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Internal Oversight Division

Internal Audit Manual

2026 EDITION

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REVISION HISTORY

VERSION	DATE APPROVED AND APPROVER	PREPARED BY	REVISION NOTES
2025.1	January 20, 2025 Approved by Julie Nyang'aya, Director, IOD	Bevan Chishimba Dainis Reinieks Lise Schwob	<ul style="list-style-type: none"> ▪ Complete re-design of the manual in Alignment with the Global Internal Audit Standards.
2025.2	March 1, 2025 Approved by Julie Nyang'aya, Director, IOD	Dainis Reinieks	<ul style="list-style-type: none"> ▪ Revision of ratings of Engagement Conclusions.
2026.1	January 21, 2026 Approved by Julie Nyang'aya, Director, IOD	Dainis Reinieks	<ul style="list-style-type: none"> • Revision of ratings of Findings (now – Significance of Findings).

LIST OF ACRONYMS

ACL	Audit Command Language
CEB	Chief Executives Board
CoCo	Coordination Committee
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
FDDI	Financial Disclosure and Declaration of Interest
FRR	Financial Regulations and Rules
GA	General Assembly
HRMD	Human Resources Management Department
IA	Internal Audit
IA-CM	Internal Audit Capability Model for the Public Sector Organizations
IAOC	Independent Advisory Oversight Committee
IAS	Internal Audit Section
IIA	Institute of Internal Auditors
IOC	Internal Oversight Charter
IOD	Internal Oversight Division
IT	Information Technology
JIU	Joint Inspection Unit
MTSP	Medium-Term Strategic Plan
PBC	Program and Budget Committee
PI	Performance Indicator
PMSDS	Performance Management and Staff Development System
PSA	Periodic Self-Assessment
QAIP	Quality Assurance and Improvement Program
RBM	Results Based Management
RMG	Risk Management Group
SOP	Standard Operating Procedures
SRR	Staff Regulations and Rules
TOR	Terms of Reference
UN	United Nations
WIPO	World Intellectual Property Organization

1. INTRODUCTION

1. Pursuant to the World Intellectual Property Organization (WIPO) Internal Oversight Charter (IOC)¹, this Internal Audit Manual has been prepared by the Director of the Internal Oversight Division (IOD) of WIPO and issued following a review by the Independent Advisory Oversight Committee (IAOC). Prior to finalizing the Manual, feedback from Management and relevant stakeholders was also sought and considered.

2. The Manual describes the applicable procedures of the internal audit function and is primarily intended as a practical guide for the conduct of assurance and advisory engagements by all members of IOD who are responsible for conducting these engagements, as well as consultants of the services. It may also serve as a source of information for WIPO personnel, Member States, and other stakeholders to understand the internal audit's function.

3. The Manual has been prepared in accordance with the [Global Internal Audit Standards](#)², as well as good practices of organizations of the United Nations (UN) system. It is consistent with WIPO's [Financial Regulations and Rules](#) (FRR) and policies applicable at the time of issuance of the Manual, including the IOC, the Internal Oversight Strategy, the [IOD Internal Audit Policy](#), and the [Staff Regulations and Rules](#) (SRR). In case of inconsistency between the Manual and WIPO regulations, rules, and policies, the latter will prevail. The summary of the IIA Mandatory and Supplemental guidance is provided in Annex I.

4. **Annexes II and III** list IOD policies, procedures, guidelines, and templates relevant to the internal audit function's operations. **Annex IV** depicts the internal audit workflow and its linkage to related guidance and templates.

¹ Approved by [Program and Budget Committee, Thirty-Seventh Session](#), Geneva, June 10 to 14, 2024, and adopted by the Assemblies of the Member States of WIPO, sixty-fifth series of meetings, Geneva, July 9 to 17, 2024.

² Released by the Institute of Internal Auditors (IIA) on January 9, 2024, effective January 9, 2025.

2. PURPOSE OF INTERNAL AUDITING

According to the Purpose Statement by IIA, as outlined in the [Global Internal Audit Standards](#), internal auditing strengthens the organization's ability **to create, protect, and sustain value by providing the board³ and management with independent, risk-based, and objective assurance, advice, insight, and foresight.**

Internal auditing enhances the organization's:

- Successful achievement of its objectives;
- Governance, risk management, and control processes;
- Decision-making and oversight;
- Reputation and credibility with its stakeholders; and
- Ability to serve the public interest.

Internal auditing is most effective when: it is performed by competent professionals in conformance with the [Global Internal Audit Standards](#) which are set in the public interest; the internal audit function is independently positioned with direct accountability to the board; and internal auditors are free from undue influence and committed to making objective assessments

5. In line with the IOC and the IIA's Purpose Statement, IOD provides internal auditing, which is an independent, objective assurance and advisory service designed to add value and improve an organization's operations. It helps the Organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes. This includes reviewing compliance with WIPO's Regulatory framework, General Assembly decisions, applicable policies, and the Standards of Conduct for the International Civil Service, evaluating the cost-effectiveness of business processes and procedures, best practices, and making recommendations.

6. IOD works within the [WIPO Results- Based Management \(RBM\) Framework](#), to assess whether the Organization has relevant controls to ensure the achievement of the strategic objectives and Expected Results outlined in the [Program of Work and Budget](#), and the [Medium-Term Strategic Plan](#) (MTSP).

(A) THREE LINES MODEL - INTERNAL OVERSIGHT DIVISION

(i) Three Lines Model – Position of Internal Oversight Division

7. WIPO adopted and adapted the "[Three Lines Model](#)" defined by the IIA and endorsed by the UN System Chief Executives Board for Coordination (CEB)⁴. The model provides a useful framework for UN organizations to identify relationships and responsibilities of different

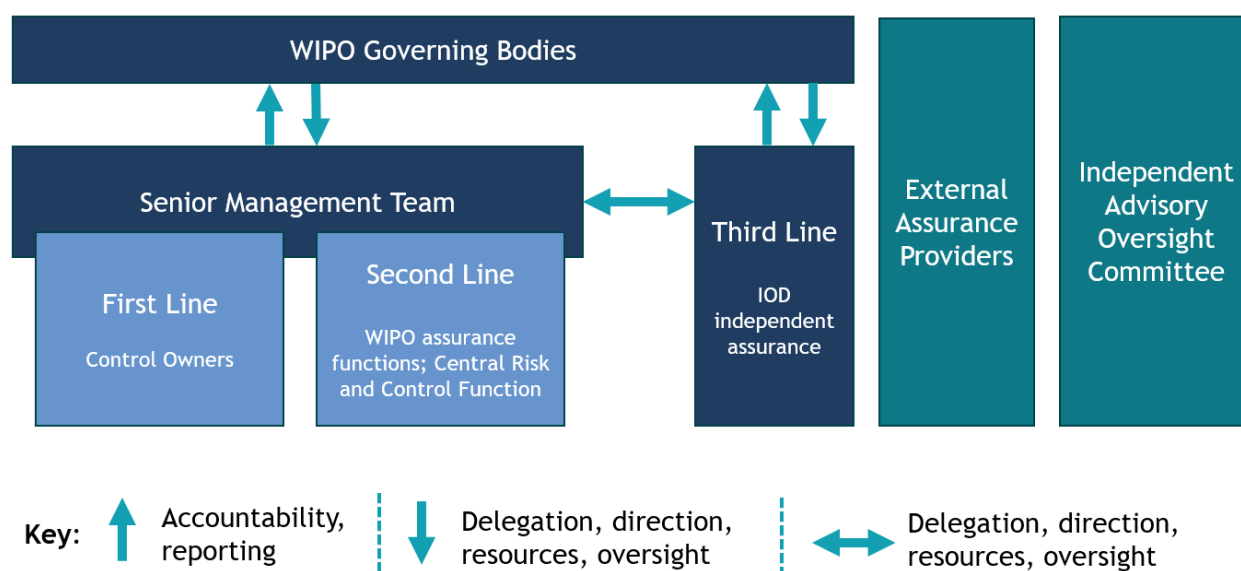
³ As per the IIA glossary, the board is the highest-level body charged with governance, such as the board of directors, an audit committee, a board of governors or trustees, a group of elected officials or political appointees, or another body that has authority over the relevant governance functions.

⁴ The UN System Chief Executives Board for Coordination (CEB) is the longest-standing and highest-level coordination forum of the United Nations system. The CEB's main responsibility is to serve as an internal coordination mechanism that provides high-level system-wide strategic guidance, promotes coherent leadership, shared vision and enhanced cooperation, and considers forward-looking solutions in response to mandates stemming from the governing bodies of its member organizations.

assurance providers with respect to the different stakeholders who are responsible for risk management and internal controls.

8. Within this context, IOD has a third-line role and is responsible for independent and objective assurance and advice on matters related to the achievement of the Organization's objectives. The External Auditor, the Joint Inspection Unit (JIU), and the IAOC also play important roles in the Organization's control structure by providing independent, external assurances to the General Assembly.

Figure 1: The Three Lines Model Applied to WIPO



9. **WIPO Governing Bodies** comprise of the WIPO General Assembly, WIPO Conference, Coordination Committee (CoCo), and Program and Budget Committee (PBC). The roles of the above mentioned bodies are defined in the [Convention Establishing the World Intellectual Property Organization](#).

10. **WIPO Senior Management Team** manage the First Line and Second Line roles.

11. **First Line roles** (control owners) lead and direct actions (including managing risk) and application of resources to achieve WIPO's expected results. Through the Senior Management Team, they maintain a continuous dialogue with Governing Bodies, and report on planned, actual, and expected outcomes linked to the objectives of the organization; and risk. Further, they establish and maintain appropriate structures and processes for the management of operations and risk (including internal control) and ensure compliance with legal, regulatory, and ethical expectations.

12. **Second Line roles** provide complementary expertise, support, monitoring, and challenge related to the management of risk, including:

- (a) The development, implementation, and continuous improvement of risk management practices (including internal control) at a process, systems, and entity level.
- (b) The achievement of risk management objectives, such as: compliance with laws, regulations, and acceptable ethical behavior; internal control; information and technology security; sustainability; and quality assurance.

13. In addition, the Second Line roles provide analysis and reports on the adequacy and effectiveness of risk management (including internal control).

14. The **Third Line** is represented by IOD, which maintains primary accountability to WIPO governing bodies and independence from the responsibilities of management. IOD communicates independent and objective assurance and advice to Senior Management Team and WIPO governing bodies on the adequacy and effectiveness of governance and risk management (including internal control) to support the achievement of expected results and to promote and facilitate continuous improvement. In addition, IOD reports impairments to independence and objectivity to WIPO governing bodies and implements safeguards as required.

15. **External Assurance Providers** include External Auditors, Joint Inspection Unit and Other Independent Assurance Providers. Relationships with External Auditors are stipulated in the [Terms of Reference Governing External Audit](#). The JIU's mandate is to look at cross-cutting issues and to act as an agent for change across the United Nations system. The [JIU Statutes](#) define the way the JIU operates and interacts with WIPO. The coordination and relationships with Other Independent Assurance Providers are defined in specific contracts.

16. **The Independent Advisory Oversight Committee**⁵ operates as an independent expert advisory and external oversight body, under terms of reference approved by the General Assembly upon recommendation by the PBC. As per WIPO [FRR](#), the IAOC assists Member States in their role of oversight and for better exercise of their governance responsibilities with respect to the various operations of WIPO. The IAOC is composed of seven members from each of the seven Regional Groups⁶ of WIPO Member States. The seven members are appointed by the PBC following a selection process carried out by a Selection Panel. The General Assembly approves the WIPO IAOC's Terms of Reference upon recommendation by the PBC.

17. The [Global Internal Audit Standards](#) reference responsibilities related to the "board"⁷ which are authoritative in nature. In the context of WIPO, the IAOC serves in an **independent expert advisory** capacity and in accordance with the Terms of Reference of the IAOC, outlined in the WIPO [FRR](#)⁸.

18. As per the IOC, the Director, IOD, reports administratively to the Director General but is not part of operational management. The Director, IOD, enjoys functional and operational independence from Management in the conduct of her/his duties. In the exercise of her/his functions, she/he takes advice from the WIPO's IAOC. The Director, IOD, has the authority to initiate, carry out, and report on any action that she/he considers necessary to fulfill her/his mandate.

(ii) Organizational Structure of Internal Oversight Division

19. Since its establishment in May 2000, the IOD structure has evolved through revisions⁹ of the IOC approved by the General Assembly over the last two decades, resulting in the establishment of the three Sections, as depicted in the figure below.

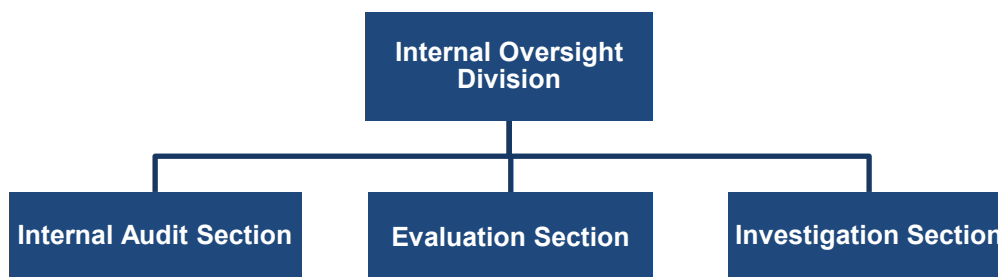
⁵ <https://www.wipo.int/about-wipo/en/oversight/iaoc/>

⁶ Group B; African Group; CACEEC (Central Asian, Caucasus and Eastern European Countries); CEBS (Central European and Baltic States Group); GRULAC (Group of Latin American and Caribbean Countries); APG (Asia and the Pacific Group); China.

⁷ As per the IIA glossary, the board is the highest-level body charged with governance, such as the board of directors, an audit committee, a board of governors or trustees, a group of elected officials or political appointees, or another body that has authority over the relevant governance functions.

⁸ Annex III of the WIPO FRR.

⁹ The WIPO Internal Oversight Charter was revised by the General Assembly in September 2005 and subsequently revised six times in 2007, 2010, 2012, 2014, 2016, and 2018.

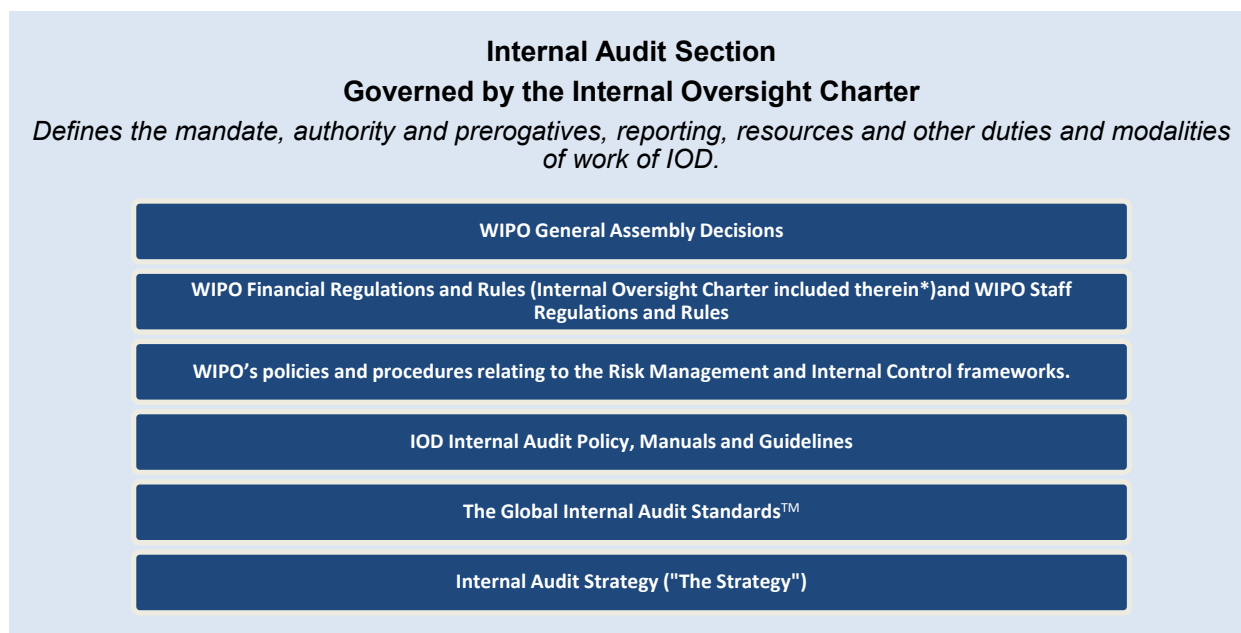
Figure 2: Structure of the Internal Oversight Division

20. The Director, IOD, who, by the [Global Internal Audit Standards](#), is the equivalent of a chief audit executive, manages staff in the respective Sections, ensuring that the Division collectively possesses or obtains the knowledge, skills, and other competencies needed to perform the internal oversight functions. Each Section has a Head and supporting staff members. In fulfilling her/his duties, the Director, IOD, may use external contractors such as specialized firms or individuals to supplement the staff in the respective Sections.

21. The Section Heads, who report to the Director, IOD, are responsible for contributing to developing and implementing the [IOD Annual Oversight Workplan](#), as well as supervising work performed by staff and non-staff, and ensuring quality is maintained. The IOD staff are appointed in accordance with WIPO's [SRR](#).

(B) KEY POLICIES, PROCEDURES AND GUIDELINES

22. The diagram below summarizes key policies, procedures, and guidelines that govern the work of the Internal Audit Section at WIPO:

Figure 3: Key Policies, Procedures, and Guidelines that Govern the Work of the Internal Audit Section

* Link to the Internal Oversight Charter: [Microsoft Word - WO PBC 37 5 EN \(wipo.int\)](#)

Annex II provides further details on IOD Policies, Procedures, and Guidelines related to the Internal Audit Section.

3. ETHICS AND PROFESSIONALISM

The principles and standards in the Ethics and Professionalism domain of the Global Internal Audit Standards outline the behavioral expectations for professional internal auditors, including chief audit executives, other individuals, and any entities that provide internal audit services.

Conformance with these principles and standards instills trust in the profession of internal auditing, creates an ethical culture within the internal audit function, and provides the basis for reliance on the internal auditors' work and judgment.

