

WIPO Coordination Committee

Seventy-First (46th Ordinary) Session
Geneva, October 5 to 14, 2015

REPORT

adopted by the Coordination Committee

1. The Coordination Committee was concerned with the following items of the Consolidated Agenda (document A/55/1): 1, 2, 3, 4, 5, 6, 9, 10, 11, 23, 28, 29, 30, 31 and 32.
2. The reports on the said items, with the exception of items 9, 23, 28, 29 and 30 are contained in the General Report (document A/55/13).
3. The reports on items 9, 23, 28, 29 and 30 are contained in the present document.
4. Ambassador François Xavier Ngarambé (Rwanda) was elected Chair of the Coordination Committee; Mr. Wojciech Piatkowski (Poland) was elected Vice-Chair.

ITEM 9 OF THE CONSOLIDATED AGENDA

APPROVAL OF AGREEMENTS

5. Discussions were based on document WO/CC/71/1.
6. Introducing the agenda item, the Legal Counsel drew the attention of the Member States to the working document, and informed them that there were two agreements proposed to be approved by the Coordination Committee. The first agreement was one between WIPO and the Regional Centre for Book Development in Latin America and the Caribbean (CERLALC), and the second agreement was between WIPO and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP).
7. The Legal Counsel recalled that the decision paragraph 4 of the said document invited the Coordination Committee, if it so wished, to approve those two agreements.
 8. The WIPO Coordination Committee approved the Memorandum of Understanding (MoU) between WIPO and CERLALC and the MoU between WIPO and ESCAP as set forth in Annexes I and II of document WO/CC/71/1.

ITEM 23 OF THE CONSOLIDATED AGENDA

ADVICE OF THE COORDINATION COMMITTEE TO THE LISBON UNION ASSEMBLY REGARDING THE PROPOSAL TO ESTABLISH A WORKING CAPITAL FUND FOR THE LISBON UNION

9. Discussions were based on document WO/CC/71/6.
10. The Delegation of the United States of America said that it welcomed the proposal of the Director General to establish a working capital fund for the Lisbon Union, as it would help Lisbon members implement treaty obligations that had existed since 1958 and that had been assumed by Lisbon Union members upon their accession to the Lisbon Agreement. Upon stressing that the continued deficit of the Lisbon Union was inconsistent with WIPO Financial Rules and Regulations, the Delegation expressed its satisfaction with the proposed measures to help the Lisbon Union begin to act in a manner consistent with the other unions of the Organization. The Delegation was of the view that it would be important to see a concrete financial commitment to the Lisbon System on the part of Lisbon members at the present meeting of the WIPO Assemblies. In that regard, the Delegation recalled that it had proposed a flexible solution during the informal consultation process that would reaffirm that commitment, while leaving it to the Lisbon membership itself to decide how to meet their obligations. The Delegation said that an important point to remember was that WIPO had decision-making at many different levels. For instance, the PCT, Madrid, Hague and Lisbon Unions had reserved the right to decide whether and how much to increase their respective fees. The Organization did not have a unitary assembly that would have taken away that decision-making from those unions. In other words, if the Lisbon Union would ultimately decide not to raise the Lisbon fees sufficiently to cover their costs, that would be their prerogative. Yet, Article 11(3)(5) of the Lisbon Agreement provided that in such an instance contributions from the Lisbon membership would be required. Such contributions would be different from those mentioned for the working capital fund under Article 11(7) of the Lisbon Agreement. In that connection, the Delegation said that it was pleased by the Director General's proposal for the establishment of a working capital fund, because such working capital fund was another treaty commitment that Lisbon members had made to the Organization. The Delegation went on to say that the WIPO Convention provided for the advice of the Coordination Committee on all administrative, financial and other matters of common interest to two or more of the unions. In this regard, it was important to note that the Coordination Committee not only included members of the Paris Union Executive Committee

and the Berne Union Executive Committee, but also members of other WIPO Unions, so as to ensure coherence within the Organization and among the WIPO administered treaties, and also to ensure that no decision would be taken against the will of the members of any of the unions in matters of concern to them. As the Delegation had repeatedly stated, the expansion of the 1958 Lisbon Agreement on Appellations of Origin to include the much broader subject matter of geographical indications affected other WIPO unions, including the Paris Union and the Madrid Union. In particular, since the Geneva Act had been adopted without the advice of the Coordination Committee, the Delegation of the United States of America was strenuously urging that the matter be reexamined. Finally, the Delegation said that it would support the establishment of a working capital fund to provide a modicum of liquidity to the existing Lisbon System.

11. The Delegation of the Czech Republic acknowledged that the information contained in the document under consideration was very useful and constituted a good basis for further consideration by the Lisbon membership. The Delegation recalled that the Lisbon members had declared their readiness and willingness to find possible solutions to ensure the financial sustainability of the Lisbon Union, including the option presented in the document under consideration. In that regard, the Delegation further pointed out that the Lisbon members had already agreed to an increase of the Lisbon fees as well as to the establishment of a Working Group for the Preparation of Common Regulations under the Lisbon Agreement and the Geneva Act of the Lisbon Agreement. Upon reiterating the commitment of the Lisbon Union members to try to find a solution to address the financial sustainability of the Lisbon System, as attested to by those first and positive steps, the Delegation said that the Lisbon membership would need more time to consider other long and short term measures, as they would have to consult their respective national financial authorities in that regard. Further concrete steps would follow thereafter.

12. The Delegation of France said that France as a member of the Lisbon Union was making every effort to ensure the financial sustainability of the Lisbon System, as was shown in particular by the historical decision taken by the Lisbon Union members to double all registration fees. The Delegation further indicated that the Lisbon members had a short-term problem to settle and that they were still looking at ways and means to remedy that particular problem. In that regard, the Delegation pointed out that the establishment of a working capital fund was one of the options on the table. In any event, there was a political determination for finding the best solution to ensure the long-term financial sustainability of the Lisbon Union. However, the Delegation would not be in a position to adopt the proposal contained in the document under consideration at this point in time. The Delegation added, however, that it counted on the assistance from the Secretariat to bring together a Working Group, next year, in preparation of the implementation of the Geneva Act. This Working Group could also address the modalities under Article 24 for ensuring the funding of the Lisbon System. The Delegation expressed its discomfort about the fact that the Coordination Committee was only addressing the financial deficit of the Lisbon Union and not the deficit of the Hague Union, which was even greater. It did not understand the reason behind such apparent discrimination, nor the reason why the Lisbon Union appeared to be singled out in that regard. Therefore, in order to have a good debate, the Delegation suggested that two separate documents be prepared for the next session, one addressing the establishment of a working capital fund for the Lisbon Union, and the other one concerning the financial deficit of the Hague Union. By way of conclusion, the Delegation indicated that France would assume its financial obligations in respect of the Lisbon Union, as it had already indicated at the end of the Diplomatic Conference in May. The Delegation further indicated that a financial solution in the short and long term would also facilitate new signatures of the Geneva Act of the Lisbon Agreement.

13. The Delegation of Australia said that the information contained in the document under consideration was helpful and thanked the Secretariat for the proposal on the establishment, proportion and terms of a working capital fund. The Delegation indicated that it was pleased to

hear that many Lisbon Union members had confirmed their intention to deal with the issue of bringing the Lisbon Union into a long-term financial sustainability. The Delegation considered that the establishment of a working capital fund would be an important element in a suite of efforts to address the deficit and the issue of financing the Lisbon Union.

14. The Delegation of Nigeria, speaking on behalf of the African Group, urged a constructive solution concerning the establishment of a working capital fund, so as to ensure that the principles of transparency, accountability, and inclusiveness remained core principles guiding every activity of WIPO as an organization. The Delegation indicated that the African Group remained ready to engage with WIPO Members to find a solution to this issue. The Delegation said that the African Group was extremely concerned about the outcome of the overall negotiations in respect of the Program and Budget.

15. The Delegation of Algeria recalled that many efforts had been made to find a constructive and acceptable solution for all countries. The Delegation was of the view that the arguments advanced by the African Group and by the Delegation of France should be considered carefully. The Delegation expressed its support for the proposal of having more time to address the issue, as this would allow delegations to look beyond the proposals already on the table and find a solution acceptable to all.

16. The Delegation of Switzerland believed that the establishment of working capital funds was a good budgetary practice. The Delegation said that, at the same time, WIPO Members were interested in a number of other very important issues and they were making efforts altogether to adopt the budget for the next biennium. The Delegation suggested keeping this issue pending, so as to allow the constructive discussions already under way to continue.

