group(s) not represented in the Committee. However, in case there is no candidate available from the Regional Group concerned, who meets the criteria established by the Selection Panel in accordance with the General Assembly decision (recorded in paragraph 30, of document WO/GA/39/14) as contained in paragraphs 14, 15, 21, 22 and 26 of document WO/GA/39/13, then the position would be filled in by the highest ranking candidate irrespective of his or her regional representation;
 - (c) The selection process as described in paragraph 28 of document WO/GA/39/13 shall apply;
 - (d) In case of resignation or demise of a member of the IAOC while serving his or her term, a roster/pool of experts identified during the selection process may be used.
6. The Selection Panel, in recommending candidates for nomination by the Program and Budget Committee shall ensure that the candidates possess relevant qualifications and experience, for example, in audit, evaluation, accounting, risk management, investigations, legal affairs, information technology, ethics, human resources management and other financial and administrative matters. Expertise as well as geographical

distribution and rotation should guide the selection process. In making its final recommendations to the Program and Budget Committee, the Selection Panel will try to ensure collegiality, the right mix of skills and expertise, and gender balance in the overall composition of the Committee. Due consideration shall be given to the availability, commitment, professionalism, integrity and independence of the candidates. Candidates must be fluent in English; working knowledge of other WIPO official languages is an advantage. When making its recommendations to the Program and Budget Committee the Selection Panel shall provide redacted curricula vitae for all individuals being nominated for appointment to the IAOC.

7. The IAOC should collectively possess the following competencies:

- (a) Technical or specialist knowledge of issues pertinent to the Organization's business;
- (b) Experience of managing organizations of similar size and complexity;
- (c) Understanding of the wider relevant environments in which the Organization operates, including its objectives, culture and structure;
- (d) Detailed understanding of the Organization's governance environment and accountability structures;
- (e) Oversight or management experience at senior level in the United Nations system;
- (f) International and/or intergovernmental experience.

8. New members should have or should acquire by a structured induction program organized by the WIPO Secretariat in consultation and with the participation of Member States an understanding of the objectives of the Organization, its structure and its culture, and the relevant rules governing it.

9. Members shall serve in their personal capacity; they cannot delegate their duties and may not be represented by any other person in the sessions of the Committee. In performing their duties, members shall not seek or receive instructions from any Government or any other party.

10. Members of the IAOC shall sign a statement of disclosure of interest.

11. Members of the IAOC and their immediate family members shall not be eligible for employment at WIPO either directly or indirectly during their mandate period and for up to five years after their mandate period

D. CHAIRPERSONSHIP

12. The members of the IAOC shall elect annually a Chairperson and a Vice-Chairperson. In the event of the chairpersonship becoming vacant during the term, the Vice-Chairperson shall assume the office of the Chairperson until the expiration of the predecessor's term and members shall elect another Vice-Chairperson. In the event of both the Chairperson and the Vice-Chairperson being absent, the remaining members may designate an Acting Chairperson from among themselves to conduct the meeting or the entire session.

E. REIMBURSEMENT OF COSTS

13. Members will not be remunerated for activities undertaken in their capacity as members of the Committee. However, WIPO shall reimburse Committee members, in accordance with WIPO Financial Regulations and Rules, for any travel and subsistence costs that are necessarily incurred in relation to participation in Committee and other official meetings.

F. INDEMNITY OF MEMBERS

14. Committee members will be indemnified from actions taken against them as a result of activities performed in the course of exercising their responsibilities as members of the Committee, as long as such activities are performed in good faith and with due diligence.

G. MEETING AND QUORUM

15. The IAOC will meet regularly every quarter in formal session at WIPO headquarters. In exigent circumstances, the Committee may decide to consider issues through virtual consultations and come to conclusions that will have the same force as conclusions arrived at during its regular sessions.

16. A minimum of four members of the IAOC are required to be present for a meeting of the Committee to be quorate.

17. The IAOC may invite officials of the WIPO Secretariat or others to attend its sessions.

18. The IAOC shall meet at least once a year in private sessions with the Director General, the Director, Human Resources Management Department, the Controller, the Director, Internal Oversight Division, the Chief Ethics Officer, the Ombudsperson and the External Auditor, respectively.

H. REPORTING AND REVIEW

19. The IAOC shall keep Member States informed of its work on a regular basis. In particular, following each of its formal sessions the Committee shall organize an information meeting with representatives of WIPO Member States and submit a report to the Program and Budget Committee.

20. The IAOC shall submit an annual report to the Program and Budget Committee and to the WIPO General Assembly, summarizing its activities, assessments and conclusions. The annual report shall also include the IAOC's comments on the Report of the External Auditor for consideration by the Program and Budget Committee. To this end, the IAOC shall receive a signed copy of the External Auditor's Report at least four weeks prior to the session of the Program and Budget Committee.

21. The Chairperson or other members designated by the Chairperson shall attend ex officio, relevant meetings of the General Assembly and of the Program and Budget Committee. At the invitation of other WIPO committees, the Chairperson or other members designated by the Chairperson may attend meetings of such committees.

I. SELF-ASSESSMENT

22. The IAOC shall perform, at least every two years, a self-assessment relative to the Committee's purpose and mandate to ensure it is operating effectively.

J. SECRETARY OF THE COMMITTEE

23. The WIPO Secretariat, in consultation with the IAOC, shall designate a Secretary to the IAOC who shall provide logistical and technical assistance to the Committee. Furthermore, the IAOC may retain external consultants, as necessary, in a support capacity.

24. Such assistance entails preparing for and attending the sessions of the Committee and assisting with preparing draft reports or any correspondence. Such assistance may also entail research and background position papers in preparation for the sessions of the Committee, as may be requested by the Committee.

25. The performance appraisal of the IAOC Secretary shall be done with input from and in consultation with the Chairperson of the IAOC.

K. BUDGET

26. WIPO shall include in its biennial budget a specific allocation for the IAOC, providing for the costs associated with the Committee's mandated activities, namely four formal sessions of four to five days each in principle, attendance by IAOC members at Program and Budget Committee sessions, at the General Assembly, and at other meetings as required, support by the IAOC Secretary, and, as required, external consultants.

L. INFORMATION REQUIREMENTS

27. Well in advance of each session, the WIPO Secretariat shall provide the Committee with documents and information related to its Agenda, and any other relevant information. The Committee shall have unhindered access to all staff and consultants of the Organization, as well as access to records.

M. AMENDMENTS TO THE TERMS OF REFERENCE

28. Previous revisions to these Terms of Reference have been approved by the WIPO General Assembly in September 2007, September 2010, September 2011, October 2012, and October 2015. The latest revision has been approved by the WIPO General Assembly in October 2018 (document WO/PBC/28/3).

29. Member States will review, at least every three years, the role and responsibilities, functioning and membership of the IAOC. To facilitate that review, the IAOC shall periodically review its Terms of Reference and recommend amendments as appropriate, for consideration by the Program and Budget Committee. Notwithstanding this periodic review, Member States may request such review to be put on the agenda of any session of the Program and Budget Committee.

[End of Annex and of document]