23. As professional auditors and members of the IIA, Internal Audit (IA) staff must conform with the Standards of ethics and professionalism outlined in the [Global Internal Audit Standards](#).

24. Further, IA staff members as international civil servants and members of personnel of WIPO, must comply with, among others, the [Standards of Conduct for the International Civil Service](#)¹⁰, and WIPO [SRR](#), including the [WIPO Code of Ethics](#)¹¹.

25. The Director, IOD, will support and promote conformance with the principles and Standards in the Ethics and Professionalism domain of the [Global Internal Audit Standards](#) by providing IOD staff members opportunities for training, guidance, feedback, and mentoring.

26. The [Global Internal Audit Standards](#) require IA staff members to apply and uphold 15 guiding principles and related Standards. The five principles and associated Standards within the Ethics and Professionalism domain are briefly outlined below:

(A) PRINCIPLE 1: DEMONSTRATE INTEGRITY

Internal auditors demonstrate integrity in their work and behavior.

27. Integrity is the foundation of the other principles of ethics and professionalism, including objectivity, competency, due professional care, and confidentiality. IA staff must demonstrate integrity in their work and behavior as it is essential to establishing trust and earning respect in the Organization. Further, IA staff are expected to tell the truth and do the right thing, even when it is uncomfortable or difficult.

28. Demonstrating integrity requires that IA staff conform with the following Global Internal Audit Standards: 1.1 Honesty and Professional Courage, 1.2 Organization's Ethical Expectations, and 1.3 Legal and Ethical Behavior.

29. To acknowledge their understanding of and commitment to upholding ethical principles, including integrity and conforming with the related Standards, IA staff must annually sign the [IOD Code of Ethics and Professionalism form](#) at the start of the financial year.

¹⁰ <https://icsc.un.org/Resources/General/Publications/standardsE.pdf>

¹¹ https://intranet.wipo.int/oiic_doc/en/2012/oi_84_2012.pdf

STANDARD 1.1 HONESTY AND PROFESSIONAL COURAGE

30. IA staff must enhance their awareness and understanding of honesty and professional courage by seeking opportunities for ethics-related continuing professional education. When IA staff encounter situations that challenge their honesty or professional courage, they must discuss the circumstances with the Head, Internal Audit Section (IAS), and/or Director, IOD to determine the best course of action.

31. When reviewing engagement work papers, the Head, IAS, and/or the Director, IOD, must provide appropriate guidance to help IA staff address potential or encountered situations that could threaten their honesty and integrity. These discussions should be documented and become part of the work papers in the engagement file.

32. The Director, IOD, must ensure that the [IOD Training plan](#) includes ethics-related education and training to support internal auditors. It is imperative that all IA staff complete the training. Further, the Director, IOD, should maintain a supportive work environment for IA staff to freely express evidence-based engagement results, whether positive or negative.

STANDARD 1.2 ORGANIZATION'S ETHICAL EXPECTATIONS

33. WIPO's ethical expectations are documented in the [WIPO Code of Ethics](#). It includes core values and principles such as independence, loyalty, impartiality, and integrity, to guide the conduct and behavior of WIPO personnel. It is intended to be values-based and aspirational in nature instead of being rules-based and disciplinary. As WIPO staff members, internal auditors must uphold and aspire to meet the Organization's ethical expectations as enshrined in the [WIPO Code of Ethics](#).

34. IA staff, like all WIPO personnel, must complete the mandatory [e-learning course on "Ethics and Integrity at WIPO"](#)¹². The training certificate remains valid for three years. IOD will maintain a record of staff who have completed the course, and it is each staff member's responsibility to ensure the validity of their certificate.

35. IOD will document the IA staff's participation in workshops, town halls, training events, or meetings addressing ethical expectations or issues. These activities will also be incorporated into the annual [IOD Training plan](#) and included in relevant IOD reports.

36. Additionally, IOD staff and selected WIPO personnel, including senior staff, must participate in the annual [Financial Disclosure and Declaration of Interest \(FDDI\) program](#)¹³ overseen by the WIPO Ethics Office and an External Reviewer. This process helps identify and address potential conflicts of interest and promotes personal and institutional integrity, accountability, and transparency. Each IOD staff member is responsible for completing the FDDI program on time.

37. As per the IOC, WIPO staff members and other personnel have a duty to report suspected wrongdoing in WIPO. In line with this requirement, it is imperative that IA staff promptly communicate any observed behavior or conduct by staff and non-staff that may be potentially inconsistent with the Organization's ethical standards to the Director, IOD. The Director, IOD, may then collaborate with the Chief Ethics Officer and/or other relevant stakeholders to determine the necessary actions.

38. The IA team should consider ethics-related objectives, risks, and control processes during engagement planning. If applicable, these aspects should be documented in the [Engagement Plan](#), and the [Engagement Risk Assessment and Work Program](#).

¹² <https://intranet.wipo.int/homepages/ethics/en/awareness-and-education.html>

¹³ <https://intranet.wipo.int/homepages/ethics/en/financial-disclosure-and-declaration-of-interests.html>

STANDARD 1.3 LEGAL AND ETHICAL BEHAVIOR

39. In accordance with WIPO [SRR](#), Regulation 1.13, staff members must comply with local laws and honor their private legal obligations. Furthermore, as international civil servants, all staff, including IA staff are not exempt from observing local laws, nor do they have an excuse for ignoring private legal or financial obligations.

40. IA staff must obey and be familiar with the laws and/or regulations relevant to the jurisdiction in which they serve and should not engage in any activity that may discredit them, the Organization, and the IA profession.

41. Further, IA staff will maintain professionalism and avoid discreditable behavior, such as harassment, misrepresentation of competency, issuing false reports, concealing, misrepresenting or omitting significant engagement results, unauthorized disclosure of confidential information, and overlooking illegal activities within the Organization. IA staff will adhere to the ethical and professional standards set by the Organization and the IA profession. They will avoid actions that could be seen as illegal, unethical, or damaging to their reputation to prevent any misconduct allegations.

42. The Director, IOD, in coordination with the Head, IAS, must ensure proper supervision process of internal auditors' work in alignment with [Global Internal Audit Standards](#)TM. Each engagement work paper should be signed by the person who prepares it so that queries can be directed to the appropriate person. Working papers should then be signed and dated by a person who reviews it to meet the quality control requirements. The Director, IOD, signs off the engagement report after reviewing key documents for the engagement.

43. As per the [IOC](#), where allegations of misconduct concern the staff or other personnel of IOD, the Director, IOD, shall seek the advice of the IAOC on how to proceed. Allegations of misconduct against the Director, IOD, shall be reported to the Director General, who shall, at the earliest opportunity, but not later than one month, inform the Chair of the Coordination Committee and seek the advice of the IAOC on how to proceed. The IAOC shall conduct or arrange for a preliminary evaluation. Based on its results, the IAOC shall provide a recommendation to the Director General and the Chair of the Coordination Committee on whether to close the case or refer the matter for investigation to an independent external investigative entity. If a referral is recommended, such a recommendation shall include the proposed Terms of Reference of the investigation and a proposal for a suitable investigative entity. No investigative proceedings into allegations against the Director, IOD, or previous incumbents shall be initiated without the concurrence of the IAOC.

(B) PRINCIPLE 2: MAINTAIN OBJECTIVITY

Internal auditors maintain an impartial and unbiased attitude when performing internal audit services and making decisions.

44. Essentially, objectivity is an unbiased mental attitude that allows IA staff to make professional judgments, fulfill their responsibilities, and achieve the Purpose of Internal Auditing without compromise. Therefore, IA staff must be impartial and unbiased when performing internal audit services and making decisions.

45. In demonstrating objectivity in their internal audit work, IA staff must conform to Global Internal Audit Standards 2.1 Individual Objectivity, 2.2 Safeguarding Objectivity, and 2.3 Disclosing Impairments to Objectivity.

46. IA staff must annually reaffirm their commitment to ethical principles, including objectivity, by signing an [IOD Code of Ethics and Professionalism form](#) in alignment with the principles outlined in the IOC, [WIPO Code of Ethics](#), and [Global Internal Audit Standards](#).

STANDARD 2.1 INDIVIDUAL OBJECTIVITY

47. To provide objective assurance and advice to the management of the activity under review, IA staff must have an impartial mindset, free from bias and undue influence. They must also exhibit professional objectivity in gathering, evaluating, and communicating information about the activity under review. The internal auditors must make a balanced assessment of all relevant circumstances and not be unduly influenced by their own interests or others in forming their professional judgment.

48. The Director, IOD, should promote and support training for IA staff to increase awareness of how organizational situations, activities, and relationships may compromise their objectivity. Internal auditors will also be encouraged to disclose any situations before, during, and after an engagement that may have potentially impaired their objectivity.

49. Throughout engagement planning, fieldwork, and reporting, the Head, IAS, and Director, IOD, must address and document the potential objectivity concerns or conflicts of interest among the internal auditors. These discussions and any notes from supervisory review, must be documented in the engagement work papers.

50. WIPO staff, including IA staff, shall not engage in activities that interfere with their official duties, potentially compromise their impartiality and independence as international civil servants, or conflict with WIPO's interests. Therefore, before participating in any outside activity, all WIPO staff, including IA staff must seek authorization from the Director, Human Resources Management Department (HRMD), using the prescribed form as outlined in the [HR Manual on Outside Activities](#)¹⁴. The IA staff must submit the form through the relevant supervisor(s) if the subject matter is or may reasonably be related to the staff member's official duties.

STANDARD 2.2 SAFEGUARDING OBJECTIVITY

51. As per the IOC, in the performance of their oversight work, the Director, IOD, and oversight staff shall avoid perceived or actual conflicts of interest. The Director, IOD, and oversight staff shall have no direct operational responsibility or authority over any of the activities audited or engage in any other activity that may impair their judgment.

52. As part of engagement supervision, the Head, IAS, and Director, IOD, must review work papers to ensure that findings and conclusions are adequately supported. The Director, IOD, reviews selected key work papers for the engagement. This process will also be an opportunity to address any potential objectivity threats and provide feedback to internal auditors.

53. IA staff must adhere to the WIPO [SRR](#), and [HR Manual on Honors and Gifts](#)¹⁵ that regulate the acceptance of honors and gifts by WIPO staff members.

54. In addition, the Director, IOD, should take precautions to reduce the potential impairments to objectivity that may result from the design of work-related objectives in the organizational

¹⁴

https://intranet.wipo.int/export/sites/intranet/homepages/hr/en/hrtopics/documents/HR_Manual_Outside_activities_en.pdf

¹⁵

https://intranet.wipo.int/export/sites/intranet/homepages/hr/en/hrtopics/documents/HR_Manual_Honors_and_Gifts_v2_en.pdf

[Performance Management and Staff Development System](#) for internal auditors, e.g., basing performance against the number of findings or recommendations identified in an engagement.

55. IOD consistently monitors the quality of its oversight reports and staff conduct during engagements. The [Client Satisfaction Survey \(Post-engagement\)](#), which is sent to the management of the activity under review, is used to gather feedback on the internal audit services. The relevant managers involved in the engagement are asked to rate various aspects, including their perception of the extent to which the internal auditors conducted their work impartially, ethically, and cooperatively. The responses to these questions are reviewed to ensure individual objectivity is effectively managed throughout the engagement.

56. IOD coordinates with the Procurement Section in the Central Services Division to select external consultants when required. The selection is based on a documented and electronic procedure, aiming to determine the best combination of the cost and quality whilst ensuring the integrity of the process. IA staff assigned to evaluate bidders/prospective consultants must confirm their acceptance of the “Declaration of No-Conflict-of-Interest/Confidentiality for Members of the Evaluation Teams” via the [WIPO eSourcing Portal](#). Further, external consultants are required to read and accept (or express reservations with) WIPO’s [General Conditions of Contract](#)¹⁶, Information Security Agreement, and draft contract. These measures aim to ensure transparency, fairness, and objectivity in the selection process.

57. The results of an External Quality Assessment (EQA) performed by an independent and qualified assessor will also inform the adequacy of the objectivity safeguards deployed by IOD. Opportunities for improvement or recommendations in the EQA report to enhance objectivity will be discussed with the IAOC, and the Director, IOD, will implement the agreed-upon corrective actions.

STANDARD 2.3 DISCLOSING IMPAIRMENTS TO OBJECTIVITY

58. The Director, IOD, and IA staff must avoid conflicts of interest and take appropriate action to avoid any perception of a conflict of interest. Further, IA staff must disclose to the Director, IOD, in a timely fashion any actual or potential conflicts of interest they may have on an assigned engagement, and the Director, IOD, will take appropriate action to address the conflict.

59. If an impairment to objectivity cannot be avoided, the Director, IOD, should consider several options to manage the impairment, including reassigning the internal auditors who are potentially impaired to another engagement, rescheduling an engagement to ensure it is properly staffed, or outsourcing the performance of the engagement to a person hired on an Individual Contractor Services contract or an external service provider.

60. As per the IOC, the Director, IOD, shall report any significant impairment to independence and objectivity, including conflicts of interest, for due consideration of the IAOC.

61. The Director, IOD, must confirm to the IAOC, at least annually, the organizational independence of IOD; this will be documented in the [IOD Required Communication Checklist with the IAOC](#) submitted to the IAOC annually and in the [Annual Report by the Director, IOD](#), submitted to the WIPO General Assembly through the PBC.

62. IOD must document and disclose any objectivity impairments, retaining all relevant correspondence, emails, and discussions related to impairments for each engagement as part of the work papers in the engagement file.

¹⁶ https://www.wipo.int/export/sites/www/procurement/en/pdf/general_conditions.pdf

(C) PRINCIPLE 3: DEMONSTRATE COMPETENCY

Internal auditors apply the knowledge, skills, and abilities to fulfill their roles and responsibilities successfully.

63. IA staff must demonstrate competency by developing and applying their knowledge, skills, and abilities to provide internal audit services. Further, IA staff will improve the effectiveness and quality of audit services by pursuing professional development.

64. Demonstrating competency requires IA staff to conform with Standards 3.1 Competency and 3.2 Continuity Professional Development.

65. IA staff must annually reaffirm their commitment to competency by signing the [IOD Code of Ethics and Professionalism form](#), which aligns with the principles outlined in the [WIPO Code of Ethics](#) and [Global Internal Audit Standards](#).

STANDARD 3.1 COMPETENCY

66. To demonstrate competency, IA staff must effectively perform their professional duties, adhere to the provisions of the IOC, conform with the [Global Internal Audit Standards](#), and implement procedures outlined in this Manual.

67. IA staff must develop and demonstrate competency by acquiring and upholding relevant professional certifications in assurance and advisory services or related fields. These certifications include the Certified Internal Auditor, Certified Information Systems Auditor, Certified Fraud Examiner, and others offered by professional bodies.

68. The Director, IOD, should promote the development of additional competencies among IA staff. These include supervisory skills and leadership, awareness of trends and emerging issues pertinent to WIPO, and internal auditing. Other areas include understanding pervasive and global risks, tools and techniques for data analysis, communication and collaboration skills, governance, risk management, and control processes. This will involve sharing relevant information with IA staff and facilitating internal auditors' attendance of workshops, seminars, and conferences, all of which will be included in the [IOD Training Plan](#).

69. Further, the results of internal and external quality assessments will provide insights into IAS's individual and overall competencies. These assessments will include analyzing resource gaps and identifying necessary training to address these gaps. The Director, IOD, will prepare an action plan to address the identified resource gaps.

70. IOD will consistently collaborate with other assurance providers within WIPO to align risk assessment practices, identify potential efficiencies, and exchange relevant knowledge and information.

71. The Director, IOD, will engage independent external service providers when the internal audit function does not collectively possess the expertise to perform specialized services or when a subject matter expert would add value to the engagement execution and reporting.

STANDARD 3.2 CONTINUING PROFESSIONAL DEVELOPMENT

72. IA staff must maintain proficiency, knowledge, and skills through continuing professional development. This will involve staying updated on advancements and current [Global Internal Audit Standards](#), procedures, and techniques. Continuing education will be acquired through various means, such as membership and participation in professional associations, conference

attendance, seminars, online courses, and in-house training, which will be organized in coordination with the WIPO Academy and relevant stakeholders.

73. Internal auditors possessing credentials such as Certified Internal Auditor, Certified Fraud Examiner, or Certified Information Systems Auditor designation must be aware of their certifying body's policies for maintaining credentials and the consequences of non-compliance. They should develop and incorporate a plan for ongoing professional education into the [IOD Training Plan](#). The Director, IOD, will encourage IAS staff to obtain and maintain relevant professional certifications. Incentives such as special or compensatory leave, fee reimbursement, and acknowledgment in the IOD Newsletter will be provided to support staff in pursuing and achieving these certifications.

74. The Director, IOD, must develop and implement an [IOD Training plan](#) that enables IA staff to enhance their competencies and meet or attain the minimum number of hours of continuing professional education. In addition, IA staff will be expected to complete a minimum of 10 days of continuing education annually, as provided in the [IOD Annual Oversight Workplan](#). Furthermore, each staff member has to complete certain [Mandatory Courses](#) published on the WIPO Enterprise Learning Management platform.

75. The Director, IOD, should use the [IOD Training plan](#) to balance investment in the internal audit function's overall competency with opportunities for internal auditors' individual growth. Additionally, the Director, IOD, will oversee the budgeting and planning for staff training within the [IOD Annual Oversight Workplan](#), guided by [IOD Training Program](#), which outlines essential training activities to enhance staff's technical knowledge and competencies for their roles.

76. Further, the Director, IOD, and Head, IAS should use the Organization's Performance Management and Staff Development System (PMSDS)¹⁷ to facilitate, among other things, continuous improvement of individual performance, enhance motivation, and staff development. Training in specific areas may be included in the relevant sections e.g., the Knowledge Management or Development-related objectives, of the internal auditor's PMSDS.

(D) PRINCIPLE 4: EXERCISE DUE PROFESSIONAL CARE

Internal auditors apply due professional care in planning and performing internal audit services.

77. IA staff must conform with the following Standards: 4.1 Conformance with the [Global Internal Audit Standards](#), 4.2 Due Professional Care, and 4.3 Professional Skepticism in exercising due professional care. When exercising due professional care, IA staff perform in the best interest of those receiving internal audit services but will not be expected to be infallible.