17. The Delegation of India said that it would like to see a constructive atmosphere building on resolving the issues relating to Lisbon. Solutions in the spirit of accommodation should be found, both within the Coordination Committee as well as in the General Assembly, to avoid that this issue would preclude other important decisions to be adopted by the Assemblies.

18. The Delegation of Panama endorsed the concerns expressed by the Delegations of the United States of America and Australia. These concerns arose because of certain differences that existed between the Lisbon Union and other unions and because of the way in which the Geneva Act had been established. The Delegation said that it hoped that a satisfactory solution for all delegations could be found, as these issues also had implications for other agenda items.

19. The Delegation of Indonesia indicated that it remained committed to the negotiation in the WIPO General Assembly and in the Coordination Committee to find solutions to the many pending issues. The Delegation urged WIPO Members to find solutions regarding the proposal for the establishment of a working capital fund. The Delegation concluded by saying that it hoped that the WIPO General Assembly could adopt a budget for the 2016/17 biennium.

20. The Delegation of the Republic of Korea considered the proposal from the Secretariat for the financial sustainability of the Lisbon Union very helpful. The Delegation recalled that it had always emphasized that each union's financial sustainability was important to the Organization. The Delegation expressed its disappointment that this useful proposal was not approved.

21. The Delegation of China observed that after more than a week of discussions the progress related to the Lisbon issues remained slow. However, all parties had showed good faith to solve the financial problems of the Lisbon Union. The main problem was a purely technical one. Consequently, the Delegation suggested holding technical meetings to solve this issue at the next General Assembly. The Delegation further expressed the view that members should show more political will to solve the problem, so as to ensure the normal functioning of

the Organization. Lastly, the Delegation hoped that this problem would not hinder the General Assembly in adopting the Program and Budget for the 2016/17 biennium.

22. The Delegation of Iran (Islamic Republic of) stressed that it was aware of its responsibility as a member of the Lisbon Union to ensure the efficiency of the Lisbon System, and had agreed to the proposed increase of the registration fees. In addition, the proposal for the establishment of a working capital fund for the Lisbon Union was, among other options, under consideration by Lisbon Union members, including Iran (Islamic Republic of). As Lisbon members needed time for consultations within their government before a decision could be taken, the Delegation supported the statements made by the Delegations of the Czech Republic and France.

23. The WIPO Coordination Committee took note of the statements made and asked its Chair to make available the outcome of the discussion to the Chair of the Lisbon Union Assembly.

ITEM 28 OF THE CONSOLIDATED AGENDA

REPORTS ON STAFF MATTERS

24. Discussions were based on documents WO/CC/71/2, WO/CC/71/2 Add & Corr. and WO/CC/71/3 Rev.

(i) Report on Human Resources

25. The Chair moved to Agenda Item 28, the Annual Report on Human Resources and asked the Secretariat to introduce the document.

26. The Secretariat thanked the Chair for the opportunity to introduce the Annual Report on Human Resources, and began by paying tribute to the work of WIPO staff, men and women from 116 countries, through whose dedication, good work and the creativity of individuals and teams, WIPO was able to excel and demonstrate strong performance and deliver high quality services year on year. The Secretariat mentioned that during the reporting period, the Organization has been able to balance stability and internal renewal. The work force of WIPO has remained stable, yet a number of key areas, for example IT security, business continuity, and language capacity have been strengthened in line with WIPO's business needs. This was achieved through careful workforce realignment, gradual phasing out of jobs which supported out dated processes and technology and creating new jobs in areas which add more value to the Organization's global clients. Internal renewal was also a driver for staff skills development. More than 3,000 participants received training covering technical, language, managerial and other subjects, while some 25 staff members were currently receiving support from the Organization to pursue higher studies. As regards career development, more than 22 staff members were promoted internally, the vast majority following competitive selection processes and staff also used opportunities for lateral internal mobility to further develop and broaden competencies. The Organization's aim was to remain an attractive employer for a diverse global work force. The Organization continued to have low staff turnover, with its absenteeism rates continuing to decline for the second year now. Geographic diversity was a key area of focus and the Secretariat had made progress in its aim to recruit candidates on as wide a geographical basis as possible without compromising what remained the paramount consideration in the recruitment of staff, that is, the need to secure the highest standards of efficiency, competence and integrity in line with the WIPO Convention and the Staff Regulations and Rules. It added that a number of outreach initiatives, with the aim to improve the number of job applicants from some countries and regions, were showing desired results with applications from these countries steadily increasing. The number of appointments from countries or regions which had low representation in the current staff population was increasing. There was progress towards a more balanced geographical distribution while also ensuring geographical

diversity when recruiting staff members on temporary appointments. The Secretariat also mentioned that an Information paper on geographical diversity was shared with Member States and a briefing session was held and that this provided an opportunity for Member States to discuss geographical diversity in WIPO, as well as for the Secretariat to share information on WIPO's 1975 Accord and on geographical diversity systems of other UN organizations. It added that some of these other UN organizations did not have any formal system in place, but merely took into account geographical balance in recruitment. As regards the Organization under the 1975 Accord, 411 posts would be subject to geographical distribution representing 39 per cent of staff posts. The Secretariat stated that it remained available to engage constructively with Member States on this matter. With regard to gender balance, progress had been made, but the Organization still had some way to go to achieve gender balance at senior levels by 2020. The focus was on increasing the number of qualified job applicants and also on developing the competitiveness of the staff for upcoming vacancies at levels where there was an imbalance. In addition, the Secretariat was increasing its engagement in international networks which would result in increasing gender mainstreaming and better gender representation from applicants for vacancies. The Secretariat continued to be vigilant as regards staff costs and had managed to achieve more with the same overall size of the work force, noting that the proportion of staff costs would even decrease somewhat in the proposed 2016-2017 budget. Very good progress had been achieved with respect to incorporating best practices; in 2013 there were 78 audit recommendations relating to human resources while only 10 remained 'pending' as of June 2015. For the year ahead, the focus of the Secretariat was to further improve its efficiency and effectiveness through the use of IT platforms for HR services. This included a review of its time management system concerning which a working group with staff participation would develop proposals for implementation in 2016. At the same time, maintaining and motivating work life balance would need to underpin any new measures. The Secretariat also intended to continue with careful workforce management and realignment to ensure language capacity reflecting the business needs and technical capacity to optimize work processes. Another area of focus would be on giving staff and managers tools to work in a harmonious and respectful workplace. The Secretariat mentioned that there are a number of items in the Report which were brought to the attention of the WIPO Coordination Committee, namely, termination of appointments which was for noting by the Coordination Committee, and the acceptance by the Director General of two honors awarded to him which was for the approval of the Coordination Committee. The two awards were the Order of the Polar Star, which was conferred on the Director General on the occasion of his visit to Mongolia on July 22, 2015, and the title of "*Chevalier dans l'Ordre des Palmes académiques*" awarded by decree of the Prime Minister of France, dated July 10, 2015, of which the Director General was informed on September 9, 2015. It also stated that the WIPO Coordination Committee was invited to note the report of the International Civil Service Commission (ICSC) and the report of the United Nations Joint Staff Pension Board (UNJSPF), both of which were presented to the 69th session of the UN General Assembly in 2014.

27. The Delegation of Brazil, speaking on behalf of the Group of Latin American and Caribbean Countries (GRULAC), thanked the Secretariat for presenting the Annual Report on Human Resources, specifically on the geographical representation of the Organization's personnel, and reiterated the Group's request for balanced participation of all regions. In this connection, it expressed the Group's commitment to discuss this issue in the Coordination Committee in order to start a discussion that can achieve a broad representation and which would lead to a broad representation of the membership of the Organization.

28. The Delegation of Nigeria, speaking on behalf of the African Group, thanked the Secretariat for presenting the Annual Report on Human Resources, and mentioned that, as had been long underlined by the Group, there was a strongly skewed balance in the geographical distribution of the Organization's work force. The Delegation noted that equitable geographical representation was a core system-wide principle of the UN, including its specialized agencies. It considered that it was an anomaly that the Organization was unable to align itself with this

principle despite many years of concerns raised by the African Group and other affected regions of the Organization. It mentioned that the Group had previously raised concerns regarding the need for a review of the operational mechanisms for recruitment in WIPO. It was in this regard that the Group strongly supported the review of the 1975 Accord on recruitment. No further elaboration was required to demonstrate that this policy was no longer compatible with reality and should no longer be acceptable as a basis for WIPO recruitment. It added that it was important that a new policy be established which should also ensure a framework for the equitable representation of staff throughout the different tiers of the Organization's departments and employment. It also took the opportunity to commend the Director General and the Organization for the development of a gender policy in the Organization.