78. IA staff must sign the [IOD Code of Ethics and Professionalism form](#) annually, demonstrating their commitment to exercising due professional care and conforming with the related [Global Internal Audit Standards](#).

¹⁷ WIPO Human Manual HRM/PEM/1: govern the evaluation of staff members on fixed-term, continuing, and permanent appointments under PMSDS, except staff members on an initial fixed-term appointment of one year or more who are subject to a period of probation under Staff Regulation 4.17(b). The main purpose of PMSDS is to ensure that WIPO's performance continuously improves to the mutual benefit of the Organization and its staff.

STANDARD 4.1 CONFORMANCE WITH THE GLOBAL INTERNAL AUDIT STANDARDS

79. IA staff must plan, conduct, and report assurance and advisory engagements in conformance with the [Global Internal Audit Standards](#). In addition to conforming with the Standards, IA staff must adhere to the WIPO Regulations and Rules, relevant policies, and procedures.

80. When IA staff cannot conform to a Standard, the nonconformance must be documented in the work papers in the engagement file. Appropriate disclosures will be made to relevant stakeholders and in the final engagement communication.

81. The Director, IOD, must communicate a description of the non-conformance, alternative actions taken, the impact of the actions, and the rationale to the IAOC through, among others, the Quarterly Activity report, the [IOD Required Communication Checklist with the IAOC](#), a memorandum, or verbally during scheduled meetings or sessions.

82. The IOD Quality Assurance and Improvement Program (QAIP) results will also inform the conformance with the [Global Internal Audit Standards](#)TM. Further, a statement that *the engagement was conducted in conformance with the Global Internal Audit Standards*TM must only be included in the final engagement if supported by the results of engagement supervision and the [QAIP](#).

STANDARD 4.2 DUE PROFESSIONAL CARE

83. To conduct internal audit services with due professional care, internal auditors must comprehend the Purpose of Internal Auditing, and the specific nature of the services required by the Organization. Therefore, IA staff must understand and adhere to the IOC, policies, and related procedures.

84. As part of the Internal Oversight annual planning process, the Director, IOD, and IA staff must review WIPO's interests outlined in strategic documents like the [MTSP](#) and [Program of Work and Budget](#). Further, they will engage with Member States or Regional Coordinators, the IAOC, External Auditor, Sector Leads, relevant staff, and other stakeholders. The IA staff will prepare summaries of areas of interest expressed by the various stakeholders which will be reviewed by the Director, IOD, reflecting due professional care in the annual planning process. These summaries will form part of the work papers included in the annual planning process.

85. During engagement planning and fieldwork, IA staff must document or prepare minutes of meetings or notes from discussions with Sector Leads and the management of the activity under review. They will document priority areas, relevant performance indicators, business objectives, planned activities, and relevant risks, including those related to fraud. Additionally, they will document their understanding of the business area and their assessment of governance, risk management, and control processes within that area. The resulting work papers will be uploaded to the engagement file to demonstrate further the due professional care exercised in engagement planning and fieldwork.

86. Due professional care involves considering the internal audit services' costs (e.g., resource requirements) against potential benefits. If a preliminary review indicates inadequate control design in a particular area or business process, fully assessing control effectiveness may not justify the costs. In this case, the Director, IOD, should prioritize other engagements or work with the management of the activity under review to conduct a control self-assessment.

87. To uphold due professional care, the Director, IOD, must ensure that IA staff possess the necessary techniques, tools, and technology for efficient and effective engagement execution. This includes identifying and applying data analysis software and other technology to perform engagement tests outlined in the [Engagement Risk Assessment and Work Program](#).

88. The Senior Internal Auditor and/or Head, IAS, must ensure proper engagement supervision, evidenced by review and signoff of work papers in the engagement file. The Director, IOD, will review key documents that form part of the engagement work papers and sign off the engagement report. IOD will also maintain a [QAIP](#), which will involve performing internal and external assessments.

STANDARD 4.3 PROFESSIONAL SKEPTICISM

89. Professional skepticism enables IA staff to make objective judgments based on facts, information, and logic rather than trust or belief. Professional skepticism means questioning and critically assessing the reliability of information.

90. When internal auditors request information from the management of the activity under review, they will apply professional skepticism instead of simply trusting the information presented as authentic or genuine without question or doubt. Similarly, they will apply professional skepticism when analyzing data for relevance, reliability, and sufficiency.

91. When the Head, IAS, and the Director, IOD, review work papers, they should assess the internal auditor's approach to evaluating and validating engagement information. Work papers and engagement communications will be signed off in the engagement file as evidence of review.

92. The Director, IOD, should assist internal auditors in developing professional skepticism by providing supervisory feedback and sharing pertinent information. Additionally, the Director, IOD, should identify training opportunities to help internal auditors understand the importance of maintaining an open and curious mindset, avoiding bias, and developing skills to recognize information that is inconsistent, misleading, or false.

(E) PRINCIPLE 5: MAINTAIN CONFIDENTIALITY

Internal auditors use and protect information appropriately.

93. As per the IOC, for the performance of her/his duties, the Director, IOD, shall have unrestricted, unlimited, direct, and prompt access to all WIPO records, officials, or personnel, holding any WIPO contractual status, and to all the premises of WIPO. WIPO staff members, contractors, and other personnel must cooperate with any duly authorized investigation. According to [Global Internal Audit Standards](#), IA staff have unrestricted access to data, records, and other information necessary to fulfill the internal audit mandate. Further, the staff regularly receive confidential, proprietary, and personally identifiable information. Therefore, IA staff must respect the value and ownership of the information they receive by using it only for professional purposes and protecting it from unauthorized access or disclosure, internally and externally.

94. IA staff must conform with the Standards: [5.1 Use of Information](#) and [5.2 Protection of Information](#).

95. IA staff must sign the IOD Code of Ethics and Professionalism form annually, demonstrating their commitment to conforming with the principle of confidentiality, enshrined in the [WIPO Code of Ethics](#) and the IOC.

STANDARD 5.1 USE OF INFORMATION

96. As per the IOC, for the performance of her/his duties, the Director, IOD, shall have unrestricted, unlimited, direct, and prompt access to all WIPO records, officials, or personnel, holding any WIPO contractual status, and to all the premises of WIPO. WIPO staff members, contractors, and other personnel must cooperate with any duly authorized investigation.

97. IA staff must have unrestricted access to information to conduct their internal audit services without interference. Every IA staff is responsible for handling information appropriately and responsibly. Improper use of confidential, proprietary, and personally identifiable information may lead to unintended and negative consequences. Therefore, like all WIPO staff, IA staff shall adhere to the Organization's policies and procedures when handling and using information throughout its life cycle.

98. To this end, IA staff must be aware of and adhere to the provisions in the following policies related to information assets: [WIPO Acceptable Use Policy](#)¹⁸, [WIPO Information Security Classification and Handling Policy](#)¹⁹, [WIPO Policy on Access to Information Assets](#)²⁰, and [WIPO Data Privacy Policy](#)²¹. Further, before WIPO personnel, including internal auditors, are granted access to WIPO information systems, they must sign off on the WIPO Acceptable Use Policy.

99. Additionally, all WIPO personnel, including IA staff, must complete the [Information Security Awareness Course](#). The course aims to raise awareness and teach practical information and security habits that can be applied professionally and personally.

100. While performing their duties, internal auditors are granted access to sensitive and confidential information. Access to this information must be strictly governed by the "need to know" principle. Internal auditors should only seek and access information necessary to execute their specific audit tasks and responsibilities. This approach ensures that sensitive data is safeguarded and that the privacy and confidentiality of the information are maintained. Unauthorized access or dissemination of information can lead to significant risks, including legal implications and damage to the Organization's reputation. Therefore, all internal auditors must exercise discretion and uphold the highest standards of confidentiality and integrity in handling information. Compliance with this principle is essential to maintain trust and uphold the ethical standards of the internal audit profession.

101. Confidential and highly sensitive engagements are documented in a separate secure folder on SharePoint that can be accessed only by the Director, IOD, and the assigned staff member(s).

STANDARD 5.2 PROTECTION OF INFORMATION

102. All records, including electronic ones, created or received by WIPO staff in connection with their work belong to WIPO. As a result, the Organization retains ownership of all working papers produced by IOD. Access to engagement work papers by internal or external parties will only be permitted upon approval by the Director, IOD.

103. As outlined in the IOC, upon request, the External Auditor shall be provided with any supporting documentation for internal audit and evaluation reports. Further, all engagement documentation will be retained and safeguarded in accordance with the [IOD Documents Retention Procedure](#).

¹⁸ https://intranet.wipo.int/oiiic_doc/en/2020/oi_9_2020.pdf

¹⁹ https://intranet.wipo.int/oiiic_doc/en/2019/oi_16_2019-main1.pdf

²⁰ https://intranet.wipo.int/oiiic_doc/en/2020/oi_8_2020.pdf

²¹ https://intranet.wipo.int/oiiic_doc/en/2022/oi_6_2022-main1.pdf

104. IOD staff must have access to the key WIPO systems, which include but not limited to the PeopleSoft Suite (Finance/Procurement, Human Resources, and Business Intelligence dashboards); WePerform platform; and WIPO Enterprise Risk Management (ERM) platform. IOD staff will also be granted access to other WIPO systems to discharge the IOD mandate as per the IOC. Access to these information systems is managed by the relevant information security policies and protocols implemented by the Organization.

105. IA staff members must ensure that no confidential document is left unattended or left out openly on desks, printers, or copiers. Designated disposal facilities will be used to dispose of printed or hard-copy confidential documents.

106. IA staff will respect the confidentiality of information acquired during the engagements and will not disclose the information without appropriate authority unless there is a legal or professional obligation to do so. In such cases, the Director, IOD, will consult the Office of the Legal Counsel and other relevant stakeholders to decide whether confidential information should be disclosed to the requesting parties. Further, the Director, IOD, will periodically assess and confirm IA staff's needs for access to confidential information and whether access controls are working effectively and remain appropriate.

4. GOVERNING THE INTERNAL AUDIT FUNCTION

Appropriate governance arrangements are essential to enable the internal audit function to be effective. This domain of the IIA Global Internal Audit Standards outlines the requirements for the chief audit executive to work closely with the board to establish the internal audit function, position it independently and oversee its performance. This domain also outlines senior management responsibilities that support the board's responsibilities and promote strong governance of the internal audit function.

(A) PRINCIPLE 6: AUTHORIZED BY THE BOARD

The board establishes, approves, and supports the mandate of the internal audit function.

107. According to the [Global Internal Audit Standards](#), the internal audit function receives its mandate from the board²² (or applicable law in certain public sector environments). The mandate of IOD is documented in the IOC. The IOC specifies the authority, role, and responsibilities of IOD. The IOC empowers the IOD to provide the board and senior management with objective assurance, advice, insight, and foresight. The IOD carries out the mandate by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management, and control processes throughout the Organization.

²² As per the IIA Glossary, the board is the highest-level body charged with governance, such as a board of directors, another body that has authority over the relevant governance functions. In the context of WIPO, the General Assembly is the highest decision-making body of the Organization.

(i) Internal Audit Mandate

STANDARD 6.1 INTERNAL AUDIT MANDATE

108. The WIPO [FRR](#), Regulation 6.1, states that there shall be an Internal Oversight Division to conduct independent internal audits, evaluations, inspections, and investigations in accordance with the provisions of the WIPO IOC which is appended to the FRR.

109. As per IOC, the internal oversight function provides Management of WIPO with independent, objective assurance, analyses, appraisals, recommendations, lessons learned, advice, insights, and relevant information, through the undertaking of audits and advisory services, evaluations, and investigations.

110. As outlined in the IOC, all systems, processes, operations, functions, and activities of WIPO are subject to internal oversight. IOD may also advise and provide other services to achieve WIPO's mission and objectives further.

111. According to the [Global Internal Audit Standards](#), the term "board" refers to the highest-level body charged with governance or authorized to provide the internal audit function with appropriate authority, role, and responsibilities²³. In the case of WIPO, the General Assembly is the highest decision-making body of the Organization. The IAOC is a subsidiary body of the WIPO General Assembly and of the PBC. It serves in an *independent expert advisory capacity* and assists the WIPO General Assembly and the PBC in fulfilling their oversight role.

112. According to the Terms of Reference outlined in the [FRR](#)²⁴, the IAOC provides valuable input and feedback on IOD's mandate. Its role includes periodically reviewing, in consultation with the Director, IOD, the WIPO IOC and recommending amendments, if any, for consideration by the PBC. The full listing of the IAOC responsibilities is provided in Annex III of the WIPO [FRR](#).

113. To help the IAOC and senior management determine the scope of internal audit services, the Director, IOD coordinates with other internal and external assurance providers to gain an understanding of all assurance providers' roles and responsibilities.

114. The minutes of the IAOC sessions are published on the [WIPO website](#)²⁵ and document, among other things, the matters that were discussed between the Director, IOD, and the IAOC. In some cases, they reference private sessions, the contents of which are not published as part of the minutes. Any discussions about the mandate of IOD or proposed changes to the IOC will be recorded in the meeting minutes.

(ii) Internal Oversight Charter

STANDARD 6.2 INTERNAL AUDIT CHARTER

115. The IOC constitutes the framework for IOD and establishes its mission, purpose, authority, responsibility, scope of work, applicable standards, policies, and procedures. The Charter also helps strengthen accountability, value for money, stewardship, internal controls, and corporate governance in WIPO.

²³ As defined in the Glossary to the Global Internal Audit Standards.

²⁴ Annex III, WIPO Financial Regulations and Rules – [Terms of Reference of the WIPO IAOC](#).

²⁵ https://www.wipo.int/meetings/en/topic.jsp?group_id=250

116. The IOC reaffirms the Purpose of Internal Auditing, the mandate of IOD, and its commitment to conduct internal audit services in conformance with the [Global Internal Audit Standards](#) issued by the IIA.

117. In addition, the IOC describes the authority and responsibility of the Director, IOD, specifically, the administrative reporting to the Director General and not being part of operational management. Therefore, the Director, IOD, enjoys functional and operational independence from Management in the conduct of her/his duties. Further, the Director, IOD, and oversight staff shall be independent of all WIPO programs, operations, and activities to ensure the impartiality, integrity, and credibility of the work undertaken.

118. The IOC also covers critical elements such as safeguards for objectivity and independence, reporting requirements, and resource allocation, including the appointment, performance evaluation, and dismissal procedures for the Director, IOD.

119. The IOC shall be periodically reviewed by the Director, IOD, and the IAOC every three years or earlier if necessary. Any proposed amendments to the IOC shall be reviewed by the Director, IOD, the Director General, and the IAOC and shall be submitted to the PBC, which shall make a recommendation to the WIPO General Assembly whether to approve the proposed amendments.

(iii) Independent Advisory Oversight Committee and Senior Management Support

STANDARD 6.3 BOARD AND SENIOR MANAGEMENT SUPPORT

120. According to the IOC, the Director, IOD, shall have ongoing access to the Chairs of the General Assembly, the Coordination Committee, the Program and Budget Committee, and the IAOC. Having access to these Chairs facilitates communication regarding any oversight-related matters.

121. The Director, IOD, keeps the IAOC informed on important aspects of the internal audit services through quarterly formal sessions, private sessions, and regular email or phone exchanges between sessions. Minutes of the formal quarterly meetings between the Director, IOD, and the IAOC are published on the [WIPO website](#). IOD also maintains a record of its interactions with the IAOC.

122. IOD prepares and submits a Quarterly Activity Report to the IAOC, detailing key aspects of the internal audit function. This includes progress on implementing the [IOD Annual Oversight Workplan](#), the status of open recommendations, resources, and other significant developments. This facilitates the IAOC's oversight responsibilities, fosters discussion, and promotes a collaborative relationship between the Director, IOD, and the IAOC.

123. IOD has developed the [IOD Required Communication Checklist with the IAOC](#). The checklist ensures that *“All requirements are met and documented in the appropriate time frames. This checklist should be integrated into the IAOC agenda as appropriate and should be updated as changes to Standards become effective. When combined with IAOC minutes, this checklist provides documentation that all required communications are considered and take place in the appropriate time frame”*.

124. As per the IOC, for the performance of her/his duties, the Director, IOD, shall have unrestricted, unlimited, direct, and prompt access to all WIPO records, officials, or personnel, holding any WIPO contractual status, and to all the premises of WIPO. If necessary, the Director, IOD, will reaffirm this IOC provision to senior management during meetings, discussions, or interactions to promote cooperation and understanding of the IOD's mandate

and the need for support for internal oversight services. IOD will maintain documentation or a record relating to such discussions or presentations.

(B) PRINCIPLE 7: POSITIONED INDEPENDENTLY

The board establishes and protects the internal audit function's independence and qualifications.

125. The [Global Internal Audit Standards](#) define Independence as the freedom from conditions that impair the internal audit function's ability to carry out its responsibilities in an unbiased manner. The internal audit function can only fulfill the Purpose of Internal Auditing when the chief audit executive reports directly to the board, is qualified, and is positioned at a level within the organization that enables the internal audit function to discharge its services and responsibilities without interference.

(i) Organizational Independence

STANDARD 7.1 ORGANIZATIONAL INDEPENDENCE

126. The Director, IOD, reports administratively to the Director General but is not part of operational management. The Director, IOD, enjoys functional and operational independence from management in the conduct of her/his duties.²⁶ Administrative reporting to the Director General enables the Director, IOD, to access senior management and challenge management's perspectives.

127. In addition, the Director, IOD, has access to the Chairs of the General Assembly, the CoCo, the PBC, and the IAOC, further strengthening the internal oversight function's independence and enhancing direct communication and collaboration with WIPO governance bodies.

128. The Director, IOD, and oversight staff will have no direct operational responsibility or authority over any of the activities audited or engage in any other activity that may impair their judgment. The Director, IOD, will report any significant impairment to independence and objectivity, including conflicts of interest, for due consideration of the IAOC, who will guide how to proceed.

129. The Director, IOD, will confirm the organizational independence of IOD to the IAOC, PBC, and General Assembly at least annually. This confirmation will be included in the [Annual Report by the Director, IOD](#), and the [IOD Required Communication Checklist with the IAOC](#) that is sent annually to the IAOC. In addition, [quarterly reports](#) prepared for the IAOC sessions, including minutes of meetings with the Director, IOD, are compiled and published on the [WIPO website](#)²⁷ and may include discussion on organizational independence of the internal audit function.