29. The Delegation of Romania, speaking on behalf of the CEBS Group, congratulated the Chair and the Vice-Chairs on their election and thanked the Secretariat for the extensive documentation provided on the topic of human resources which represented in its view and as acknowledged by the Secretariat, one of the major institutional challenges faced by the Organization. It appreciated the measures aimed at securing both a stable and flexible work force and was also pleased to see that the reform process concerning the legal and policy framework in WIPO was completed. It encouraged the Secretariat to pursue its plan of adopting further measures with a view to improving the overall management of the Organization's personnel. As for the recruitment of new staff, it mentioned that the Group supported the application of criteria related to efficiency, competence and integrity. At the same time, in light of the principle of equitable geographical representation, it welcomed efforts made by the Secretariat to improve geographical distribution by organizing outreach campaigns and other type of activities. It also indicated that, as statistics showed very clearly, CEBS remained one of the most under-represented groups in the Organization, and that it would appreciate it if the Secretariat paid due attention to this aspect in its outreach activities and selection processes. With regard to a possible review of the current rules on geographical distribution in WIPO, the Delegation believed that such a matter required in-depth analysis from its side and that it was aware that there were no easy or fast solutions to remedy the current imbalances. It welcomed the intention of the Secretariat to produce a separate report on WIPO's non staff personnel as an advanced commitment to adopt and respond to recommendations made by the Joint Inspection Unit (JIU).

30. The Delegation of China thanked the Secretariat for this very important report which enabled Member States to better understand the Organization's initiatives and plans and mentioned that it appreciated the positive results achieved by the Organization in realizing efficient and balanced Human Resources management and development. The Delegation also noted that as outreach continued, it requested that the Organization follow up these activities together with the state platforms as was the case in April this year, together with several countries and some country offices, to initiate joint activities for recruitment. It believed that in the countries which had needs, staging briefings was conducive to the transparency of the recruitment process and the Delegation indicated its willingness to cooperate with the Organization in this aspect.

31. The Delegation of India, speaking on behalf of the Asia and Pacific Group, congratulated the Chair on his election and noted that there had been some progress regarding geographical representation among WIPO staff as well as efficiency in the work force. However, it considered that as global IP service users were rapidly increasing in the Asia and Pacific region, representation from the countries of this region should be increased progressively. It concluded by adding that it was happy to note that the Secretariat had accepted eight recommendations of the External Auditor relating to the compliance audit of the Human Resources Management Department (HRMD) earlier this year.

32. The Delegation of the United States of America thanked the Director General for the detailed and informative report and welcomed the progress that had been made on the new internal justice system, organizational planning, performance management and recruitment. It commended the Secretariat for its revised and robust performance appraisal system which included methods to address underperformance, enhance communication between supervisors and their staff and link individual performance to organizational performance and objectives. It looked forward to engaging further with the Secretariat to learn more about how issues of underperformance were addressed and resolved, as well as to learn more about how the new WIPO appeals board had contributed to reforming and strengthening dispute resolution mechanisms.

33. The Delegation of Iran (Islamic Republic of) thanked the Secretariat for its report on the current situation of human resources in the Organization and stated that it was important to have equal geographical representation at all professional and managerial levels in the Organization. The annual report on human resources had clearly indicated that the Organization's staff came from 118 countries, but that one Member State was represented with more than 32 per cent of staff and five countries with about 55 per cent. It added that, according to the latest report on geographical distribution in the Organization, it was among the unrepresented countries. The unequal geographical representation had also been recognized in Recommendation 6 of the JIU Report which recommended that the Coordination Committee revisit the present principles concerning geographical distribution in order to ensure broader diversity within the professional workforce of the Organization. The Delegation reiterated its concern about the enduring imbalance in the overall representation of developing countries in the Secretariat's staff and called upon the Secretariat to give due attention to this criteria in the recruitment process of new staff members. It hoped that the current *status quo* would change and that a substantial improvement in the overall geographical representation as well as the representation of different states in any region would occur in the future in order to rectify those shortcomings. In this connection, the Delegation requested the Secretariat to undertake practical initiatives in consultation with the relevant Member States.

34. The Delegation of Congo was pleased to see the Chair presiding over the Coordination Committee and assured the Chair of its support throughout his term of office. It also congratulated Member States of the Coordination Committee for being elected for the next two years and was pleased to be among them, whilst being aware of the mandate of the Coordination Committee and what elected members needed to do. It thanked the Secretariat for the presentation of its report and for the Secretariat's efforts on governance of WIPO and drew the Committee's attention to the updated statistics on equitable geographical representation and gender parity. It concurred with the Delegation of Nigeria, which spoke on behalf of the African Group, that it was clear from the document that Africa was still under-represented and there were no members of the Secretariat from 15 different African States. It called the attention of the Secretariat to this situation and supported the statement made by the Delegation of Nigeria concerning the review of the 1975 accord so that this issue could be resolved equitably.

35. The Delegation of Mexico congratulated the Chair on his election and stated its appreciation for the work done by HRMD and thanked it for the presentation of this report. It noted with satisfaction the progress made with regard to the basic objectives for 2015 on human resources. However, the Delegation recognized that much was to be done in terms of equitable distribution, although efforts that had already been made. It recalled Recommendations 6 and 7 of the JIU report on administration and governance of the Organization, particularly Recommendation 6, which stated that the Coordination Committee should look at current principles on geographical distribution in order to ensure better geographical distribution of professional staff in the Organization. The Delegation was grateful for the information document, which explained the principles governing the policy on geographical distribution from 1975 and which sets out the methodology for geographical distribution in other bodies in

the system. However, this document did not include clear options to replace the 1975 principles, which were necessary in order for the Committee to take an informed decision. It mentioned that the document did not go further on the parameters which could be used to determine geographical distribution apart from contributions. This was an important element which was noted by the JIU in previous reports on the subject. The Delegation stated that it was unacceptable that the principle of regional distribution should be maintained as this principle distorted matters, as was shown by the application of the 1975 Accord, according to which African and Latin America and the Caribbean, for instance, were the under-represented regions. The Delegation was of the view that objectives needed to be established by country. It was well aware that in order to reach a satisfactory solution on this matter, it needed to carefully take into account technical considerations, which would be difficult to achieve at this session. The Delegation concurred with the statements made by the Delegations of Brazil and Nigeria, on behalf of GRULAC and the African Group respectively, that it was essential to have a process of consultations under the Chair's guidance with a specific mandate to present an alternative proposal to the 1975 Accord at the next session of the committee. The Delegation mentioned that document WO/CC/71/INF/1 could serve as a basis to initiate those consultations.

36. The Delegation of South Africa congratulated the Chair on his election as Chairman of the Coordination Committee and pledged its support. It stated that it aligned itself with the statement delivered by the Delegation of Nigeria, on behalf of the African Group and expressed its appreciation to the Director General on the progress made in seeking to address the current imbalance in the Organization's workforce. The Delegation encouraged the Secretariat's efforts in line with the principle of equitable geographical and gender representation in all of the Organization's departments. In this regard, it offered its support to the review of the 1975 Accord which it considered out dated and not in line with current realities.

37. The Delegation of Namibia congratulated the Chair on his election as Chairperson of the Coordination Committee and pledged its support and constructive engagement. It took note with appreciation of the report by the Secretariat and thanked it for the efforts made in regards to achieving gender equity. The Delegation stated that it aligned itself with the statement delivered by the Delegation of Nigeria, on behalf of the African Group and wished to underline the concern raised as regards the unequal geographical representation, especially within the professional cadres. The Delegation urged the Secretariat to align its recruitment policy whilst supporting ability to maintain appropriate standards with respect to the staff establishment. The Delegation was of the view that this would be achieved whilst upholding the principle of equal representation.

38. The Delegation of Ecuador congratulated the Chair on his appointment and expressed its appreciation for the documents presented by the Secretariat on this agenda item. It wished to make two specific points. First, respect for the principle of geographical diversity in recruiting staff, the Delegation endorsed the statement made by the Delegation of Brazil, on behalf of GRULAC. It mentioned that at the meetings of the Program and Budget Committee (PBC), it had insisted on respect for this fundamental principle and requested various explanations from the Secretariat. The Delegation was grateful for having indicated that there was an action plan which was being conducted in various countries, in a number of universities and institutions, to disseminate information on the recruitment of personnel for the Organization. It urged the continuation of this action plan, particularly in countries in its region. The second point was rather a question relating to the posts which have been reduced and which have been eliminated. The Delegation sought to know whether these posts came from the Latin America and Caribbean region and whether this reduction affected the principle of geographical distribution.