130. The internal and external assessments will review the reporting relationship, roles, and responsibilities of the Director, IOD, to identify any actual, potential, or perceived impairments and assess the adequacy and effectiveness of existing safeguards. These assessment findings will inform the review of the IOC and the development of action plans to address any independence concerns.

²⁶ Internal Oversight Charter, paragraph 4.

²⁷ <https://www.wipo.int/about-wipo/en/oversight/iaoc/>

131. As part of its [Terms of Reference](#), the IAOC advises the Director General on the appointment, performance appraisal, and dismissal, if any, of the Director, IOD, including reviewing the proposed vacancy announcement and the list of pre-screened candidates and providing comments to assist the Coordination Committee when considering the endorsement of the proposed appointment.

(ii) Chief Audit Executive Qualifications

STANDARD 7.2 CHIEF AUDIT EXECUTIVE QUALIFICATIONS

132. The IOC states that the Director, IOD, shall be a person with high qualifications and competence in oversight functions. The recruitment of the Director, IOD, shall be based on an open, transparent international selection process to be conducted by the Director General in consultation with the IAOC.

133. The IAOC, as per its [Terms of Reference](#), reviews the proposed vacancy announcement and the list of pre-screened candidates and provides comments to assist the CoCo when considering the endorsement of the proposed appointment.

134. As per the IOC, the Director, IOD, shall be appointed by the Director General after endorsement by the IAOC and the Coordination Committee. The Director, IOD, shall have a nonrenewable fixed term of office of six years. On completion of the fixed term of office, she/he shall not be eligible for further employment in WIPO.

135. During their tenure, the Director, IOD, is expected to pursue continuing professional education, maintain relevant certifications, and uphold membership in professional associations to demonstrate competency. Further, the Director, IOD, will represent the Organization at high-level meetings within the UN common system, international organizations, internal and external oversight entities, and professional associations.

(C) PRINCIPLE 8: OVERSEEN BY THE BOARD

The board oversees the internal audit function to ensure the function's effectiveness.

STANDARD 8.1 BOARD INTERACTION

136. The Director, IOD, must provide the IAOC and senior management with the information needed to conduct its oversight responsibilities. Specifically, the Director, IOD, must report to the IAOC, among others: the [IOD Annual Oversight Workplan](#), including its subsequent revisions; changes potentially affecting the IOD mandate or the IOC; potential impairments to independence; results of internal audit services; and results of the [QAIP](#).

137. The Director, IOD, will submit an [annual report to the WIPO General Assembly](#), through the PBC. The Director General and the IAOC will receive a draft version of the Annual Report for their comments, if any. The Annual Report will give an overview of the internal oversight activities conducted during the reporting period, including the scope and objectives of such activities, the schedule of work undertaken, and progress on the implementation of internal oversight recommendations and the formal opinion in support of the Director General's Statement on Internal Control for the year ending December 31, 2025, onwards.

138. IOD maintains an [IOD Required Communication Checklist with the IAOC](#) detailing formal and informal exchanges between the Director, IOD, and the IAOC. Formal communication

typically occurs through quarterly IAOC sessions, including [Quarterly Activity reports](#) and the [Annual Report by the Director, IOD](#).

139. There may be instances when the Director, IOD, disagrees with senior management or other stakeholders on the scope, findings, and other aspects of an engagement that may affect the ability of the internal audit function to execute its responsibilities. In such cases, the Director, IOD, will provide the IAOC with the facts and circumstances to allow the IAOC to consider whether, in its oversight role, it should intervene with senior management or other stakeholders.

STANDARD 8.2 RESOURCES

140. In conformance with [Standard 8.2](#), the Director, IOD, must evaluate whether internal audit resources are sufficient to fulfill the internal audit mandate and achieve the [Annual Oversight Workplan](#). The Director, IOD, must develop an [Internal Oversight Strategy](#) to obtain sufficient resources and inform the IAOC about the impact of insufficient resources and how any resource shortfalls will be addressed.

141. The [Internal Oversight Strategy](#) must include a gap analysis, which will involve an analysis of the sufficiency of the resources necessary to fulfill the IOD mandate and to achieve the [IOD Annual Oversight Workplan](#). The Director, IOD, will then develop a resource plan that includes the budget and staffing for the IA staff, including the use of technology to perform the services.

142. The [Quarterly Activity report to the IAOC](#) and the [Annual report by the Director, IOD](#) must include a discussion on the sufficiency and availability of internal audit resources and the costs related to non-staff resources. Further, the Director, IOD may have informal and private sessions with the IAOC to discuss pertinent issues that may relate to or impact the mandate of IOD.

143. Additionally, the Director IOD will discuss IOD's resources with the Director General, Director of HRMD, Director of Program Planning and Finance (Controller), and relevant internal stakeholders. These discussions aim to ensure IOD has adequate resources to fulfill its mandate and achieve the [IOD Annual Oversight Workplan](#).

STANDARD 8.3 QUALITY

144. IOD has implemented the [QAIP](#) that covers the entire spectrum of internal audit services provided by IAS. The [QAIP](#) is designed to evaluate and promote the internal audit function's conformance with the Standards, achievement of performance objectives, and pursuit of continuous improvement. The program includes internal and external assessments.

145. The Director, IOD's communications to the IAOC, as detailed in the [IOD Required Communication Checklist with the IAOC](#), will include communication on the [QAIP](#). The communication will cover the results of the external and internal quality assessments.

146. The communication on the [QAIP](#) will include the scope and frequency of the assessments conducted under the direction of and with the assistance of the Director, IOD, the action plans to address the deficiencies and opportunities for improvement, and progress towards completing the agreed-upon actions. The IAOC will review the proposed action plans and timelines for implementation.

147. Further, the [QAIP](#) communication on the internal quality assessment will include the productivity of internal audit staff, the engagement with management, the results of the [Client Satisfaction Survey \(Post engagement\)](#), results of the review of engagements and reports, internal audit performance metrics and the [Quarterly Activity report](#) of internal audit activities to the IAOC.

148. The [Annual report by the Director, IOD](#), to the PBC, and the General Assembly will report on the results of the [QAIP](#).

149. IOD will maintain a dedicated folder with the QAIP work papers, including the related reports, to demonstrate the completion of the related activities.

STANDARD 8.4 EXTERNAL QUALITY ASSESSMENT

150. As per the [IOC](#) and the IOD [QAIP](#), independent external assessments shall be conducted at least once every five years. The assessment will be conducted by an independent, qualified assessor or assessment team. The Director, IOD, will develop and discuss a plan for the EQA with the IAOC.

151. An EQA must include a review of the internal audit function's conformance with the Global Internal Audit Standards™, as well as assessing the adequacy of the IOC and related policies and procedures, strategies, methods, tools and systems, qualifications, and competencies of internal audit staff. It will also evaluate the Organization's governance processes, including the reporting lines of IOD.

152. The Director, IOD, must ensure that at least one member of an EQA team holds a Certified Internal Auditor credential. The assessment team must meet the essential experience and qualification requirements detailed in the Terms of Reference. Further, the Director, IOD, will ensure that the assessment is carried out by individuals independent of IOD and free from any actual or perceived conflicts of interest.

153. The IAOC will receive the complete results of an EQA or self-assessment with independent validation directly from the assessor. The Director, IOD, will collaborate with the IAOC to review the report, agree upon action plans, and establish timelines for addressing identified deficiencies and harnessing opportunities for improvement, where applicable.

154. The Director, IOD, must oversee the implementation of EQA recommendations and opportunities for improvement. The IAOC will receive updates on the progress of implementing the agreed action plan through formal quarterly sessions and activity reports.

5. MANAGING THE INTERNAL AUDIT FUNCTION

The chief audit executive is responsible for managing the internal audit function in accordance with the internal audit charter and [Global Internal Audit Standards](#). This responsibility includes strategic planning, obtaining, and deploying resources, building relationships, communicating with stakeholders, and ensuring and enhancing the performance of the function. The chief audit executive may delegate appropriate responsibilities to other qualified professionals in the internal audit function but retains ultimate accountability.

155. The Director, IOD, is responsible for managing the internal audit function in accordance with the IOC, the [Global Internal Audit Standards](#), and other relevant [WIPO Regulations and Rules](#). This responsibility includes strategic planning, obtaining and deploying resources, building relationships, communicating with stakeholders, and enhancing the performance of the function. The Director, IOD, may delegate appropriate responsibilities to other qualified professionals in IAS but retains ultimate responsibility.

(A) PRINCIPLE 9: PLAN STRATEGICALLY

The chief audit executive plans strategically to position the internal audit function to fulfill its mandate and achieve long-term success.

156. The [Global Internal Audit Standards](#) require the Director, IOD, to plan strategically to position the internal audit function to fulfill its mandate and achieve long-term success. Strategic planning requires the Director, IOD, and IA staff to understand the Organization's governance, risk management, and control processes. A properly resourced and positioned internal audit function develops and implements an internal audit strategy to support the organization's achievement of strategic objectives and related expected results.

157. The Standards that guide IOD in strategic planning are: [9.1 Understanding the Governance, Risk Management and Control Processes](#); [9.2 Internal Audit Strategy](#); [9.3 Methodologies](#); [9.4 Internal Audit Plan](#); and [9.5 Coordination and Reliance](#).

158. To develop an effective internal audit strategy and plan, the Director, IOD, and the IA staff must comprehensively understand the Organization's governance, risk management, and control processes. This requires considering how the Organization identifies and assesses significant risks and the key controls in place to mitigate them.

(i) Understanding Governance, Risk Management, and Control Processes**Standard 9.1 Understanding Governance, Risk Management, and Control Processes**

159. The Director, IOD, and IA staff must comprehensively understand WIPO's governance, risk management, and control processes. This will enable IOD to identify and prioritize opportunities for internal audit services that align with the Organization's strategic objectives and Expected Results. These opportunities will inform the [Internal Oversight Strategy](#) and [IOD Annual Oversight Workplan](#).

160. IA staff should be well-informed about leading governance principles, globally accepted governance and control frameworks and models, and professional guidance specific to the UN common system. WIPO's governance structure, processes, and practices are shaped by, among others, the UN common system, the [MTSP](#), Strategic objectives, Expected Results, and the Organization's risk appetite.

161. IA staff must be familiar with the [Reference Maturity Model for Risk Management in the UN System](#)²⁸ on which WIPO's Risk Management and maturity level is self-assessed. Reviewing WIPO's ERM framework and [Policy](#)²⁹ will enhance the IA staff's understanding of the risk architecture, strategy, management processes, and risk protocols. The [WIPO latest updated risk appetite statement](#)³⁰ was published in April 2024, and the [WIPO Risk handbook](#)³¹ was released in May 2024.

162. The Director, IOD, will participate, in an observer role, in the quarterly meetings of the [Risk Management Group \(RMG\)](#). This participation allows the Director, IOD, to gain a better understanding and insights into the Organization's risk landscape, including emerging risks and mitigation strategies. In addition, the Director, IOD, will be in a better position to align oversight

²⁸

https://unsceb.org/sites/default/files/imported_files/2019.HLCM_.25%20RMM_Final_Annex%20I%28i%29%20Summary%20Matrix_0.pdf

²⁹ https://intranet.wipo.int/oiic_doc/en/2024/oi_2_2024.pdf

³⁰ <https://intranet.wipo.int/export/sites/intranet/homepages/controller/en/documents/risk-appetite-statement.pdf>

³¹ <https://intranet.wipo.int/export/sites/intranet/homepages/controller/en/documents/risk-handbook.pdf>

activities to focus on high-risk areas, thus ensuring that oversight resources are effectively utilized.

163. In addition, IA staff must review the Quarterly Risk reports prepared for the RMG. These quarterly reports focus on the global and Organizational risk landscape that may potentially impact planned or ongoing assignments.

164. IOD will keep records or minutes of meetings between the Director, IOD, and senior management, focusing on discussions regarding the Organization's governance, risk management, and control processes, including adopted strategies and approaches.

(ii) Internal Oversight Strategy - Internal Audit Strategy

STANDARD 9.2 INTERNAL AUDIT STRATEGY

165. Standard 9.2 Internal Audit Strategy requires the Director IOD to develop and implement a strategy for the internal audit function that supports the strategic objectives and success of the Organization and aligns with the expectations of key stakeholders.

166. Accordingly, IOD develops and implements the [Internal Oversight Strategy](#)³² that defines the priorities of IOD based on the Organization's Strategy House as outlined in the [MTSP](#). Further, the [Internal Oversight Strategy](#) enables IOD and its three functions – Internal Audit, Evaluation, and Investigation - to effectively allocate its financial and human resources to meet key stakeholders' expectations, including the Director General, the IAOC, and the WIPO Member States.

167. When formulating and reviewing the Internal Oversight Strategy, the Director, IOD, will consider input from key stakeholders, including the Director General, senior management, and advice from the IAOC.

168. IOD periodically reviews the [Internal Oversight Strategy](#) to ensure that its strategies are aligned with the [MTSP](#) strategic directions, Organizational changes, expectations of relevant internal and external stakeholders.

(iii) Audit Methodologies

STANDARD 9.3 METHODOLOGIES

169. The [Global Internal Audit Standards](#) require the Director, IOD, to establish methodologies to guide the internal audit function in a systematic and disciplined manner to implement the internal audit strategy, develop the internal audit plan, and conform with the standards. IOD has developed and adopted the following methodologies:

- [IOD Annual Planning Development Cycle](#).
- [IOD Quality Assurance and Improvement Program](#).

170. The effectiveness of the above mentioned methodologies should be periodically reviewed and updated if there are significant changes in, among others, the [Global Internal Audit Standards](#), WIPO's legal or regulatory requirements, technology, and/or related processes and procedures.

³² <https://www.wipo.int/export/sites/www/about-wipo/en/oversight/docs/iaod/internal-oversight-strategy-2022-2023.pdf>

(iv) Internal Oversight Plan - Internal Audit Plan

STANDARD 9.4 INTERNAL AUDIT PLAN

171. In accordance with the IOC, IOD develops the [Annual Oversight Workplan](#) that details the planned activities for the Internal Audit, Evaluation, and Investigation Sections and potential areas to cover. The planning process considers the [MTSP](#), the [Program of Work and Budget](#), and the key priorities therein, a risk assessment, and input from key internal and external stakeholders, horizon scanning, and review of relevant documents. IOD also conducts continuous risk assessments that inform the risk-based planning process (refer to Figure 4 below).

172. IOD's risk assessment of the WIPO Oversight Universe guides the level of oversight coverage needed. This assessment informs the preparation of the [Annual Oversight Workplan](#). It begins with identifying the Oversight Universe, encompassing all WIPO entities subject to oversight. These "entities" may include Sectors, departments, divisions, business processes, functions, and risks.

173. IOD's risk assessment process aligns closely with the [Internal Oversight Strategy](#), which outlines the coordination of oversight activities between IOD in the third line role and WIPO's second line which includes functions like Enterprise Risk Management, Compliance, and Information Assurance functions.

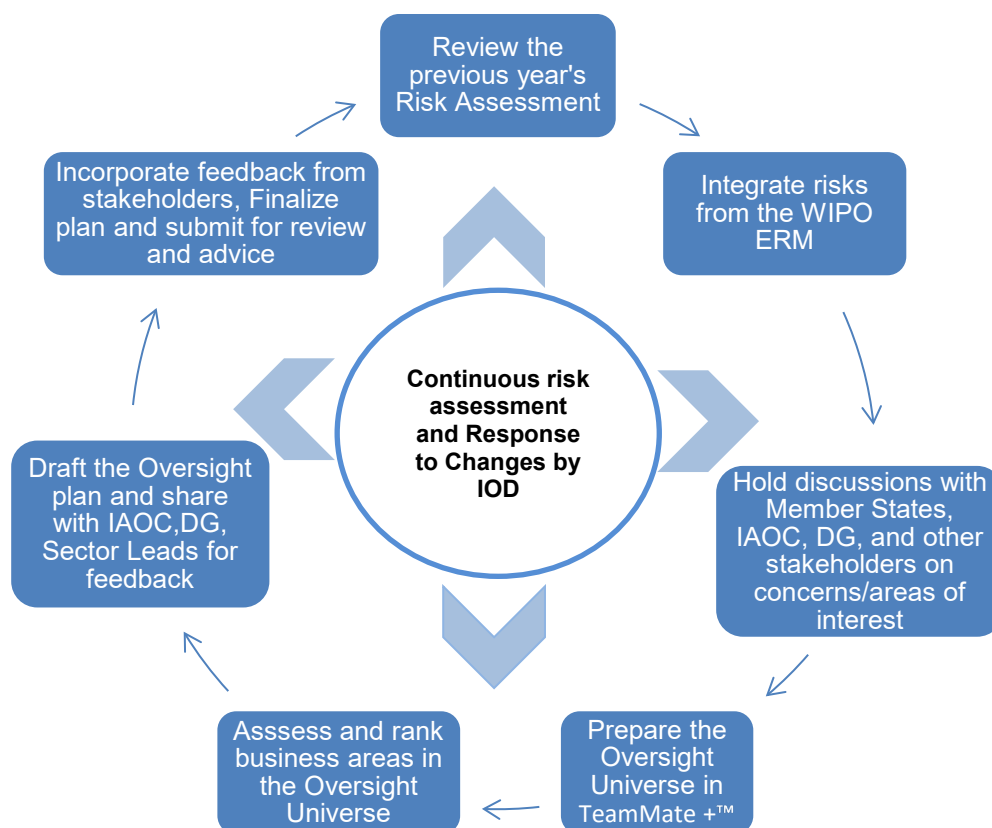
174. WIPO Enterprise Risk Management framework is embedded in the WIPO results-based management and is managed within the organizational risk appetite.

175. IOD's risk assessment incorporates evaluating fraud risks and reviewing the organizational fraud risk management framework. This aids in identifying risks for inclusion in the annual planning risk assessment process.

176. The risk assessment also considers information technology governance, the effectiveness of the organisation's compliance and ethics programs, and other high-risk areas.