39. The Delegation of Algeria thanked the Secretariat for the presentation of the document and mentioned that it had carefully gone over the report and had two comments, first on the subject of recruitment and second on internal restructuring. On recruitment, it stated that it would not add more than what had already been stated by other delegations with regard to the need for a balance between regions, to have gender parity, and to ensure that over-representation of certain regions should be addressed intelligently, transparently and calmly. The Delegation encouraged the Secretariat to pursue its objectives in terms of inclusiveness and diversity. On the second point of internal restructuring, it endorsed the statement made by the Delegation of Ecuador and requested more information on what has been done and what was intended to be done in the future. The Delegation was of the view that a little more transparency was needed. It added that there could well be consultations on this matter, which could not only pose problems in terms of balance, but also in terms of choice of those affected by the restructuring. The Delegation concluded by endorsing the statement made by the Delegation of Nigeria, on behalf of the African Group with respect to the review of the 1975 Accord.

40. The Delegation of Georgia congratulated the Chair on his election as Chair of the Coordination Committee and thanked the Secretariat for its achievements. It stated that it fully aligned itself with the statement made by the Delegation of Romania, on behalf of the CEBS Group. The Delegation added that it was not represented among the Secretariat's staff and wanted to reconfirm the strongest interest of the Delegation in this particular issue. It also took the opportunity to assure the Committee that the Georgian IP office possessed the human capabilities to meet the requirements of and be duly represented in the Organization.

41. The Delegation of the Russian Federation congratulated the Chair on his election to this important post and was grateful to the Secretariat for the report on human resources and the work it had done. It welcomed the actions taken by the Secretariat to improve and enhance the human resources capacity, but also noted the need to comply with equitable geographical representation of staff. The Delegation therefore, believed that, when recruiting personnel for the Organization, first and foremost, the professionalism of candidates should be taken into account.

42. The Delegation of Turkey thanked the Secretariat for the valuable work in preparing the detailed documents. It stated that statistics clearly showed that the Middle East remained the most under-represented region, while some regions were over represented and that geographical balance, as well as efficiency in and effectiveness of the workforce, were crucial for achieving the strategic goals of WIPO. The Delegation encouraged the Secretariat to consider these imbalances and conveyed its appreciation for WIPO's efforts to improve geographical distribution.

43. The Delegation of Pakistan joined the other delegations in congratulating the Chair on his election. It mentioned that it had closely followed the discussion on human resource management in the Organization and called upon the Secretariat to step up efforts to address the continuing imbalance across and within the geographical regions, to ensure the UN principle of equitable geographical distribution, and for a review of the 1975 recruitment policy.

44. The Delegation of Morocco addressed its warmest congratulations to the Chair on his election as Chair of the Coordination Committee. It noted the progress made in the management of human resources. It also stressed the importance of respect for geographical distribution and gender parity and highlighted a great lack of representation of women from its region. The Delegation therefore, called upon the Secretariat to bear this issue in mind in its future recruitment policy.

45. The Delegation of Peru expressed gratitude for the report submitted by the Secretariat. It endorsed the statements made by the Delegations of Mexico, Brazil and Ecuador and other members on the importance of equitable geographical representation. It stated that a human resources policy was launched some three years ago. However, the Delegation was unable to see any visible results from the policy. It queried the direction being taken and was of the view that, only if this objective was shared, could progress be made. The Delegation stated that it supported the revision of the 1975 policy.

46. The Delegation of France thanked the Director General and for the work done by HRMD and mentioned that it had three comments to make. First, with respect to geographical distribution, it wished to apologize for being over represented, but being a matter of geographical representation, it pointed out that it was not over represented in high level posts. It called on the Secretariat to make every possible effort to continue its work to look for candidacies from all different continents. Second, the Delegation recalled that it had already made a statement on the proportion between the total number of staff and the high level posts noting that there were some 60 to 70 such posts which represented a very high proportion as compared to the thousand or so posts in the Organization. It stated that this was an element which it traditionally mentioned. Third, it wished to express its appreciation for the dedication of staff, as the Director General has stated, pointing out that there was an important document which intended to review Staff Regulations, which could be linked in terms of transparency to social dialogue. The Delegation mentioned that it had not seen anything on the agenda concerning whether the Staff Association was actually going to be able to present its views before the discussion on the Staff Regulations and Rules. It added that it could be something, which could be looked at after the answers from the Secretariat on human resources.

47. The Delegation of Malaysia congratulated the Chair on his Chairmanship and was very pleased to see him lead this Committee. It aligned itself with the statement made by the Delegation of India, on behalf of the Asia and Pacific Group, and was pleased to see efforts made by the Secretariat and encouraged the Secretariat to step up its efforts to improve geographical representation in the Organization. It also provided its support to the proposals made by several delegations concerning the review of the 1975 recruitment policy, in order to be fair towards the current situation of the Organization.

48. The Delegation of Libya congratulated the Chair on his election to lead this Committee. It also congratulated the Vice-Chairs and thanked the Secretariat for its efforts. It stated that the fact that agreement had been reached on a number of agenda items was due to the interpreters and thanked them for their excellent work. With regard to this agenda item, the Delegation stated that it was determined and convinced of the statement made by the Delegation of Nigeria, on behalf of the African Group and it supported that statement with regard to recruitment. The Delegation added that this was a very important subject which, indeed, should be the subject of a technical and scientific review in order to ensure equality for all. With respect to geographical representation, it noted that it only had one or two officials from its country, which meant that developing countries, including its own, needed to be allowed to join the Organization, even when they did not have English or French as their mother tongue.

49. The Delegation of Cameroon congratulated the Chair on his election and was prepared to work with the Chair to ensure the success of the meeting. It also congratulated the Director General and the Secretariat for the quality of the report submitted and on the progress made. It hoped, however, that additional efforts would be made to ensure better geographical distribution among staff within the Organization, while remaining faithful to the principles of merit, which have to guide recruitment. The Delegation was of the view that Africa should also be able to express itself in technical and general posts, which would help Africa play a merited role in the field of international intellectual property. It also endorsed the statement made by the Delegation of Nigeria, on behalf of the African Group.

50. The Delegation of Sweden congratulated the Chair and the Vice-Chairs on their elections and thanked the Director General and the Director of Human Resources for providing the report. It stated that it attached great importance to the issue of gender balance and that it noted that there was still an imbalance in the Organization, in particular when it came to the D-level. Whilst noting this imbalance, the Delegation also expressed its appreciation for the work done in this area so far.

51. The Delegation of Gambia seized the opportunity to congratulate the Chair on his appointment to Chair the session. It commended the Secretariat for presenting the report and, on the issue of geographical representation, it endorsed the statement made by the Delegation of Nigeria, on behalf of the African Group.

52. The Chair thanked all delegations for their kind remarks and for their congratulations to him as Chair and to the Vice-Chairs. The Chair also thanked all delegations for their very important statements and wished to submit the following decisions to the Committee.

53. The Director General stated that he wished to address the many interventions that were made, in particular, with respect to gender diversity and geographical diversity. He was of the view that it was important that he should say a few words on those subjects, since these were obviously subjects that were very dear to the hearts of all delegations. He thanked all delegations for their extremely constructive engagement on these issues. He assured the delegations that, insofar as the Secretariat was concerned, increasing geographical diversity and attaining a better gender balance in the Organization, particularly in the higher ranks, were exceptionally important items and that the Secretariat was committed to making progress on these issues. As far as geographical diversity was concerned, the current situation was not satisfactory and that had been the case now for many years, as all delegations were aware. Some progress had been made, in the course of the last five or six years. The Secretariat had increased the nationalities represented from 106 to 118, but still there was a long way to go. It was not easy to make radical change in this area since, as the Director of Human Resources had pointed out, the Organization had a very low attrition rate of around 2 per cent, which meant that the opportunities for making change were limited. Nevertheless, that was no excuse and, ultimately, targets have been set and would need to be attained. The Director General mentioned that there were a series of informal and formal measures that could be implemented. With respect to informal measures, it was very important to increase the sensitization of potential populations who might apply for positions in the Secretariat to the opportunities that were present. Such measures had been applied in a number of under-represented or unrepresented countries and the Secretariat would be happy to hear from any delegation so that future work could be programmed in this area. The responsibility was also a shared one. Notifications of every single vacancy that occurred in the Organization were sent out to all missions and the assistance of Member States was sought in this regard to make these notices available to people in the respective countries so that they might be aware of these possibilities. The Director General mentioned that statistics maintained by the Secretariat indicated that applications were not received from some countries and the assistance of Member States was sought on this aspect. The second informal measure was transparency, that is, publishing statistics on geographical distribution every six months. Six months was the interval chosen as fluctuations did not occur rapidly in this area. However, every six months the latest statistics on geographical distribution of the staff of the International Bureau are sent to all Permanent Missions. The third measure focused upon was recruitment, because this was where the possibility of change existed. In this respect, not only were sensitization issues undertaken, but all selection boards had been instructed that geographical diversity was one of the important criteria to be taken into account in the determination of a short list of candidates and in the presentation of the selected candidates. With respect to the formal measures that could be taken, first, guidance was given by Article 9.7 of the WIPO Convention, which was the framework that informed the discussion on this question. Second, there were the 1975 principles on geographical distribution. An information document had been prepared on them