177. In determining the areas to include in the [IOD Annual Oversight Workplan](#), factors such as management inputs, oversight coverage, requests from Member States, and the External Auditor's planned work are also considered.

178. IOD uses the Assessment module in TeamMate+ to develop an Oversight Universe and identify auditable risk areas. When planning assurance engagements, priority is based on the ranking of each area, with high-concern areas given top priority. The Assessment module is periodically revised to enhance understanding and facilitate oversight planning discussions with WIPO management and the IAOC.

Figure 4: Preparing the Internal Oversight Division Work Plan

179. The [IOD Annual Oversight Workplan](#) will clearly outline the internal oversight engagement and activities for the current year, and potential engagements for the following year.

180. The draft plan will be submitted to relevant stakeholders, including the IAOC and the Director General. The Director General reviews the plan and offers feedback. The IAOC reviews and provides advice and feedback for IOD's consideration.

181. IOD will then implement the approved [IOD Annual Oversight Workplan](#) by conducting relevant engagements that will support the Organization to impactfully and sustainably achieve its Expected Results and areas of strategic focus while managing related risks through effective internal controls and accountability. The plan will be dynamic and updated in a timely manner in response to changes in the organization's business, risk, operations, systems, and/or control environment.

(v) Coordination and Reliance

STANDARD 9.5 COORDINATION AND RELIANCE

182. As per IOC, to optimize oversight coverage, promote efficiency, and avoid duplication of work, the Director, IOD, shall liaise regularly with internal and external providers of assurance services. These include the Office of the Controller, the External Auditor, and the Joint Inspection Unit of the United Nations System. The Director, IOD, shall also periodically liaise with the Chief Ethics Officer, the Ombudsperson, the Human Resources Management Department, and the Office of Legal Counsel.

183. According to the IOC, the Director, IOD, shall liaise and cooperate with the internal oversight or similar services of other organizations of the United Nations system and Multilateral Financial Institutions, and represent WIPO in relevant inter-agency meetings.

184. The [IOD Building Blocks of Assurance](#) document provides further information on IOD coordination and reliance activities, including the assurance mapping process.

(B) PRINCIPLE 10: MANAGE RESOURCES

The chief audit executive manages resources to implement the internal audit function's strategy and achieve its plan and mandate.

185. The Standards that will guide IOD in managing resources include [10.1 Financial Resource Management](#), [10.2 Human Resource Management](#), and [10.3 Technological Resources](#).

STANDARD 10.1 FINANCIAL RESOURCE MANAGEMENT

186. IOD supports the Foundation Pillar of the Organization's Strategy House and the achievement of the [MTSP](#) by providing assurance, advice, and learning, and supporting accountability, internal justice, and integrity.

187. The Strategy House provides the framework for developing biennial planning, which translates the strategic goals into Expected Results and then the required resources. In developing its budget, IOD follows the Organization's results-based budgeting, which aims to deliver a direct correlation between resources and biennial targets to be achieved.

188. The [IOD Annual Oversight Workplan](#) is prepared annually and covers two years: planned engagements for the current year and potential engagements and activities for the following year. The plan is included in the WIPO [Program of Work and Budget](#) which is presented to the PBC and approved by Member States at the General Assembly. The Director, IOD, is responsible and accountable for delivering the [IOD Annual Oversight Workplan](#) financed from the regular budget.

189. The [IOD Annual Oversight Workplan](#) outlines specific activities and resources needed to achieve IOD's goals. WePerform is utilized to manage the budget process and includes the budgeted resources for staff, non-staff expenses, training, and acquiring necessary technology and tools.

190. The Director, IOD, periodically compares IOD's planned and actual expenditures, analyzing variances and making necessary adjustments in coordination with PPBD. The IAOC is regularly updated on IOD's financial sustainability through [quarterly reports](#) (which include an extract from the WePerform system) and meetings, while senior management is kept informed via regular meetings and emails regarding resources. Additionally, the Director, IOD, will promptly notify the IAOC and senior management of any impact that may result from IOD not having sufficient financial resources to carry out its mandate.

191. The [Annual Report by the Director, IOD](#), includes a section on the budget and actual expenditure, including a confirmation of the sufficiency of the budget for IOD engagements and activities.

STANDARD 10.2 HUMAN RESOURCES MANAGEMENT

192. The Director, IOD, establishes and maintains a resource allocation plan (which is a part of the [IOD Annual Oversight Workplan](#)) to help ensure adequate audit coverage of the identified

high-risk areas of the Organization. A long-term resource allocation plan based on a thorough needs assessment for the same period allows for an effective and reliable assessment of the number of IA audit staff necessary to deliver adequate audit coverage. Consequently, the Director, IOD, develops medium to long-term resource needs assessment, including staffing, training, and development.

193. The Director, IOD, operating within the Organization's Human Resources Framework, will ensure that IOD staff are effectively deployed to complete the engagements and activities outlined in the [IOD Annual Oversight Workplan](#). Additionally, the Director, IOD, will work with the IA staff to enhance their individual and collective competencies through training, supervisory feedback, and mentoring.

194. The Director, IOD will collaborate with HRMD to develop job specifications aligning with competency requirements outlined in the Standards. Additionally, the Director, IOD, will collaborate with the Head, IAS, to periodically review and update internal auditors' job descriptions in the Administrative Integrated Management System (AIMS) HR, ensuring they meet the competency needs of the internal audit function.

195. The Director, IOD, will create an inclusive work environment that allows for collaboration and sharing of diverse views. This approach will align with the [WIPO Guide³³ to a respectful and harmonious workplace](#) and promote collaboration among IA staff.

196. To develop and retain competent internal auditors, the Director, IOD, will implement training initiatives and effective collaboration alongside recognition activities aligning with the strategic objectives of the internal audit function. To this end, IOD will leverage the Organization's HR framework to support and build the internal audit function. These initiatives include internal mobility mechanisms outlined in the [Human Resources Manual³⁴](#), the PMSDS (to assess the performance and professional development of individual auditors), and the [IOD Training plan](#) that aligns individual and IOD objectives.

197. If the staff resources are insufficient or do not possess the specialized expertise to cover the planned engagements outlined in the [IOD Annual Oversight Workplan](#), the Director, IOD, may request an expert from within WIPO to serve as a guest auditor, request to hire additional staff on temporary contracts, contract an external service provider or persons on Individual Contractor Services contracts.

198. The ongoing monitoring and periodic self-assessment, which are part of the IOD's [QAIP](#), will provide additional opportunities for internal auditors to receive feedback and suggestions to increase their effectiveness.

199. IOD will document the human resources matters in the [IOD Annual Oversight Workplan](#) and the [Internal Oversight Strategy](#). Further, the Director, IOD, will keep the IAOC informed on the human resource needs of IOD through the [quarterly reports](#) to the IAOC, the [Annual report by the Director, IOD](#), and during the meeting sessions with the IAOC.

STANDARD 10.3 TECHNOLOGICAL RESOURCES

200. IOD employs various technological resources to conduct its oversight work. The main tools are TeamMate + and Microsoft SharePoint, which are used for the management of

³³https://intranet.wipo.int/export/sites/intranet/homepages/hr/en/documents/general/guide_to_a_respectful_and_harmonious_workplace.pdf

³⁴https://intranet.wipo.int/export/sites/intranet/homepages/hr/en/hrtopics/documents/HR_Manual_Internal_Mobility_through_Lateral_Transfer_en.pdf

engagement workflow, information storage, and collaboration. The table below indicates the main IOD tools and how they are utilized.

Table 1: Main IOD Tools and how they are utilized

Activity	Team-Mate+	Microsoft 365 suite	ACL Analytics & Tableau
Annual Engagement Plans and Budgets	X		
Administration of engagements (engagement opening; assigning engagement codes; closing)	X		
Maintaining the Oversight Universe	X		
Risk Assessments	X		
Management of Recommendations	X		
Resource Management (time tracking)		X	
Management, review and sign-off of Working Papers		X	
Libraries and Archives		X	
Data Analytics activities		X	X
Data Visualization		X	X
Communication, Collaboration, Productivity		X	

201. TeamMate+ is used to prepare and update audit plans, including risk assessment, scheduling, and monitoring audit assignments and staff resources. The tool is also used to generate reports on open recommendations and send automated quarterly reminders to management regarding open recommendations.

202. IOD utilizes organization-wide tools like the Microsoft 365 suite, including Microsoft Teams, for communication, collaboration, and productivity. IOD uses a SharePoint Team collaboration site to create, share, upload, store, and collaborate on documents and engagement files. Further, IA staff can access and extract the risk register from the ERM system, as well as retrieve relevant data from the Enterprise Resources Planning (ERP) system.

203. Alongside Organizational information technology solutions, various additional tools have been implemented to support the quality and efficiency of the IOD's work, notably:

- (a) Audit Command Language (ACL) Analytics: Data analytic software deployed to facilitate continuous auditing, extract, analyze relevant data, and perform audit tests efficiently.
- (b) Tableau: Data analytic and visualization software that is used on some engagements and collaboratively within the Organization to create dashboards and exchange data.
- (c) Grammarly: a software tool that helps users review spelling, grammar, punctuation, clarity, and engagement. It also enables customization of style, tone, and context-specific language.

204. The Director, IOD, must ensure that IA staff receive sufficient training in using IOD's technological resources and should encourage staff to pursue technology-related certifications. The deployed technological resources will be monitored to confirm the realized benefits, value addition, and the business case for continued use.

205. IOD will highlight current or planned initiatives for utilizing technological resources in the [IOD Annual Oversight Workplan](#), the [Internal Oversight Strategy](#) and the [Quarterly Activity Report](#) submitted to the IAOC.

(C) PRINCIPLE 11: COMMUNICATE EFFECTIVELY

The chief audit executive guides the internal audit function to communicate effectively with its stakeholders.

206. According to the [Global Internal Audit Standards](#), effective communication requires building relationships, establishing trust, and enabling stakeholders to benefit from the results of internal audit services. The chief audit executive is responsible for helping the internal audit function establish ongoing communication with stakeholders to build trust and foster relationships. Additionally, the chief audit executive oversees the internal audit function's formal communications with the board and senior management to enable quality and provide insights based on the results of internal audit services.

(i) Building Relationships and Communicating with Stakeholders**STANDARD 11.1 BUILDING RELATIONSHIPS AND COMMUNICATING WITH STAKEHOLDERS**

207. Regular and ongoing communication with relevant internal and external stakeholders is essential for IOD. This communication fosters a shared understanding of Organizational risks, priorities, promotes adaptability to changes and enhances understanding of the changing global risk landscape.

208. As per the IOC, the Director, IOD, shall have access to the Chairs of the General Assembly, the Coordination Committee, the Program and Budget Committee, and the IAOC. Additionally, the Director, IOD, must hold regular meetings with the IAOC to discuss and review internal oversight activities, the [IOD Annual Oversight Workplan](#), and proposed amendments to the IOC, including policies and procedures.

209. To establish relationships and trust with key stakeholders, IOD will utilize various communication channels, both formal and informal. To this end:

- (a) The Director IOD will regularly coordinate with senior management and be part of the Organization's communication channels to stay updated on significant developments and planned activities that may impact IOD's planned activities or the Organization's risk profile. This includes attending quarterly meetings of the RMG as an observer;
- (b) The Director, IOD, will maintain an open-door policy for WIPO personnel, in line with the IOC provision for facilitating the submission of reports by staff members or any other internal or external parties regarding suspected wrongdoing, misconduct, or irregularities;
- (c) The Director, IOD, must meet individually with Sector Leads and other senior management staff to establish working relationships, understand their concerns and perspectives, and gain insight into their priority areas and key business processes;
- (d) As espoused in the IOC, to optimize oversight coverage, promote efficiency, and avoid duplication of work, the Director, IOD, shall liaise regularly with internal and external providers of assurance services. This includes the Office of the Controller, the External Auditor, and the JIU. Additionally, the Director must periodically engage with the Chief Ethics Officer, the Ombudsperson, HRMD, and the Office of the Legal Counsel;

- (e) At the engagement level, the Director, IOD, must assign individual internal auditors or the Head, IAS, to maintain ongoing communication with the management of the activity under review;
- (f) IOD will distribute an electronic [Newsletter](#) annually to all WIPO staff, highlighting the key activities conducted by the Internal Audit, Evaluation, and Investigation Sections. Additionally, IOD must ensure that its Intranet homepage and page on the WIPO website are regularly updated;
- (g) IOD should arrange or participate in Town Hall meetings or seminars to inform stakeholders about IOD's functions and related issues. These sessions will foster a better understanding and enable IOD to be more responsive to the stakeholders' needs and expectations;
- (h) IOD must solicit input from internal stakeholders, particularly the management of the activity under review, through the [Client Satisfaction Survey \(Post-engagement\)](#) and the [Client Satisfaction Survey \(Outcome and impact of implemented recommendations\)](#).

(ii) Effective Communication

STANDARD 11.2 EFFECTIVE COMMUNICATION

210. At the Organizational level, IOD staff must adhere to the [WIPO Guide to Drafting, Processing, and Dispatch of Official Communication](#). This guide helps staff members prepare the Organization's correspondence accurately and uniformly. Additionally, IOD has customized templates for various documents (such as memoranda, engagement reports, and activity reports), [Style Guide](#), and [Presentation Templates](#) to ensure effective communication with stakeholders and maintain consistency among IOD staff in their communications.

211. IOD monitors the quality and effectiveness of its communication throughout the engagement and evaluates the clarity and conciseness of its final engagement reports via the [Client Satisfaction Survey \(Post-engagement\)](#).

212. Peer reviews and supervisory reviews by the Head, IAS, and the Director, IOD, ensure that IOD continually enhances the quality and effectiveness of its communication. Further, the use of software or tools (e.g., Grammarly™) assists in reviewing the spelling, grammar, punctuation, clarity, and conciseness of IOD communications.

213. The methods outlined above are designed to enhance the degree to which the IOD engagement communications and work papers will demonstrate the characteristics of effective communication, which include the following:

- (a) **Accurate:** free from errors and distortions and faithful to the underlying facts. Precise terms and descriptions will be used, supported by relevant information;
- (b) **Objective:** fair, impartial, and unbiased, and the result of a fair and balanced assessment of all relevant facts and circumstances;
- (c) **Clear:** logical and easily understood by relevant stakeholders, avoiding unnecessary technical language. IOD must enhance the clarity of its communications by aligning the language with organizational terminology and ensuring it is easily understood by the intended audience. The communications will include relevant details to support findings, conclusions, and recommendations.

Further, tables, graphs, and diagrams should be used to summarize and present relevant details. Uncommon terms will be defined, and footnotes will be used for

further explanation when needed. This clarity will ensure that communication is straightforward and easily comprehensible.;

- (d) **Concise:** succinct and free from unnecessary or superfluous detail and wordiness. IA staff should avoid redundancies and exclude unnecessary, insignificant, or unrelated matters to the engagement information;
- (e) **Constructive:** helpful to the relevant stakeholders and the Organization and enabling improvement where needed. IA staff will express information with a cooperative and helpful tone that facilitates collaboration with the management of the activity under review, leading to improvements where needed;
- (f) **Complete:** relevant, reliable, and sufficient information and evidence to support the results of internal audit services. Completeness enables the reader to reach the same or similar conclusion(s) as the internal auditors. The communication will be adapted to meet the needs of various recipients or stakeholders;
- (g) **Timely:** appropriately timed according to the issue's significance, allowing management to take corrective action. For example, engagement reports will be presented to the management of the activity under review without undue delay to enable prompt management action or response.

(iii) Communicating Results

STANDARD 11.3 COMMUNICATING RESULTS

214. As per the IOC, the Director, IOD, shall submit the final internal audit reports to the Director General with a copy to the IAOC and the External Auditor. Upon request, the External Auditor shall be provided with any supporting documentation for internal audit reports. Specifically, the internal audit reports will include an executive summary, detailed findings, recommendations, and conclusions.

215. Every quarter, the Director, IOD, submits a memorandum to the Director General, copying the IAOC members, regarding Open Oversight and JIU Recommendations. "Oversight" recommendations, for the purposes of this memorandum, encompass those from IOD, the External Auditor, and the IAOC. The memorandum outlines, among other things, the status of oversight recommendations, highlighting those that are overdue or those whose implementation date has been revised several times. In addition, IOD utilizes TeamMate+ to automate recommendation update reminders, sending quarterly reminders to management and responsible staff on open recommendations.

216. IOD shares a [Quarterly Activity Report](#) on oversight activities, including internal audit services, with the IAOC. Additionally, IOD participates in quarterly IAOC meetings to discuss and inform on oversight matters, such as audit reports, evaluations, and investigations.

217. As per the IOC, the Director, IOD, shall submit, annually, a summary report to the WIPO General Assembly, through the Program and Budget Committee ([Annual Report by the Director, IOD](#)). When a holistic review of findings and conclusions of multiple engagements reveal patterns, such as root causes, these themes will be also communicated. The Director General and the IAOC shall be provided with a draft version of the Report for their comments, if any. The Director General may submit comments on the final Annual Report in a separate report as deemed appropriate.

218. The Annual Report shall give an overview of the internal oversight activities conducted during the reporting period, including the scope and objectives of such activities, the work undertaken, and the progress on the implementation of internal oversight recommendations.

The Annual report shall include a description of all recommendations that were not accepted by the Director General, together with her/his explanations for not doing so.

(iv) Conclusions at the level of organization

219. In line with the [Global Internal Audit Standards](#), the IOD is taking measures with a view to providing a formal opinion in support of the Director General's Statement on Internal Control for the year ending December 31, 2025, onwards. These measures are summarized in the [IOD Building Blocks of Assurance](#) SOP.