for the purpose of provoking some response, since ultimately the 1975 principles were established by the Member States and were the responsibility of the Member States in giving guidance to the International Bureau on this question. The Director General stated that the Secretariat very much welcomed the suggestions made by a number of delegations to have a process that could be undertaken in the course of the next 12 months under the leadership of the Chair, leading to the possibility of a proposal being presented to the Coordination Committee during the 2016 Assemblies. The Secretariat would be happy to support that process under the leadership of the Chair. With respect to the question of re-structuring raised by two delegations, the Director General mentioned that it was a rather strong word to use for what had happened in the course of the last 12 months, or what was contemplated to happen in the ensuing 12 months. These changes were an adaptation of the workforce to the new skills that were required in order to perform tasks according to the principles and procedures in place. For the most part, these changes concerned the redundancy of certain functions. The function of data inputs for example, was no longer needed in registration systems. In registration systems, in co-operation with the Member States, the Secretariat received data already in machine readable form so that they could be processed and treated in that manner. Ten years ago or 20 years ago, operations in these areas of our global IP systems were entirely different. They were paper-based or, insofar as they were not paper-based, they used less sophisticated forms of information technology. Hence, from time to time, there were reclassifications of functions in accordance with the needs of the processes and the procedures and the technologies that had now been deployed within the International Bureau. The Director General stressed that there was absolutely no question that these were directed in any way towards geographical representation and that it was a purely technical exercise undertaken in the light of workforce planning, in conjunction with the drafting of the program budget proposals for the ensuing biennium.

54. The Chair thanked the Director General for the important clarifications and additional information and then proposed to proceed to the decisions required under this agenda item.

55. The WIPO Coordination Committee:

(i) noted the information provided in paragraph 92 of document WO/CC/71/2 Rev. and approved the acceptance of the awards by the Director General;

(ii) noted the information provided in paragraphs 95 and 96 of document WO/CC/71/2 Rev.; and

(iii) noted that consultations shall take place under the guidance of the Chair of the WIPO Coordination Committee, to review the 1975 Principles of Geographical Representation, with a view of presenting a proposal to the Coordination Committee during the 2016 Assemblies of Member States.

(ii) Report by the Ethics Office

56. The Director General introduced Ms. Chitra Radhakishun who had been newly appointed as Chief Ethics Officer at WIPO. He informed the Committee that Ms. Radhakishun was a national of Suriname, an unrepresented nationality at WIPO, and that she held a law degree and had extensive experience in the UN system. The Director General extended the very best wishes of the Organization to Ms. Radhakishun in her new role.

57. The former Chief Ethics Officer who had been working on an *ad interim* basis presented the Annual Report by the Ethics Office, noting that the Report was now being presented as a stand-alone document, as requested by Member States. He recalled that Mr. Avarð Bishop, the first Chief Ethics Officer of the Organization, and a dear colleague, had most regrettably passed

away the previous year, after a brief illness. He said that, within days, the Director General had appointed him as Chief Ethics Officer on an interim basis pending the appointment of a new Chief Ethics Officer. WIPO staff had been duly informed through an internal notice, and the interim appointment had ensured the functioning of the Office on a continuous basis until the appointment of Ms. Radhakishun. The Chief Ethics Officer *ad interim* also recalled that the WIPO Ethics Office had been set up more than five years ago and that its activities covered four main areas, as indicated in the Report. The first area related to the promotion of a culture of ethics amongst WIPO staff. In this respect, he said that ethics training had been mandatory since 2012 for all staff at every level of the Organization, and that it was provided by highly-qualified external consultants with vast experience. The training had been designed, amongst others, to ensure a common understanding of standards of conduct and integrity principles, to raise awareness about policies, tools and considerations relating to ethical behavior, and to promote accountability in decision-making. At the time that he had taken over his duties, all staff in WIPO had already been trained on ethics and integrity. During his term, he had supervised the training of new recruits who had joined the Organization in 2014. The results of the training had been positive. 96 per cent of the staff trained reported that the course had improved their awareness of ethical issues and that they felt better equipped to resolve any ethical dilemmas that they might face in the future. In relation to the second area of work, which was norm-setting and policy development, he said that he had decided upfront that this could only be the responsibility of the newly appointed Chief Ethics Officer. It would, therefore, be for Ms. Radhakishun to review the norm-setting that had been developed in WIPO since 2010, and to consider whether further improvements might be required. Regarding the third area of work, namely implementation of policies assigned to the Ethics Office, the Chief Ethics Officer *ad interim* wished to underline again that these policies had been implemented without interruption or impact on its delivery. He recalled that the Ethics Office was responsible for implementing WIPO's Whistleblower Protection Policy, which established a duty to report suspected wrongdoing and which provided protection for staff members who had made such reports or who had participated in oversight activities. During the interim period, the services required from the Office had been provided most diligently, in accordance with WIPO rules and procedures, and with complete independence. Regarding the responsibility of the WIPO Ethics Office for the implementation of the Declaration of Interest program, he said that compliance with International Public Sector Accounting Standards (IPSAS) had created additional disclosure requirements for staff members at the most senior levels and that a 100 per cent rate of compliance had been achieved. He said that the WIPO Ethics Office had been in close contact with the UN Ethics Office in New York. The New York Office had kept the WIPO Office informed of new policy developments in the field of ethics, and had provided valuable advice in order to ensure a coherent implementation of the policies. He added that it went without saying that the WIPO Office had remained entirely independent from the New York Office and had not shared confidential information. As a final remark on the Report, the Chief Ethics Officer *ad interim* said that, during his interim period, the Ethics Office had been consulted and had received a number of requests for advice on issues such as outside activities, gifts and hospitality, employment-related matters, etc. All requests for advice had been handled to the satisfaction of the WIPO colleagues who had made use of that service. In concluding, the Chief Ethics Officer *ad interim* was pleased to report that, during the interim period, the Administration had ensured, with utmost diligence and complete independence, that the Ethics Office had remained fully operational, responsive to WIPO staff and a custodian of ethics principles in WIPO. He said that more details on his brief remarks could be found in the Report and that the Secretariat remained, as always, available to delegations for further information and clarification. He thanked all WIPO colleagues to whom he had reached out to, or who had solicited the services of the Ethics Office, for the support that they had provided to him and for their diligence in compliance when that had been required. Finally, he thanked the UN Ethics Officer in New York for the significant support and advice received throughout the reporting period, and with whom WIPO enjoyed a close cooperation as their policies and implementing practices were very similar. The Chief Ethics Officer *ad interim* concluded by offering his congratulations to Ms. Radhakishun, and wished her every success in her new duties.

58. The Delegation of Mexico thanked the Secretariat for the presentation of the stand-alone report. It said that it attached great importance to the Ethics Office for the promotion of an ethics culture in WIPO, based on ethical responsibility, transparency and respect. The Delegation welcomed the new Chief Ethics Officer. It expressed regret that the appointment had taken over a year. It said that the Annual Report of the Ethics Office was, unfortunately, more limited than in previous years and, as an example, said that the section on confidential advice did not include information on the number of consultations or the profile of those requesting advice. The Delegation believed that much work still needed to be done and urged the new Chief Ethics Officer to give new impetus to activities required of the Office. It wished, in particular, to have information on the Office's 2016 work plan and reiterated its support for the work plan to be submitted in advance to the WIPO Independent Advisory Oversight Committee (IAOC) for the Committee's observations and comments.

59. The Delegation of the United States of America expressed its appreciation for the hard work of the Chief Ethics Officer *ad interim*. Regarding the Report, it said that the measurement of the impact of training through the use of a staff survey was an important best practice and requested that consideration be given to expanding the use and the sharing of this type of information. The Delegation looked forward to engaging with the Secretariat to learn more about the nature and type of training periodically offered to staff already within the Organization, and to further information on the progress that was being made in the resumption of the financial disclosure program. The Delegation was also looking forward to working with the new Chief Ethics Officer.

60. The Delegation of Nigeria, speaking on behalf of the African Group, welcomed the new Chief Ethics Officer and wished her success in fulfilling her responsibilities. It thanked the Chief Ethics Officer *ad interim* for the Report, and commended the Secretariat for the hard work on the completion of tasks set out for the year towards enhancing the competence, effectiveness and integrity of WIPO and its staff. The Group had taken note of the statistics on ethics and integrity and was encouraged that the work of the Ethics Office appeared to be on the right track to ensure a more system-wide awareness of ethics and the need for integrity, competence and effectiveness in WIPO. The Group encouraged the Ethics Office to intensify its engagement and training of staff, to enhance the involvement of WIPO's staff and implementation of knowledge gained from these initiatives.

61. The Delegation of Panama thanked the Chief Ethics Officer *ad interim* and the Secretariat for the work done. It was pleased to see the appointment of a new Chief Ethics Officer and congratulated her. The Delegation said that ethical principles and correct behavior was of critical importance for WIPO, as it was for all UN system organizations. It took note, therefore, of the efforts undertaken of the Chief Ethics Officer *ad interim* in ensuring the ethical behavior of the staff. It said that, like other delegations, it was also interested in having, in future, details on the methodology and the nature of the training received. Regarding terminology used in the Report, and referring to Section IV "Confidential Advice to Senior Management, Managers and all Staff Members", the Delegation asked about the differentiation made between senior management and staff members. It said that it was important for the principles of ethics to be absorbed at all levels and requested clarification with respect to the reference to "all staff", for example, in paragraph 5 of the Report, which said: "... for all staff at every level of the Organization". The Delegation asked if this also included management and senior management.

62. The Delegation of France joined other delegations in thanking the Chief Ethics Officer *ad interim* for the Report and congratulated the new Chief Ethics Officer on her appointment. The Delegation was very pleased to see that the appointment had also enhanced geographical distribution. It expressed its regret for the passing away of the former Chief Ethics Officer. The Delegation invited the Secretariat to try to respect the time period for appointments, which, it said, was normally six months in the UN system. It recalled that the position of ombuds person

was also a position where the post holder was not reappointed, and asked that the Secretariat to ensure that such positions were not left vacant when, as was the case of the ombuds person, the post holder had reached the end of their tenure. The Delegation thanked the Secretariat for the efforts made not only to appoint the new Chief Ethics Officer but also for the exercise of her functions with full independence.

63. The Delegation of Canada congratulated the new Chief Ethics Officer on her appointment.

64. The former Chief Ethics Officer *ad interim*, referring to a question raised by the Delegation of Panama, confirmed that the reference to “all staff” did indeed include management and senior management.

65. The WIPO Coordination Committee took note of the “Annual Report by the Ethics Office” (document WO/CC/71/3 Rev.).

ITEM 29 OF THE CONSOLIDATED AGENDA

AMENDMENTS TO STAFF REGULATIONS AND RULES

66. Discussions were based on document WO/CC/71/4 Rev.

67. The Chair moved to Agenda Item 29, the Amendments to Staff Regulations and Rules and asked the Secretariat to introduce the document.

68. The Secretariat presented a number of amendments to the Staff Regulations and Rules to the WIPO Coordination Committee for approval and for notification, respectively. It stated that the ongoing review of the Staff Regulations and Rules allowed the Organization to maintain a sound regulatory framework that adapted to and supported the changing needs and priorities of the Organization, while it ensured alignment with best practices in the UN common system. The majority of amendments were not substantive in nature, but were aimed at correcting inconsistencies, clarifying a provision, or addressing a gap. Only one of the proposed amendments would result in an increase in staff costs, although minimal, namely the special salary increment for staff reassigned to external offices. All other proposed amendments were either cost neutral or would result in cost reductions. The Secretariat mentioned that document WO/CC/71/4 Rev. contained a chart in Annex I, which outlined the current Regulation, the proposed new text and the reason for the proposed amendment. The charts in Annexes II and III concerned amendments to the Staff Rules which had already been implemented or would be implemented in January 2016. The Secretariat added that some of the proposed amendments concerned staff benefits such as education grant, home leave and repatriation grant. The Secretariat clarified that, unlike the large majority of UN organizations, the Organization currently paid expatriate benefits in some cases where staff members resided in their home country. The purpose of the proposed amendments was, thus, to ensure consistency with the purpose of the entitlements which was to compensate internationally-recruited staff for the constraints related to expatriation, as defined by the ICSC. The proposed amendments would align the Organization’s rules with rules and practices in other organizations of the UN common system. The Secretariat stressed that, in proposing these changes, it had been very mindful of the acquired rights of current staff as defined in the jurisprudence of the International Labour Organization Administrative Tribunal (ILOAT) in particular. It had also benefited from the views of the Organization’s Legal Counsel and the position of the ICSC in connection with the ongoing review of the UN common system compensation package. Based on these considerations, the proposal submitted included a provision which would preserve the entitlement to education grant for existing staff, while, with regard to the repatriation grant, staff members who already had an entitlement to the full benefit based on their years of

service would retain this entitlement when they separated from the Organization. Moreover, those who had accumulated a partial benefit would retain only the portion accrued as at December 31, 2015, unless, in the course of their career, they subsequently relocated to a duty station outside their home country. On the other hand, for the home leave entitlement, a transitional measure was proposed whereby those who had until now benefitted from home leave would be allowed to exercise home leave one last time. The Secretariat indicated that new internationally recruited staff members joining on or after January 1, 2016, would only be eligible for expatriate benefits if they worked and resided outside their home country and the Secretariat specified that the amendments mentioned concerned regulations, which were subject to approval by the Coordination Committee.

69. The Delegation of the Netherlands congratulated the Chair on his appointment as Chair of the Coordination Committee and stated that its intervention regarded the previous discussion and proposal made by the Delegation of France. It wished to have formally noted that it did not have an objection to the proposal made by the Delegation of France to hear from the President of the Staff Council before this item would be discussed.

70. The Delegation of Panama mentioned that it had requested the floor before the beginning of the discussion of this agenda item. Similarly to the Delegations of France and the Netherlands, it deemed it necessary to hear whether the staff, who was one of the three pillars of the Organization, had any concerns. The Delegation wished to know whether they could be heard and encouraged the Staff Association to be given the floor before this subject.

71. The Delegation of Mexico took note of the various different amendments to the Staff Regulations and Rules submitted for approval by the Coordination Committee. It agreed that most of the amendments were appropriate and consistent with best practices of the UN common system and was very grateful to the Secretariat for having presented them. However, it disagreed with three proposals. In its view, there was no justification for the clarification of principles for the provision of education grant not to be provided to officials who began work before the introduction of the amendment, even when they received such an entitlement whilst residing in their country of origin. In its view, this would have meant non-compliance with the norm for provision of this grant and that it was more than ever convinced that this was an acquired right. The Delegation recalled to the Committee that the new compensation package proposed by ICSC still had to be reviewed and, therefore, thought that it was premature to adopt that exception until the ICSC proposal was made. It called upon the Secretariat and stated that it could not adopt it. Secondly, the Delegation mentioned that the Secretariat proposed to introduce a new and additional economic incentive in the short-term with a view to promoting the mobility of the Organization's personnel to external offices. The Delegation stated that the principle of mobility is part of the ethos of international civil servants. Therefore, it could not support this initiative. It urged the Secretariat to seek other types of incentives to promote mobility which would not be of an economic nature. For example, in other international organizations such as the World Health Organization (WHO), mobility provided additional points for promotion. Finally, with regard to new Staff Rule 4.9.4 on Reserve Lists, the Delegation sought more information from the Secretariat which would justify the maintenance of reserve lists one year after the registration of candidates.

72. The Delegation of Spain congratulated the Chair on his appointment as Chair of the Coordination Committee and wished to make some comments on the Secretariat's proposed amendments. It appeared to the Delegation that, in general, these were good suggestions. However, it had some doubt on three points which had already been pointed out by the Delegation of Mexico. Firstly, with respect to Staff Rule 4.9.4 and with regard to similar posts, it understood that, for reasons of efficiency, the possibility of directly choosing persons who had been pre-selected could be a good measure, but that it would also like equal

opportunity principles to be borne in mind. It was of the view that, perhaps, the length of time could be less than the one year as had been suggested. Secondly, with regard to staff members residing in their country of origin, the Delegation did not think it was right to differentiate between people who were currently employed and those who would join the Organization in the future. It hoped, instead, to see a measure which could be applied to all staff regardless of the date on which they became staff members of the Organization. It wished to see a transitional period, as was suggested for other benefits, to be applied to all staff. Finally, it did not think it was necessary to adopt an amendment to provide additional salary incentives to staff members who might possibly work in external offices. The Delegation believed that it would be much better to find the right candidates, because the common system of compensation was quite sufficient without needing to provide additional compensation for those working outside the headquarters.