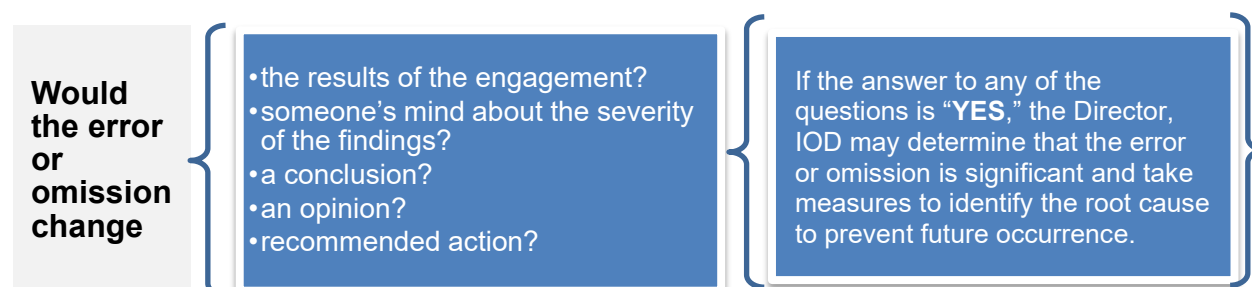
(v) Errors and Omissions

STANDARD 11.4 ERRORS AND OMISSIONS

220. If a final engagement communication contains a significant error or omission, the Director IOD must promptly communicate corrected information to all parties who received the original communication, in conformance with Standard 11.4, Error and Omissions.

221. To determine significance, the Director, IOD, should evaluate whether the mistaken or omitted information could have legal or regulatory consequences or change the findings, conclusions, recommendations, or management's action plan.

222. The following criteria will be used by the Director, IOD, to determine the level of significance and cause of the errors and omissions:



223. The Director, IOD, should determine the most appropriate method of communicating the corrected information to all the parties that received the original communication; this may include issuing a memorandum or an email to the relevant parties.

224. IOD must maintain the original and corrected communication documents, including related email correspondence and meeting minutes, as part of the engagement work papers in the engagement file on SharePoint.

STANDARD 11.5 COMMUNICATING THE ACCEPTANCE OF RISKS

225. When the Director, IOD concludes that management has accepted a level of risk that exceeds the organization's risk appetite, the matter must be discussed with senior management. If the Director, IOD determines that the matter has not been resolved by senior management, the matter must be escalated to the IAOC. It is not the responsibility of the Director, IOD to resolve the risk.

(D) PRINCIPLE 12: ENHANCE QUALITY

The chief audit executive is responsible for the internal audit function's conformance with the Global Internal Audit Standards and continuous performance improvement.

226. As per the IOC, the Director, IOD, shall develop and maintain a [QAIP](#) covering all aspects of internal audit, evaluation, and investigation, including periodic internal and external reviews and ongoing self-assessments in accordance with the applicable standards.

227. For IOD, quality is a combined measure of conformance with the [Global Internal Audit Standards](#) and the achievement of the internal audit function's performance objectives. Therefore, a [QAIP](#) will evaluate and promote the internal audit function's conformance with the Standards, achievement of performance objectives, and pursuit of continuous improvement.

228. The Director, IOD, is responsible for the internal audit function's conformance with the [Global Internal Audit Standards](#) and continuous performance improvement. The Head, IAS, coordinates all the quality assurance activities outlined in a [QAIP](#), with all IA staff playing an important role and having responsibility for implementing these activities.

(i) Internal Quality Assessments

STANDARD 12.1 INTERNAL QUALITY ASSESSMENT

229. IOD's internal quality assessment comprises ongoing monitoring of the internal audit function and periodic self-assessments, as outlined below.

Ongoing monitoring

230. Ongoing monitoring involves day-to-day supervision, review, and measurement of the internal audit function. The IAS has incorporated ongoing monitoring into the relevant policies and practices for managing the internal audit function and included the processes, tools, and information necessary to evaluate conformance with the Standards.

231. The Head, IAS, must ensure supervisory reviews of engagement planning, work papers, ongoing and final communications. The supervision begins with planning and continues throughout the engagement. Further, the Director, IOD, will provide an additional layer of supervision. The Director, IOD, will review selected or key workpapers and sign-off on the final engagement report.

232. IOD has developed and implemented mechanisms for ongoing monitoring. In addition to validating conformance with the Standards and IOD *modus operandi*, ongoing monitoring may identify opportunities to improve IOD functions. These mechanisms include the following:

- (a) IOD staff must fill out the [Weekly Time Tracker](#) on the IOD SharePoint at the beginning of each week, outlining the engagements and activities they plan to complete or perform. This will provide an overview of how much time was spent on each engagement;
- (b) The [Engagement Plan](#), [Engagement Risk Assessment and Work Program](#) and other planning related work papers must be reviewed by the Senior Internal Auditor and/or Head, IAS, and approved by the Director, IOD, before the engagement begins;

- (c) The Head, IAS, and the Director, IOD ensure that there is ongoing work papers review and sign off by IA staff assigned to an engagement. Further, they ensure that audit findings, conclusions, and recommendations are well-supported by evidence, and that reports are accurate, objective, clear, concise, and timely;
- (d) The Head, IAS, and the Director, IOD should actively identify ongoing developmental and training needs for IAS staff. These needs should be incorporated into the PMSDS;
- (e) IOD must obtain and analyze feedback from the activity management after each engagement using the [Client Satisfaction Survey \(Post-engagement\)](#). The feedback will inform on the efficiency and effectiveness of the internal audit team. Furthermore, a [Client Satisfaction Survey \(Outcome and impact of implemented recommendations\)](#) will be sent out by IOD to evaluate the outcome and impact of implemented recommendations once the client has implemented 70 per cent or more of the recommendations;
- (f) IAS staff must complete the [Vertical and Horizontal Assessments](#) for each engagement, including performance metrics such as time for planning, field work, reporting, and releasing recommendations in TeamMate +.

Periodic Self Assessments (PSA)

233. The Periodic Self-Assessment (PSA) is undertaken in accordance with the [Global Internal Audit Standards](#) and the [Internal Audit Capability Model for public sector organizations \(IA -CM\)](#), developed by the IIA. In addition, IOD has incorporated [Vertical and Horizontal Assessments](#) of completed audits in the internal assessments to ensure the quality of assurance and advisory engagements.

234. The PSA provides a comprehensive review of the Standards and the internal audit function. The assessment addresses conformance with every Standard, whereas ongoing monitoring focuses on the Standards relevant to performing engagements.

235. The Director, IOD, must ensure that two assessments are conducted within the five-year cycle of an EQA. The timings of the PSA will be as follows: one will be done two years after an EQA, and the second one will be done one year before the next EQA.

236. The two PSAs within the five-year cycle will enable IAS to validate its conformance with the Standards, evaluate the quality of internal audit services, the adequacy of engagement methodologies, and progress in implementing the results of the last EQA. In addition, the PSA, conducted a year before the next EQA, will reduce the time and effort to complete the external assessment.

237. To perform a PSA, the Director, IOD, will assign an internal auditor within the IOD, who possesses the Certified Internal Auditor designation, and/or has extensive experience with the Standards. Further, PSA can also be performed by a staff member within WIPO with sufficient knowledge of internal audit practices to evaluate conformance with the Standards. The PSA also allows the Director, IOD, to enhance the assigned internal auditor's understanding of the Standards.

238. The assigned internal auditor will draft and submit planning documents for the PSA to the Head, IAS, for review and approval by the Director, IOD. These documents include the [Engagement Plan](#) and [Engagement Risk Assessment and Work Program](#). The plan will outline objectives, scope and methods, status of previous PSA and EQA results, and corrective action plans, timeline, and reporting. The guidance provided by the [IIA Global](#) will primarily guide the

[Engagement Risk Assessment and Work Program](#) and be customized to IOD's needs as required.

239. Upon completion of the PSA fieldwork, the assigned internal auditor will compile and submit a report for review by the Head, IAS, and approval by the Director, IOD. The report must include the internal auditor's opinion on the overall conformity of the internal audit function with the [Global Internal Audit Standards](#)TM. Additionally, it will recognize good practices within IAS, highlight areas for potential improvement and recommendations, and propose timelines for corrective action. The recommendations from the PSA will be included in TeamMate + Issue Tracking.

240. The Director, IOD, must present the draft report for the PSA to the IAOC, discussing and agreeing on an action plan to address identified issues and opportunities for improvement. The comments by the IAOC will be incorporated into the PSA's final report.

241. In accordance with Standard 12.1, Internal Quality as reflected in the [QAIP](#), the Director, IOD, must communicate the results of the PSA and action plan to the IAOC and the Director General of WIPO.

(ii) Performance Measurement

STANDARD 12.2 PERFORMANCE MEASUREMENT

242. Establishing Performance Indicators (PIs) is crucial for assessing whether IOD meets its mandate, conforms with the Standards, meets stakeholders' expectations, and progresses in line with the strategic goals outlined in the [Internal Oversight Strategy](#).

243. To this end, IOD has developed qualitative and quantitative PIs aligned with its [QAIP](#) and the WIPO RBM Framework. These metrics measure progress toward performance objectives and consider the desired outcomes outlined in the IOC, [Internal Oversight Strategy](#), and [Global Internal Audit Standards](#).

244. Some of the PIs are part of ongoing monitoring, are more granular, and are regularly discussed within IOD. For example, time spent on audit and non-audit activities and the efficiency of completing each stage of an engagement.

245. Other PIs must be reported to internal and external stakeholders. They will be published in documents such as the biennial [Program of Work and Budget](#), [WIPO Performance Report](#), and [Annual Report by the Director, IOD](#). Further, the data supporting these PIs may be subject to validation by the Program Performance and Budget Division - Department of Program Planning and Finance before inclusion in the WIPO Performance Report. See the table below for the relevant PIs.

Table 2: Internal Oversight Division Performance Indicators – Internal Audit Section

S/n	Performance Indicator	Target
1.	No interference and perceived independence by key stakeholders	No Interference
2.	The average timeline for completing engagements	Internal Audit: 4.5 months Joint Engagements: 6 months
3.	Percentage of internal stakeholders who perceive that IOD recommendations are SMART.	80 per cent
4.	Percentage of internal stakeholders who perceive that Oversight work is Relevant.	80 per cent
5.	No. of oversight recommendations accepted.	90 per cent

246. Both the EQA and PSA should review PIs and analyze their ongoing relevance, as well as assess the efficiency and effectiveness of data collection methods (such as surveys, interviews, and attestations), reporting frequency, and stakeholders' expectations. In coordination with IA staff, the Director, IOD, will develop an action plan to address identified issues and improvement opportunities in performance measurement.

247. As part of ongoing monitoring, IA staff should periodically validate the accuracy of performance data for PIs and stakeholder performance expectations. Action plans for identified issues and opportunities to achieve the PIs will be developed, discussed, and implemented as part of continuous improvement efforts.

248. To improve the achievement of certain PIs (e.g., the average timeline for completing engagements), they should be linked to the Work-related Objectives in the IA staff's PMSDS.

(iii) Oversee and Improve Engagement Performance

STANDARD 12.3 OVERSEE AND IMPROVE ENGAGEMENT PERFORMANCE

249. During the planning phase of the engagement:

- (a) The Senior Internal Auditor and/or the Head, IAS, must ensure that the [Engagement Plan](#), covering objectives, scope, methods, and timelines, is discussed with internal auditors, and approved by the Director, IOD;
- (b) Additionally, the Head, IAS, must review the [Engagement Risk Assessment and Work Program](#) to ensure it includes procedures for identifying, analyzing, evaluating, and documenting information. The Director, IOD, must approve the [Engagement Risk Assessment and Work Program](#) based on its efficiency and effectiveness in achieving engagement objective(s).

250. Throughout the engagement:

- (a) The Senior Internal Auditor and/or the Head, IAS, must maintain continuous communication with the internal auditor assigned to the engagement and the management of the activity under review. Work paper reviews will include the use of an [Engagement Completion and Quality Checklist](#) to ensure completeness of engagement documentation and addressing each step as the engagement progresses;
- (b) The assigned internal auditor must promptly address review comments, requests for clarification, or additional evidence. Both the review comments and the actions taken to resolve them will be retained as part of the engagement work papers;
- (c) The Director, IOD, must regularly communicate with senior management or the management of the activity under review to update them on the engagement's progress and address any concerns or differences/challenges they may have with the assigned internal auditors;
- (d) The Head, IAS, and the Director, IOD, must meet with the assigned internal auditor regularly to discuss the progress and challenges (if any) of the engagement. These meetings will also serve as opportunities for staff development and providing honest feedback to the internal auditor.

251. The Director, IOD, is responsible for all assurance engagements and significant professional judgments, regardless of whether conducted by IA staff or other external providers. To this end, the Director, IOD, will ensure the resolution of any differences in professional

judgment. This may be done by, among other things, presenting facts, research, or reference material or documenting varying viewpoints in the engagement work papers.

6. PERFORMING INTERNAL AUDIT SERVICES

Performing internal audit services requires internal audit to effectively plan engagements, conduct engagement work to develop findings and conclusions, collaborate with management to identify recommendations and/or action plans that address the findings, and communicate with management and the employees responsible for the activity under review throughout the engagement and after it closes.

252. To conduct internal audit services, IOD will efficiently plan engagements, perform the necessary work to develop findings and conclusions, collaborate with management to identify recommendations or action plans, and maintain communication with management and relevant staff involved in the activity under review throughout and after the engagement.

(A) ASSURANCE AND ADVISORY SERVICES

253. Broadly, IAS provides assurance and advisory services. These are briefly explained below:

Assurance Services	These are services through which internal auditors perform objective assessments to provide assurance. Examples of assurance services include compliance, financial, operational/performance, and technology engagements. Internal auditors may provide limited or reasonable assurance, depending on the nature, timing, and extent of procedures performed.
Advisory Services	These are Services through which internal auditors provide advice to an organization’s stakeholders without providing assurance or taking on management responsibilities. The nature and scope of advisory services are subject to agreement with relevant stakeholders. Examples include advising on the design and implementation of new policies, processes, systems, and products; providing forensic services; providing training; and facilitating discussions about risks and controls. “Advisory services” are also known as “consulting services.”

254. IA staff must apply and conform with the [Global Internal Audit Standards](#) when performing assurance or advisory services, except when otherwise specified in individual Standards.

255. IOD staff must maintain objectivity when providing advisory services by not taking on management responsibility. The Director, IOD, should implement appropriate safeguards to maintain the internal audit function’s independence. As a systematic practice, the Director, IOD, must seek advice from the IAOC for any requests for advisory services that may be perceived as a conflict of interest or can potentially affect the independence and objectivity of the internal audit function.

(B) TYPES OF ASSURANCE ENGAGEMENTS

256. The types of assurance engagements that IOD may conduct include the following:

- (a) **Operational Audit:** An objective assessment of efficiency and effectiveness of governance, risk management, systems, and controls designed to ensure objectives are met;
- (b) **Performance Audit:** An independent examination of a program, function, operation, or management systems and procedures to assess whether the entity utilizes resources in an efficient, effective, and economical manner;
- (c) **Information Systems Audit:** Assessment of controls that govern the development, operation, maintenance, and security of application systems;
- (d) **Compliance Audit:** Assessment of adherence to WIPO Regulations and Rules, policies, and procedures;
- (e) **Financial Assurance Engagements:** Assessment of finance-related processes and transactions.
- (f) **Key Controls Design and Operating Effectiveness Review and Assurance:** an independent review of key Organizational controls, as defined by management, that are derived from the key provisions of the WIPO FRR and the SRR. IOD will review the key controls design, implementation, and operating effectiveness. The review results help inform the IOD process providing an opinion to support the annual Statement of Internal Control. **Continuous Audit:** Real-time or near real-time tests of internal controls surrounding operations and transactions using data analytics technology to assess efficiency, effectiveness, and compliance with applicable regulations, rules, and procedures and to flag any control weaknesses, which may lead to unintentional errors or omission or intentional wrongdoing. An [IOD Audit Approach for Continuous Auditing](#) has been developed to facilitate this audit using ACL software.

(C) TYPES OF ADVISORY SERVICES

257. The types of advisory services that IOD may conduct include the following:

- (a) **Process Improvement Reviews:** Assessing and recommending enhancements to business processes to increase efficiency, effectiveness, and compliance.
- (b) **Risk Management Advisory:** Assisting in identifying, assessing, and mitigating risks to help the Organization achieve its strategic objectives;
- (c) **Control Self-Assessment Facilitation:** Guiding departments or business units through self-assessment processes to identify and evaluate risks and controls;
- (d) **Compliance Reviews:** Evaluating compliance with laws, regulations, and internal policies to identify gaps and recommend corrective actions;
- (e) **IT Advisory Services:** Providing guidance on IT governance, cybersecurity, data privacy, system implementations, and other technology-related areas;
- (f) **Fraud Risk Assessments:** Identifying potential fraud risks and advising on measures to detect and prevent fraudulent activities;

- (g) **Change Management Support:** Provision of insights on organizational changes, including process redesigns, system implementations, and restructuring efforts;
- (h) **Performance Improvement Advisory:** Advising on strategies to enhance organizational performance and achieve business objectives;
- (i) **Governance Reviews:** Assessing governance structures and practices to ensure they support effective decision-making and accountability;
- (j) **Project Management Advisory:** Providing guidance on project planning, execution, and monitoring to ensure projects meet their objectives and are completed on time and within budget;
- (k) **Sustainability and ESG Advisory:** Advising on environmental, social, and governance (ESG) practices to promote sustainability and responsible business conduct;
- (l) **Third Party Risk Management:** Evaluating and advising on the management of risks associated with third-party vendors and service providers;
- (m) **Financial Advisory Services:** Providing insights and recommendations on financial reporting, budgeting, forecasting, and other financial management practices;
- (n) **Training and Education:** Offering training sessions and educational workshops on risk management, internal controls, compliance, and other relevant topics.

258. In conducting its engagements, IA staff should consider the risk of fraud and ensure that the Organization's fraud risk management framework effectively covers risks related to the areas being audited/reviewed.

(D) PRINCIPLE 13: PLAN ENGAGEMENTS EFFECTIVELY

Internal auditors plan each engagement using a systematic, disciplined approach.

259. The [Global Internal Audit Standards](#), along with the methodology established by the Director, IOD, form the foundation of internal auditors' systematic, disciplined approach to planning engagements. Internal auditors are responsible for communicating effectively at all stages of their engagement.

- (i) Engagement Communication

STANDARD 13.1 ENGAGEMENT COMMUNICATION

260. When conducting assurance and advisory work, IOD must initiate initial, ongoing, closing, and final communications with the management of the activity under review. Effective communication will be ensured through various methods, including formal and informal, written and oral.