73. The Delegation of the United States of America appreciated the positive measures taken by the Secretariat to improve and clarify the Staff Regulations and Rules of the Organization. It stated that it had listened with interest to the interventions by the Delegations of Mexico and Spain and on one point, on item 4.9.4 regarding the potential maintenance of a reserve list, it tended to agree with the Delegation of Spain that it might be wise to look at a period of less than one year when looking at the potential use of a reserve list. Regarding the proposal 3.25 on the special salary increment, having listened to the interventions by the Delegations of Mexico and Spain, while the Delegation was not prepared to say right now that it should be removed altogether, if the proposal was to go forward, it should include a study that would be presented at the 73rd session of the Coordination Committee which would provide information on the effectiveness and use of this new financial incentive to include the grade and type of staff who were paid this benefit, as well as information on whether this had meaningful impact on mobility. In addition, the Delegation suggested that at the 73rd session of the Committee, the information should be presented for consideration and decision to affirm the continuation of the special salary increment.

74. The Delegation of Canada supported the proposal made by the Delegation of the United States of America with respect to the new Regulation 3.25 on the special salary increment and the use of this new short-term financial incentive for staff posted to external offices.

75. The Chair mentioned that these interventions were critical points, especially those made by the Delegations of Mexico, Spain, the United States of America and Canada, which needed clarifications by the Secretariat.

76. The Secretariat indicated that it would be happy to undertake a study and to report back to the Committee in a year's time on how many times this special salary increment would have been used and what impact it would have had, whilst indicating that it expected the numbers to be rather small. On the question of the education grant, it mentioned that it had looked at this issue carefully and had also consulted with the Office of the Legal Counsel. It did believe that there was some exposure and some legal risks to the Organization, as the education grant could be considered to be a fundamental term in someone's letter of appointment and conditions of service and, therefore, it believed that it constituted an acquired right; to eliminate it could result in some claims in this regard. Hence, the proposal by the Secretariat to leave that in place for a small group of staff, noting that the financial impact would not be significant. With regard to the roster, to retain candidates for one year as per Rule 4.9.4, the Secretariat indicated that this Rule had already been implemented in 2014 and stated that would consider the suggestion made by delegations at reducing the period of validity of the reserve list.

77. The Delegation of the United States of America sought to clarify its statement on the special salary increment, indicating that if it was to move forward and if the studies were to be carried out, it suggested the results of the study be reported two years from now rather than in a year's time.

78. The Delegation of Spain stated that on the basis of the Secretariat's clarifications and following the suggestion by the Delegation of the United States of America with regard to the special salary increment for staff serving at external offices, it did not believe that it would be sufficient for it to be approved within one or two years, and that what was necessary was to have more information as to whether this need actually existed and whether non-monetary incentives could be used. With regard to the education grant, the Delegation mentioned that it was well aware of the principle of acquired rights and it was not particularly convinced of this. It stated that it had no problem with adopting this amendment, but would like to take this subject up again, probably next year, if it were to have more information and legal analysis from the Office of the Legal Counsel and a more detailed study on the legal implications as to whether these would affect acquired rights. The Delegation mentioned to the Chair that these elements should be taken to account when the draft decision was being suggested.

79. The Delegation of Mexico wished to make a couple of comments in response to the clarifications given by the Secretariat. It was of the view, and as stated by the Delegation of Spain, that it could not approve the amendment at this point and carry out a study after as proposed by the Delegation of the United States of America. It did not see the need at this stage to adopt this amendment for additional salary increments for staff transfers to external offices, and sought instead for the study to be presented first, in order to carry out an analysis in order to check whether such a proposal deserved support. With regard to the education grant, it requested more information and stated that it could accept this exception, temporarily, until such time as the Secretariat provided a detailed report. The Delegation added that besides the information to be provided by the Office of the Legal Counsel, it hoped that the Secretariat would also consult the ILOAT with regard to this issue of acquired rights and conduct consultations with the ICSC.

80. The Chair thanked all the delegations for their excellent comments and mentioned that, before coming to a conclusion, the observations and contributions would need to be taken into account. In light of this, the Chair invited the Secretariat to integrate these observations and comments within the proposed recommendations, so that the final recommendation would be fully aligned with the Committee's deliberations.

81. The Secretariat assured the delegations that it would provide additional information on the issue of acquired rights and would consider decreasing the length of time to six months from one year with respect to the reserve lists. It also understood that it would need to report to the Committee in two years time on the issue of the special salary increment.

82. The Delegation of the United States of America wished to add that in its request for a study to be done in two years time as to the effectiveness of the salary increment, it also requested for a decision to be taken at that point regarding whether or not to continue with the salary increment. The Delegation reiterated that there would be a study as well as a reevaluation whether the special salary increment would be continued.

83. The Delegation of Spain wanted to make sure that it had understood the Secretariat's summary of the issues at hand. With respect to the reserve lists, it understood that the Secretariat would decrease the length of time to six months from one year, whilst on the issue of education grant, the Committee would revisit the topic next year with additional information having been provided. Insofar as the special salary increment was concerned, the Delegation favored carrying out the studies first as a prior condition to agreeing to the increase. It reiterated that it could not agree to the special salary increment at this session.

84. The Delegation of Mexico concurred with the statement made by the Delegation of Spain and added that it could go along with the idea of the proposal of the Delegation of the United States of America for a study to justify the special salary increment for staff who were transferred to external offices, but it first needed to analyze the study before it agreed to the increase. As such, the Delegation reiterated that it was not in a position to agree to this increment until such time as it had seen the studies proposed by the Delegation of the United States of America.

85. The Director General mentioned that it was really in the hands of the Member States to decide on these three items, or at least on two of them. He mentioned that the first issue concerned a Rule, and that there was a distinction in the Organization's governance structure between Staff Regulations and Staff Rules. Staff Regulations were for the approval of the Member States, whereas Staff Rules were implemented by the Director General and were subsequently submitted to the Coordination Committee to be noted. The matter raised concerned the implemented practice of maintaining a list of the final candidates, who had been determined by a selection board to be eligible for appointment to a particular post and who were usually presented in an order of priority. Sometimes, the person who was proposed as the first selection was no longer available because, for example, that person had accepted another position. The practice that was implemented was to be able to turn to the list in the previous recruitment process, which had been determined by the selection board, and if there were eligible candidates, to turn to the next one instead of conducting a whole new recruitment process. This list was held open for 12 months. Several delegations had suggested that this practice ought to be discontinued. The Secretariat would reconsider the length of time for which that list was maintained and would consider the possibility of reducing that length of time from 12 months to six months. He further stated that this was a Rule and as such it was for noting by the Coordination Committee and that the Secretariat had noted the statements made by the Delegation and would take those statements into account in the consideration of the length of time for which the list should be maintained. He explained that the other two matters concerned Regulations that were for the Coordination Committee to approve or not to approve. The Organization's practice with respect to the education grant had been brought to the Secretariat's attention by the JIU and by the External Auditors, and needed to be corrected so as to not grant an education allowance to those staff members who were resident in their own countries. In this respect, he mentioned this correction would impact a limited population of some 24 staff members who resided in France and the change would be to no longer accord an education grant to them because educational facilities existed in their country of residence, which happened to be the catchment area for this Organization. The HRMD had considered this question and had sought legal advice from the Office of the Legal Counsel, which was of the view that, for existing staff members, to remove the education allowance would risk offending the principle of an acquired right which was a fundamental term of their employment. In this light, the Secretariat's proposal was that this practice should be changed for the future; anyone recruited in the future would not be given an education allowance in such circumstances, but for the 24 staff members currently residing in France who were eligible for the education allowance, the Secretariat proposed the continuation of this entitlement as it was considered to be an acquired right. The third matter concerned a proposed incentive that the Secretariat wished to introduce in order to encourage staff mobility and to encourage staff to consider service in an external office. The Director General confirmed that this was an economic incentive, as pointed out by the Delegation of Spain, and that the Secretariat had proposed an acceleration in step increments for staff who were assigned to external offices, which the Delegations of Mexico and Spain did not find acceptable. He went on to add that the proposal made by the Delegation of the United States of America and supported by the Delegation of Canada, was that the proposed change be approved and implemented and that in two years time a study be presented which would look at the effectiveness and use of this incentive, the numbers and grades concerned, and whether it had had any meaningful impact. In addition, at that stage, the Committee would need to decide whether it wished to

continue this new regulation or whether to discontinue this regulation on the basis of the consideration of the study. The Director General concluded by stating that only two issues really required a decision, and that it was up to the Chair to decide on how he wished to conclude this item.