Engagement Notification Memorandum

261. Each engagement must begin formally with the issuance of an Engagement Notification Memorandum. This memorandum should be drafted by the assigned internal auditor, reviewed by the Head IAS, and signed by the Director, IOD.

262. The Memorandum informs the management of the activity on the engagement subject, objectives, planned start date for fieldwork, and engagement team. It also communicates IOD's intention to arrange an opening meeting to discuss the contents of the memorandum and gather any insights or concerns from management.

263. The IOD Front office will finalize and issue the memorandum after approval by the Director IOD. It must be sent out well before the planned start date to allow the management of the activity under review sufficient time to prepare for the engagement.

264. The assigned internal auditor must ensure that the Memorandum and any subsequent response from the management of the activity under review are uploaded to a dedicated folder within the engagement folder on SharePoint.

Opening Meeting

265. A formal opening meeting with the management of the activity under review should be arranged within a reasonable timeframe after the Engagement Notification Memorandum.

266. The assigned internal auditor(s), and the Head, IAS, and Director, IOD, should participate in the opening meeting with the management of the activity under review. If feasible or appropriate, the engagement team should prepare a briefing paper or Microsoft PowerPoint presentation to be shared with the management before the meeting. The presentation should cover, among other things, the background information on the activity under review, the risk assessment, engagement objectives, scope, methods, planned milestones, and deliverables.

267. The meeting allows the IA team to confirm that the management of the activity under review understands the objectives, scope, and timing of the engagement. The discussion allows both parties to make any necessary adjustments to the engagement approach and establish expectations for additional communication, including the frequency of communication and who will receive the final communication. The management of the activity under review should designate a focal point, if necessary, who will serve as the liaison person or coordinator between the internal audit team and management.

268. Shortly after the opening meeting, the assigned internal auditor must draft minutes focusing on key issues discussed, including comments, suggestions, and concerns expressed by the management of the activity under review. The minutes should also document the IA team's responses to these concerns. The meeting minutes will form part of the engagement work papers and will be uploaded to the engagement folder on SharePoint.

Ongoing communication

269. Ongoing communication between IA staff and the management of the activity under review is vital for ensuring the efficiency and effectiveness of the engagement, as well as fostering trust and professional relationships. This communication clarifies information, addresses immediate concerns, and updates management on engagement progress or changes to objectives or scope. Documenting ongoing communication, including emails, meeting invites, minutes, notes, or shared documents, ensures transparency and helps promptly identify and resolve misunderstandings or differences. This documentation must be uploaded to the engagement folder on SharePoint as evidence of communications throughout the engagement.

Closing Meeting Communication

270. A closing meeting will be held at the end of each engagement. The meeting attendees should include the Director, IOD, and the assigned IA staff, along with the Deputy Director General / Assistant Director General, Director(s), and relevant manager of the activity under review. The meeting allows both parties to review and finalize the engagement results before issuing a final communication. It also provides an opportunity to address any differences or disagreements regarding the results, aiming to reach an agreement. Any disagreements must be documented in the closing meeting minutes and included in the engagement papers uploaded to the engagement folder on SharePoint.

(ii) Engagement Risk Assessment

STANDARD 13.2 ENGAGEMENT RISK ASSESSMENT

271. When planning an engagement, IA staff must collaborate with the engagement supervisor, the Head, IAS, and the Director, IOD, to identify and assess relevant risks. These discussions will be documented and included in the working papers.

272. Planning the engagement effectively involves reviewing documents like the [MTSP](#), [Program of Work and Budget](#), and business objectives and priority areas of the activity under review. The internal auditors will review the risks and control measures in the ERM system for the activity under review and incorporate them in the [Engagement Risk Assessment and Work Program](#), where applicable. Further, they will review relevant policies and procedures, WIPO Regulations and Rules, and previous risk assessments. Overall, it is imperative to consider the Organization's [risk appetite and tolerance](#) and the governance, risk management, and control processes of the activity under review.

273. In exercising due professional care, internal auditors should always consider the risk of fraud throughout the engagement workflow and seek input from the management of the activity being reviewed.

274. The engagement risk assessment must be integrated into the [Engagement Risk Assessment and Work Program](#).

(iii) Engagement Objectives and Scope

STANDARD 13.3 ENGAGEMENT OBJECTIVES AND SCOPE

275. The engagement objectives and scope must be clearly outlined in both the [Engagement Plan](#) and the Engagement Notification Memorandum, while the [Engagement Risk Assessment and Work Program](#) will include the objectives.

276. The Director, IOD, will, in consultation with IA staff consider whether requests from the engagement stakeholders for items to be included in or excluded from the scope, or restrictions on the length of the engagement, constitute a scope limitation.

277. When identified, scope limitations will be discussed with management, to achieve resolution. If a resolution with management cannot be reached, the Director, IOD, must inform the IAOC about the scope limitations and include the issue in the [Annual Report by the Director, IOD](#).

278. IOD can modify the engagement objectives and scope outlined in the Engagement Notification Memorandum as needed during the engagement process based on, among other things, emerging needs, a revised risk assessment, and preliminary engagement observations.

Further, for analytical review, corroborative purposes, and gaining specific insights, the scope outlined in the Engagement Notification Memorandum may be extended or adjusted in certain cases. Any changes in objectives and/or scope will be communicated to management. This flexibility to adapt the scope will normally be communicated to management in the Engagement Notification Memorandum as updated.

279. The [Engagement Plan](#) and associated work papers will be filed in the engagement folder on SharePoint. These papers will document the alignment of engagement objectives with risk assessments, minutes of meetings with management regarding objectives and scope, the approved [Engagement Risk Assessment and Work Program](#), and final engagement communication.

280. Upon finalization of the engagement, IOD will assess management's understanding of the engagement scope, objectives, and process through a [Client Satisfaction Survey \(post-engagement\)](#).

(iv) Evaluation Criteria

STANDARD 13.4 EVALUATION CRITERIA

281. As part of gathering information and planning the engagement, internal auditors identify criteria used by the Organization and the respective business areas to evaluate the effectiveness and efficiency of the governance, risk management, and control processes. The internal auditors will focus on the evaluation criteria most relevant to the engagement and compare them against the existing state (condition).

282. Adequate criteria are essential for identifying the difference between the desired state and the current condition, highlighted by potential findings. In addition, they are necessary for determining the importance of the findings and drawing meaningful conclusions. Examples of such criteria include WIPO Regulations and Rules, relevant policies (Office Instructions), procedures, Expected Results, Performance Indicators including procedures that may not be formally documented, authoritative practices within the UN common system, applicable frameworks, standards, benchmarks, International Public Sector Accounting Standards, and good practices.

283. Additionally, IA staff should research good or recommended practices and compare management's criteria to those used within the UN common system and international organizations. Management's criteria may appear adequate generally, but internal auditors may recommend better criteria for the engagement. When the reviewed activity lacks proper criteria, internal auditors may recommend that management implement the criteria identified by the internal auditors. This discussion may lead to IOD offering advisory services.

284. The [Engagement Plan](#) and work papers, such as meeting minutes with management and relevant staff, must incorporate the evaluation criteria. Internal auditors should document the sources of these criteria and any correspondence or discussions with management regarding the adequacy or validity of the chosen criteria.

(v) Engagement Resources

STANDARD 13.5 ENGAGEMENT RESOURCES

285. The Head IAS, in collaboration with the Director, IOD, must decide on the appropriateness and sufficiency of resources required for an engagement. This decision should consider the nature and complexity of the work, experience, competency, and staff developmental needs, as well as professional judgment.

286. The Head, IAS, and the Director, IOD, should account for factors such as audit staff availability, time constraints, and logistical considerations that could impact the engagement's efficiency and effectiveness. To better manage resources, the staff must complete the [Weekly Time Tracker](#) on the IOD SharePoint at the beginning of each week, outlining the engagements and activities they plan to complete. Regular reviews of the [Weekly Time Tracker](#) will help inform resource planning and task assignment, among other things.

287. **Use of an External Provider/ Consultants:** IOD may use an individual consultant-subject matter expert, or a professional services firm to augment or fully execute an engagement on its behalf.

288. IOD must adhere to the WIPO [FRR](#) and the [WIPO Procurement Manual](#) when hiring external providers or consultants and ensure they perform the work according to the agreed Terms of Reference. All documents pertaining to hiring the external provider, such as tender documents, contracts, memorandums, correspondence, planning, fieldwork, and reporting documents, will be uploaded to the engagement folder on SharePoint. This includes the email correspondence between IOD and the Central Services Division on hiring the external consultant.

289. The [Engagement Plan](#) must include details on the engagement's resourcing needs and the assignment of resources, including the available man-hours for the engagement and constraints, planned or anticipated absences, and other relevant factors that may impact resources.

(vi) Work Program

STANDARD 13.6 WORK PROGRAM

290. The [Engagement Risk Assessment and Work Program](#) must show the link between the risks and controls in the ERM system and the assurance tests to be conducted. Further, tests must be developed to address risks identified by the internal auditors using their risk assessment methods, including professional judgment. As the analyses and reviews are conducted, the internal auditors must cross-reference the risks and controls to the findings and conclusions.

291. The assigned internal auditor must draft minutes of Planning audit team meetings documenting tasks, procedures, and key risks. They must note any additional tasks, tests, or concerns raised and their resolutions. These minutes will be included in the engagement folder on SharePoint.

292. The Director, IOD, must review and approve the [Engagement Risk Assessment and Work Program](#) before it is implemented and promptly when subsequent changes are made.

(E) PRINCIPLE 14: CONDUCT ENGAGEMENT WORK

Internal auditors implement the engagement work program to achieve the engagement objectives.

(i) Gathering information for Analyses and Evaluation

STANDARD 14.1 GATHERING INFORMATION FOR ANALYSES AND EVALUATION

293. IA staff must gather relevant, reliable, and sufficient information to complete each Engagement Risk Assessment and Work Program step. The focus must be on information aligning with engagement objectives and scope. In applying professional skepticism, internal auditors must meticulously evaluate whether the information gathered is factual, current, and obtained from a source independent of the management of the activity under review. As the engagement progresses, additional information may be necessary to corroborate or refute initial findings.

294. IA staff should use the following procedures to gather information for analysis:

- (a) Inspecting or examining physical evidence such as documentation, inventory or equipment;
- (b) Interviewing or surveying the management of the activity under review;
- (c) Performing analytical procedures;³⁵
- (d) Directly accessing WIPO ERP systems and other organizational systems to extract and analyze the data;
- (e) Working with the relevant system administrators and users to obtain the relevant data;
- (f) Using data analysis software (ACL, Tableau) to facilitate audit tests;
- (g) Other procedures, such as flowcharting, narrative notes, questionnaires, and walk-through tests may also be used.

295. IA staff must incorporate tailored procedures into the [Engagement Risk Assessment and Work Program](#), and [Engagement Plan](#) to gather relevant information aligned with the engagement objectives and scope. Additionally, they will document the description of the gathered information, its sources, the relevant period, and the analysis conducted in the work papers.

296. If relevant information cannot be obtained or provided by the management of the activity under review, internal auditors must communicate this limitation to the Head, IAS, and/or Director, IOD. Depending on the nature of the limitation, the matter may be escalated and discussed with the Sector Lead before the IA team identifies it as a potential engagement finding.

(ii) Analyses and Potential Engagement Findings

STANDARD 14.2 ANALYSES AND POTENTIAL ENGAGEMENT FINDINGS

297. IA staff must ensure that the [Engagement Risk Assessment and Work Program](#) detail the planned analyses. These may involve testing various assertions, e.g., accuracy and completeness. Other tests may include data validation, ratio analysis, analytical reviews, and internal and external benchmarking using information from the UN common system.

³⁵ Analytical procedures involve the study, comparison, and evaluation of relationships among financial and non-financial data at a point in time and the trend in those relationships over a period. They also encompass the investigation of identified fluctuations and relationships that are inconsistent with other relevant information or deviate significantly from predicted amounts.

298. IA staff should use data analysis software, as appropriate, to enhance efficiency and gain specific insights. This approach enables testing of entire populations rather than samples. The Director, IOD, and the Head IAS, should provide guidance on the extent and level of testing based on preliminary test results, risk assessment, cost/benefit analysis for additional tests, and the significance of potential findings.

299. Further, IA staff must prepare work papers documenting analyses, including the data analytic program used. These must be reviewed by the Head, IAS, and the Director, IOD. Test result summaries in the work papers must be cross-referenced with the [Engagement Risk Assessment and Work Program](#) in the designated engagement folder on SharePoint.

(iii) Evaluation of Findings – Root Cause Analysis

STANDARD 14.3 EVALUATION OF FINDINGS

300. IA staff must compare the established criteria to the existing condition in the activity under review to develop engagement findings. If there is a difference between the two, IA staff must evaluate the potential finding further. The evaluation must explore:

- (a) If the root cause of the difference, which often relates to a control deficiency, is a direct reason the condition exists. IA staff should strive to identify the root cause, which is an underlying or deeper issue contributing to the condition. This typically involves asking a series of questions about “why” the difference exists. Collaborating with management, who may better understand the underlying causes, is essential in this process. The [Root Cause Analysis](#) allows IA staff to pinpoint the underlying issue and thus be better positioned to recommend actions with a long-term perspective for process improvement. Various techniques can be used for root cause analysis. In certain circumstances, root cause analysis may be as simple as asking “five whys.” By the fifth “why,” the internal auditor should have identified or been close to identifying the root cause. More complex issues, however, may require more resources and rigorous analysis. Refer to the IOD [Root Cause Analysis](#) template.
- (b) The impact of the difference may be quantified. The extent of exposure is often estimated based on the internal auditors’ professional judgment, with input from the reviewed activity’s management.

301. The table below provides definitions for Ratings (Significance) of Engagement Findings.

Table 3: Rating (Significance) of Engagement Findings

Significance of Finding	Definition
High Significance	Matters and / or findings considered to be fundamental to maintenance of internal control, compliance, good corporate governance, or good practice for processes. The matters and / or findings should be subject to agreed remedial action either immediately or within three (3) months from date of issue of final report to management.
Medium Significance	Matters and / or findings considered to be of importance to maintenance of internal control, compliance, good corporate governance or good practice for processes. Findings raised may also relate to matters warranting consideration for improving the efficiency of existing processes subject to availability of specified resources or technology.
Low Significance	Matters and/or findings considered to be of minor importance to the maintenance of internal control, compliance, good corporate governance, or good practice for processes. Findings raised may also relate to matters warranting consideration for improving the efficiency of existing processes subject to availability of specified resources or technology.

(iv) Recommendations and Action Plans

STANDARD 14.4 RECOMMENDATIONS AND ACTION PLANS

302. IA staff must promptly and proactively discuss findings and potential recommendations with the management of the reviewed activity. These discussions should include relevant staff and senior management, including the Sector Lead.

303. IA staff will also engage with the management of the activity under review to assess the feasibility and practicality of corrective actions or potential recommendations. This evaluation will include a cost-benefit analysis to determine if the proposed corrective action will be formalized as a recommendation³⁶ or highlighted as an opportunity for improvement³⁷ (Good Practice to Adopt” or “Corrective Action Required) in the final engagement report. These discussions and correspondence regarding initial findings and potential recommendations will be documented in the work papers uploaded to the engagement folder on SharePoint.

304. As one of IOD's performance indicators is the "percentage of internal stakeholders perceiving IOD recommendations as SMART³⁸," IA staff will strive to meet this indicator in every engagement. To enhance the acceptability of recommendations, they should be constructive, aimed at performance improvement, address root causes, be action-oriented, cost-effective, and directed to the management responsible for implementation.

305. If IA staff and the management of the activity under review disagree about the engagement recommendations, the Director, IOD, will work with the senior management, including the Sector Lead, to facilitate a resolution.

306. As detailed in the [IOD Procedure on the Management of Recommendations](#), in the event of non-acceptance of a recommendation from IOD or the IAOC, Sector Leads and managers must submit to the Director General for approval, a satisfactory explanation supported by factual evidence and related risk exposure. In accordance with the IOC, the [Annual Report by the Director, IOD](#), will include “a description of all recommendations which were not accepted by the Director General, together with explanations for not doing so.”

307. The agreed recommendations, findings, evaluation criteria, root causes (when possible), and related risks, will be included in the Engagement report’s main body and Management Action Plan as an annex in the report. They will be recorded, released to designated staff, and managed in the TeamMate +™ Issue Tracking module.

(v) Engagement Conclusions

STANDARD 14.5 ENGAGEMENT CONCLUSIONS

308. IOD has developed a rating scale to indicate whether reasonable assurance exists regarding the effectiveness of controls. The overall engagement conclusion will state whether, in the Director of IOD’s opinion, the governance, risk management, and control practices are adequately designed and operate effectively. The ratings include Satisfactory, Satisfactory with some improvements needed, Partially satisfactory, Major improvement needed, and Unsatisfactory, as detailed in the table below.

³⁶ Recommendations are based on the internal auditor’s observations and conclusions. They call for action to correct existing conditions or improve operations. Recommendations may suggest general or specific approaches to correcting or enhancing performance as a guide for management in achieving desired results.

³⁷ Opportunities for improvement are distinct from recommendations. They suggest enhancements in governance, risk management, or internal control, addressing deficiencies unlikely to impede control or business objectives.

³⁸ SMART: Specific, Measurable, Achievable, Relevant, and Time-Bound

Table 4: Overall Engagement Conclusion ratings

Engagement Conclusion	Definition
Satisfactory	<ul style="list-style-type: none"> The assessed governance arrangements, risk management, and controls were adequately established and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area.
Satisfactory, Some improvement needed	<ul style="list-style-type: none"> The assessed governance arrangements, risk management practices, and controls were generally established and functioning but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area.
Partially satisfactory, Major improvement needed	<ul style="list-style-type: none"> The assessed governance arrangements, risk management practices, and controls were established and functioning but need major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area.
Unsatisfactory	<ul style="list-style-type: none"> The assessed governance arrangements, risk management practices and controls were not adequately established and not functioning well. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area.
N/A	<ul style="list-style-type: none"> Not Applicable.

309. IA staff assigned to the engagement must develop a preliminary conclusion summarizing the engagement results relative to the engagement and management objectives. The preliminary engagement conclusion must summarize the IA staff's professional judgment about the overall significance of the aggregated engagement findings.

310. The conclusion may add context regarding the impact of one of the findings within the activity under review and the Organization. For example, some findings may have a significant effect on achieving the Expected results of the audited entity/area or managing risks at an entity level but not at an organizational level.

311. The Director, IOD, ultimately forms the overall conclusion on the engagement, with the internal audit team providing the requisite supporting information. After discussing this with the Head, IAS, and the Director, IOD, IA staff assigned to the engagement will incorporate the engagement conclusion into the final transmittal memorandum and the executive summary of the final engagement report.

312. The assigned IA staff will ensure that the engagement conclusion work paper documents the basis for the overall engagement conclusion, including the discussions within the IA team and the management of the activity under review. The work paper will be prepared and uploaded in SharePoint and be referenced to related work papers.

(vi) Engagement Documentation

STANDARD 14.6 ENGAGEMENT DOCUMENTATION

313. IA staff must document information and evidence to support the engagement results. The analyses, evaluations, and supporting information for an engagement must be documented so that an informed, prudent internal auditor, or similarly informed and competent person, could repeat the work and derive the same engagement results.

314. The assigned engagement staff and supervisor must review the engagement documentation for accuracy, relevance, and completeness. Regardless of the format, the working papers should include some basic information:

- (a) Name of the Entity (WIPO);
- (b) The engagement reference;
- (c) The date (audit working paper prepared);
- (d) Title (subject matter);
- (e) Clear cross-reference to linked documents or working papers;
- (f) The initials of the working paper preparer (or electronic equivalent);
- (g) The initials of the working paper reviewer and the date on which the review was undertaken (or electronic equivalent).

315. The Head, IAS, must sign off on the [Engagement Completion and Quality Checklist](#).

316. The internal quality assessments will also inform the IAS conformance with the workpapers and supervision policies.

317. The engagement documentation must be retained and safeguarded in line with [IOD Documents Retention Procedure](#) and [WIPO Records and Archives Management Policy](#)³⁹ (Office Instruction No. 08/2022).

(F) PRINCIPLE 15: COMMUNICATE ENGAGEMENT RESULTS AND MONITOR ACTION PLANS

Internal auditors communicate the engagement results to the appropriate parties and monitor management's progress toward the implementation of recommendations or action plans. Further, the internal auditors are responsible for issuing a final communication after completing the engagement. Internal auditors continue to communicate with the management of the activity under review to confirm that action plans are implemented.

(i) Closing Meeting/Exit Conference

318. Upon completing the engagement fieldwork, the assigned internal auditor will, in coordination with the Front Office of the Director, IOD, organize a closing meeting/exit conference to communicate the engagement results to the management of the activity under review. This meeting allows the IA team and management of the activity under review, including relevant staff, to discuss and finalize engagement results before issuing a final communication. It also provides an opportunity to discuss and resolve any differences or disagreements, aiming to address issues requiring clarification and prevent misperceptions or inaccurate conclusions in the draft report.

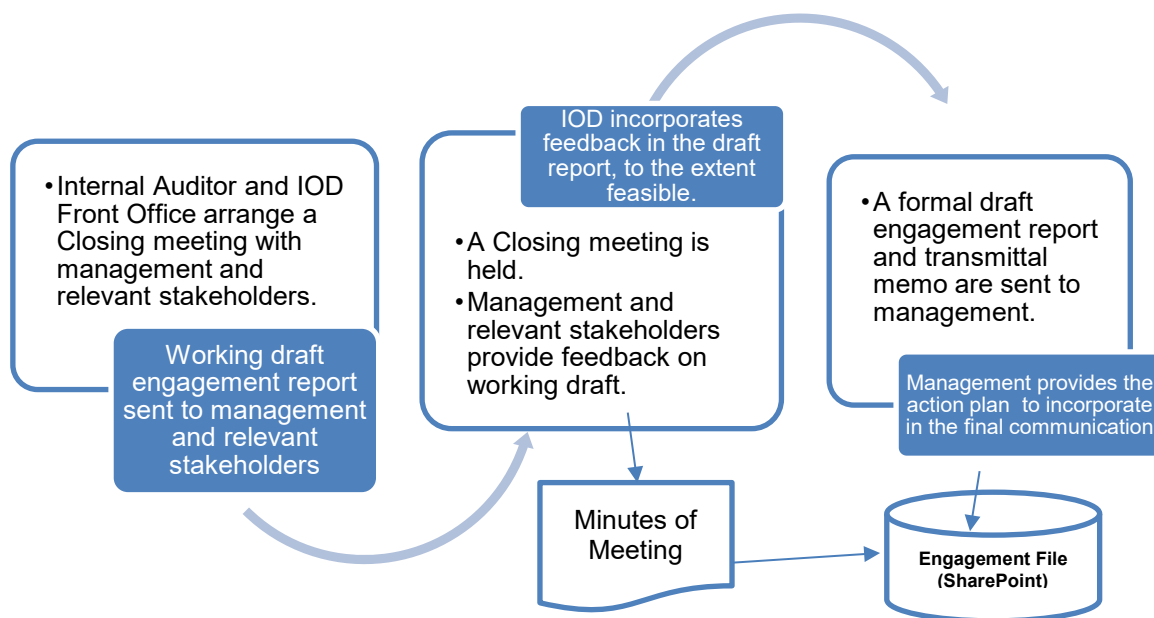
319. To facilitate the discussion at the closing meeting and as a matter of courtesy, the audit team will provide the management of the activity with a briefing on the engagement's findings and conclusion. This can be in the form of a working draft report shared in advance and/or a presentation to guide the meeting discussion.

320. The assigned internal auditor will document discussed points and comments during the closing meeting/exit conference and prepare clear and concise minutes summarizing key

³⁹ https://intranet.wipo.int/oiic_doc/en/2022/oi_08_2022.pdf

discussion points. The meeting minutes will be included as part of the engagement work papers and stored in a designated folder within SharePoint.

Figure 5: The flow of the Draft Engagement Report



321. The draft engagement report will be shared with the Sector Lead and management of the activity under review, and relevant stakeholders for their careful consideration, comments, and feedback. This allows management to respond and address the issues raised within the specified time mentioned in the report.

322. The management of the activity under review has 10 days to provide feedback, including management action plans. IOD will consider management's comments and suggestions as they finalize the report.

(ii) Final Engagement Communication

STANDARD 15.1 FINAL ENGAGEMENT COMMUNICATION

323. Engagement Results - Observations and Recommendations; The internal auditor will prepare the final engagement report for review by the Head, IAS, and review and approval by the Director, IOD. The report will follow the [Engagement Report Template](#) and have the following structure.

- (a) Title;
- (b) List of Acronyms;
- (c) Executive summary – including the overall Engagement conclusion;
- (d) Engagement Background (a brief synopsis of the activity under review);
- (e) Engagement Objectives;
- (f) Engagement Scope and Methodology;

- (g) Engagement Results - Observations and Recommendations;
- (h) [Table of Findings](#);
- (i) Annexes.

324. The [Engagement Report Template](#) provides details of what will be included in each section of the report. IOD will periodically update the template for continuous improvement and incorporate results from internal and external quality assessments, updates to Global Internal Audit Standards, and feedback from stakeholders like the IAOC and senior management.

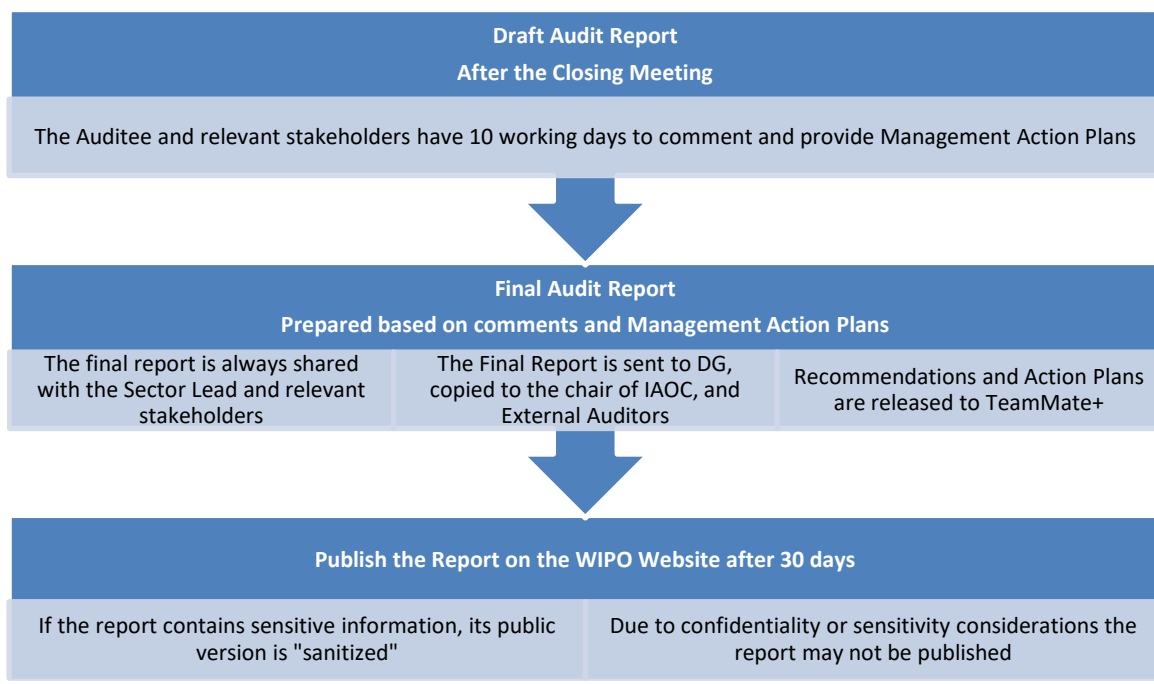
(iii) Dissemination of the draft and final engagement report

325. The Director, IOD, will issue the final report after each assurance or advisory engagement. The report will cover the objectives, scope, methods, findings, conclusions, and remedial actions or recommendations for the specific activity. The report may also include suggestions for improvements, good practices to adopt, and/or lessons learned, if applicable.

326. When the internal auditors become aware that management has initiated or completed actions to address a finding before the final communication, the actions must be acknowledged in the final communication.

327. The final communication (engagement report) must be accurate, objective, clear, concise, constructive, complete, and timely, as described by Standard 11.2 Effective Communication.

Figure 6: The Flow of the Draft Engagement Report and Dissemination of the Final Engagement Report



328. The figure above illustrates the dissemination process of engagement reports, from the draft to the final report, including the release of recommendations and action plans to the audit management system.

(iv) Dissemination And Publication Of Final Engagement Report

329. As per the IOC provisions and detailed in the [IOD Report Publication Policy](#), the Director, IOD, shall submit the final internal audit reports to the Director General with a copy to the IAOC and the External Auditor. Upon request, the External Auditor shall be provided with any supporting documentation for internal audit reports. The Director, IOD, shall publish internal audit reports on the WIPO website within one month of their issuance in line with the [IOD Report Publication Policy](#). If required to protect security, safety, or privacy, the Director, IOD, may, at her/his discretion, withhold a report in its entirety or redact parts of it. However, Member States may request access to reports withheld or to the original version of the redacted reports; such access shall be granted under the condition of confidentiality at the offices of IOD.

(v) Implementation of Recommendations and Action Plans

STANDARD 15.2 CONFIRMING THE IMPLEMENTATION OF RECOMMENDATIONS OR ACTION PLANS

330. The IOC, IOD Internal Audit Policies and Procedures, and [Global Internal Audit Standards](#) outline the roles and responsibilities of the Director, IOD and IA staff and other relevant stakeholders on the follow-up of issued recommendations and action plans.

331. IAS regularly tracks and follows up on outstanding recommendations. As per the IOC, IAS also monitors the implementation status of recommendations from the External Auditor and the JIU.

332. IAS tracks open recommendations using the TeamMate + Issue Tracking module. This tool helps IOD staff manage ongoing follow-up for reported issues and recommendations made to business areas after completing an engagement. Additionally, the system sends automated emails to keep responsible staff informed about the status of their action plan.

333. The [IOD Procedure on the Management of Recommendations](#) operationalizes the relevant sections of the IOC and related Policies on the management of oversight recommendations from relevant sources.

334. TeamMate + Online Help – Issue Tracking Area details how to manage the ongoing follow-up of the issues reported and recommendations made to the management of the activity under review.

7. REVIEW OF THE MANUAL

335. The Manual will be reviewed and revised as necessary.

336. The Manual will enter into force on the date of its publication. It supersedes the previous version.

ANNEXES

Annex I.	Global Internal Audit Standards
Annex II.	Relevant IOD Policies, Procedures, and Guidelines
Annex III.	IOD Internal Audit Section Templates
Annex IV.	IOD Internal Audit Workflow; Related Guidance and Documents

[Annexes follow]

ANNEX I: THE GLOBAL INTERNAL AUDIT STANDARDS

The Internal Oversight Charter indicates that the internal audit function in WIPO will conform to the Standards promulgated by the IIA. Below is a summary of the IIA Mandatory and Supplemental guidance.

Mandatory	<p>Global Internal Audit Standards guide the worldwide professional practice of internal auditing and serve as a basis for evaluating and elevating the quality of the internal audit function. At the heart of the Standards are 15 guiding principles that enable effective internal auditing. Each principle is supported by standards that contain requirements, considerations for implementation, and examples of evidence of conformance. Together, these elements help internal auditors achieve the principles and fulfill the Purpose of Internal Auditing.</p> <hr/> <p>Topical Requirements are designed to enhance the consistency and quality of internal audit services related to specific audit subjects and to support internal auditors performing engagements in those risk areas. Internal auditors must conform with the relevant requirements when the scope of an engagement includes one of the identified topics.</p> <p>Topical Requirements strengthen the ongoing relevance of internal auditing in addressing the evolving risk landscape across industries and sectors.</p>
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Supplemental	<p>Global Guidance supports the Standards by providing nonmandatory information, advice, and best practices for performing internal audit services. It is endorsed by The IIA through formal review and approval processes.</p> <p>Global Practice Guides provide detailed approaches, step-by-step processes, and examples on subjects including:</p> <ul style="list-style-type: none"> • Assurance and advisory services. • Engagement planning, performance, and communication. • Financial services. • Fraud and other pervasive risks. • Strategy and management of the internal audit function. • Public sector. • Sustainability. <p>Global Technology Audit Guides (GTAG®) provide auditors with the knowledge to perform assurance or consulting services related to an organization’s information technology and information security risks and controls.</p>
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[Annex II follows]

**ANNEX II: RELEVANT IOD POLICIES, PROCEDURES, AND GUIDELINES
(ALPHABETICAL ORDER)**

#	Name of the document
1	Internal Oversight Strategy
2	IOD Annual Planning Development Cycle
3	IOD Building Blocks of Assurance
4	IOD Code of Ethics and Professionalism form
5	IOD Documents Retention Procedure
6	IOD Internal Audit Policy
7	IOD Procedure on the Management of Recommendations
8	IOD Quality Assurance and Improvement Program
9	IOD Report Publication Policy
10	IOD Standard Operating Procedures for Conducting Joint Engagements
11	IOD Training Program

[Annex III follows]

ANNEX III: IOD INTERNAL AUDIT SECTION TEMPLATES (ALPHABETICAL ORDER)

#	Name of the document
1	Client Satisfaction Survey (Outcome and impact of implemented recommendations)
2	Client Satisfaction Survey (Post-engagement)
3	Draft Report Transmittal Memo
3	Engagement Completion and Quality Checklist
4	Engagement Notification Memorandum
5	Engagement Plan
6	Engagement Report Template
7	Engagement Risk Assessment and Work Program
8	Final Report Transmittal Memo
9	IOD Required Communication Checklist with the IAOC
10	IOD Training Plan
11	Quality Self-Assessment Checklist
12	Reporting Checklist
13	Root Cause Analysis
14	Table of Findings
15	Vertical and Horizontal Assessment
16	Weekly Time Tracker
17	Working Paper Template

[Annex IV follows]

ANNEX IV: IOD INTERNAL AUDIT ENGAGEMENT WORKFLOW AND RELATED DOCUMENTS

#	Stage	Relevant Templates
1. PLANNING		
1.1	Engagement Notification	Engagement Notification Memorandum
1.2	Engagement Plan	Engagement Plan
1.3	Engagement Risk Assessment and Work Program	Engagement Risk Assessment and Work Program
1.4	Opening Meeting	Presentation Templates Style Guide
1.5	Update of planning documentation (if needed)	Engagement Plan Engagement Risk Assessment and Work Program
2. EXECUTION (FIELDWORK)		
2.1	Kick-off meeting	Presentation Templates Style Guide
2.2	Data Collection	Working Paper Template
2.3	Testing and Analysis	Working Paper Template
2.4	Update of the Risk Assessment	Engagement Risk Assessment and Work Program
2.6	Document Findings	Root Cause Analysis
2.7	Document Engagement Conclusion	Root Cause Analysis
3. COMMUNICATING RESULTS (REPORTING)		
3.1	Validate draft Findings and Recommendations	Table of Findings
3.2	Prepare the draft Engagement Report and share it for review and feedback	Draft Report Transmittal Memo Engagement Report Template
3.3	Closing Meeting	Presentation Templates Style Guide
3.4	Obtain management action plans	Table of Findings
3.5	Distribute the Final Engagement Report	Reporting Checklist Final Report Transmittal Memo Engagement Report Template
3.6	Register recommendations and management action plans for tracking in TeamMate	-
3.7	Propose the update of ERM register (if relevant)	Engagement Report Template

4. CLOSURE		
4.1	Compile the Engagement File	Engagement Completion and Quality Checklist
4.2	Clean and eliminate unused information	Engagement Completion and Quality Checklist
4.3	Vertical and Horizontal Assessment	Vertical and Horizontal Assessment
5. FOLLOW-UP		
5.1	Analyze lessons learned	-
5.2	Client Satisfaction Survey (Post-engagement)	Client Satisfaction Survey (Post-engagement)
5.3	Regular follow-up of recommendations and management action plans	-
5.4	Client Satisfaction Survey (outcome and impact of implemented recommendations)	Client Satisfaction Survey (Outcome and impact of implemented recommendations)
5.5	Quality Self-Assessment exercise (2x in 5 years)	Quality Self-Assessment Checklist

[End of annexes and of document]