86. The Chair thanked all the delegations for their contributions and informed the Committee that the item could not be concluded until all delegations were fully satisfied. In order to fully take into consideration all the proposals, the Chair requested the Secretariat to draft a final decision paragraph for this item, which could then be briefly debated and concluded.

87. The Director General offered to read the substance of what was proposed to be the decision paragraphs, on the premise that this would be drafted in accurate terms thereafter. The first proposed decision, which was requested in paragraph 14, was to invite the Coordination Committee to approve the amendments to the staff regulations. The Secretariat suggested that the Coordination Committee approve the amendments to the staff regulations as provided in detail in Annex I, as well as the special transitional measures mentioned in paragraph 9, noting that: 1) the Secretariat would undertake a study on the effectiveness and use of Regulation 3.25 and whether it had a meaningful impact, with appropriate information, and present that study to the 2017 session of the Coordination Committee for its decision as to whether to continue or discontinue the regulation; 2) the Office of the Legal Counsel would provide further legal analysis to any interested Delegation on the question of acquired rights of existing staff members with respect to the education grant allowance. The second proposed decision concerned the Staff Rules, where the Coordination Committee was invited to note the amendments to the staff rules contained in Annex III and invited the Director General to consider the reduction of the length of time for the reserve list of eligible candidates to be maintained, as stipulated in Rule 4.9.4. The Director General mentioned that, in essence, the Coordination Committee would be approving the Regulations subject to those two items mentioned, namely the undertaking of a study, where there was division among the delegations because two delegations had requested for the approval of the Regulation only after the study and two delegations had suggested going forward on the condition that a detailed study would be presented in two years, at which stage the increment would be re-evaluated and the Coordination Committee would be invited to continue or discontinue the increment. The Secretariat had chosen to put forward one of the two proposals, but left it up to the Member States to decide on which one. With respect to Rule 4.9.4, the Committee would be invited to take note that the observations made by delegations were taken into account and that the length of time for which the list of eligible candidates was maintained would be considered by the Secretariat.

88. The Delegation of Mexico reiterated that it was not in a position at this point to accept the salary increase proposed for staff transferred to external offices and that it had made several comments on not finding the necessity of this incentive, but that it was willing to look at the study prepared by the Secretariat, discuss it and take a decision at that time. The Delegation recognized that there were different views between the delegations on this issue, and stated that it would be fair to discuss this issue in the presence of the Delegation of Spain, which had to leave the room for the consultations on external offices. The Delegation concurred with the statement made by the Director General that this should be discussed among Member States and that it would consult with the Delegations of the United States of America and Canada on this point, in particular. With respect to the second point, the Delegation stated that it could go along with the proposed exception on the education grant, on the condition that an in-depth report would be prepared for the next session of the Coordination Committee, which, in its view, was a little bit different from having additional information on acquired rights provided only to those delegations interested. In view of the time constraints and the fact that these issues needed to be discussed further, the

Delegation kindly requested the Chair for a proposal in writing to be distributed to all Member States.

89. The Delegation of Singapore congratulated the Chair on his election and stated that, having listened to the Delegations of Mexico and Spain, it did not quite understand their proposal. It added that the proposal from the Delegation of the United States of America called for the increment to be implemented first and then for the study to be conducted, whereas the proposal from the Delegations of Mexico and Spain was for the study to be conducted without implementing the increment. The Delegation wished to know how the Secretariat intended to go about carrying out the study in the latter case.

90. The Chair stated that this agenda item could not be concluded as there were several proposals, including that of the Director General. He proposed to adjourn the meeting on this item and reconvene another meeting on this specific item the next morning along with a formal proposal from the Secretariat for a possible decision on this very delicate issue.

91. The Chair resumed the session by stating that a consensus could not be reached on this agenda item the previous evening and that informal consultations were held the previous evening and this morning to reach an agreement.

92. The Delegation of Singapore sought clarification from the Secretariat on how the study would be conducted if there was no implementation of the special salary increment and whether the Secretariat had already considered the alternative options before it produced the proposal for a salary increment.

93. The Director General mentioned that the Secretariat would need to think further about the methodology and would welcome any contributions or suggestions that any Member States might have in this regard, however, the methodology would obviously have to be based on projections. He added that the Secretariat could also consider surveying the staff to see what the impact would be and what the perceived impact would be. However, the Secretariat would need to think carefully about this. On the second point concerning alternatives, the Director General mentioned that other options had been considered and that one of the reasons such a proposal had been put forward was due to the rather complex UN system which prevails concerning post adjustment factor which aims to ensure that everyone, regardless of where they serve in the world, should have similar purchasing power in the local economy for the same grade, and at the same step. He added that sometimes, quite often actually, the Secretariat received complaints from staff that that system operated in a way so as to produce some disadvantages in certain countries. This was one of the reasons why the Secretariat chose to put forward the proposal of an economic incentive which would reduce to some extent the perceived lack of balance in the UN system, without criticizing the methodology used in this regard.

94. The Chair thanked the Director General for the important clarifications and additional information and then proposed to proceed to the decisions required under this agenda item.

95. The WIPO Coordination Committee:

(i) approved the amendments to the Staff Regulations, with the exception of Staff Regulation 3.25 ("Special Salary Increment"), as provided in detail in Annex I, as well as the special transitional measure mentioned in paragraph 9, noting that:

(a) the Secretariat will undertake a study on the issue of staff mobility, including a review of other kind of incentives to promote mobility of professional staff. This study will be presented at the 2016 session of the

Coordination Committee, for its consideration and for a decision on whether or not to accept the special salary increment; and

(b) the Office of the Legal Counsel will present at the 2016 session of the Coordination Committee an analysis on the issue of staff members' acquired rights to education grant, together with the relevant information on the financial impact, for its decision on whether to maintain or delete new Staff Regulation 3.14(f) on education grant.

(ii) took note of the amendments to the Staff Rules as provided in detail in Annex II; and

(iii) took note of the amendments to the Staff Rules as provided in detail in Annex III and invited the Director General to consider reducing the period of time during which candidates recommended by an appointment board, but not appointed, may be placed on a reserve list.

ITEM 30 OF THE CONSOLIDATED AGENDA

DESIGNATION OF THE CHAIR AND DEPUTY CHAIR OF THE WIPO APPEAL BOARD

96. Discussions were based on document WO/CC/71/5.

97. The Chair moved to Agenda Item 30, the Designation of the Chair and Deputy Chair of the WIPO Appeal Board and asked the Secretariat to introduce the document.

98. The Secretariat recalled to the Coordination Committee that it had approved the amendments to the WIPO Staff Regulations and Rules on internal justice reform at its 67th session in 2013. These amendments entered into force on January 1, 2014. Among others, the amended Staff Regulations and Rules foresaw that the Coordination Committee would designate the Chair and Deputy Chair of the WIPO Appeal Board on the proposal of the Director General. Both the Chair and the Deputy Chair of the WIPO Appeal Board must be external to WIPO and the Appeal Board would operate with two panels. In February 2014, the Administration began the search for a Chair and Deputy Chair. The eligibility criteria included experience in the law of the international civil service or equivalent experience, and not having been a staff member or former staff member of WIPO for the past 10 years. Nine persons responded to WIPO's call for expressions of interest. The selection process and consultations with the Staff Council took eight months and was completed in October 2014. With effect from November 1, 2014, the Director General made interim appointments of Mr. Norbert Wühler and Mr. Michael Bartolo, as interim Chair and Deputy Chair respectively, pending their designation by the Coordination Committee. Details of their experience were included in document WO/CC/71/5 provided to the Coordination Committee. The Secretariat stated that the Coordination Committee was invited to designate Mr. Norbert Wühler (Germany) as Chair, and Mr. Michael Bartolo (Malta) as Deputy Chair of the WIPO Appeal Board.

99. The Chair thanked the Secretariat for its presentation and opened the floor for comments. As no delegation wished to take the floor, he then proposed to proceed to the decisions required under this agenda item.

100. The WIPO Coordination Committee:

- (i) designated Mr. Norbert Wühler as Chair of the WIPO Appeal Board, for a term of five years from the date of such designation; and
- (ii) designated Mr. Michael Bartolo as Deputy Chair of the WIPO Appeal Board, for a term of five years from the date of such designation.

[Annexes follow]

**STATEMENT BY THE PRESIDENT OF THE WIPO STAFF ASSOCIATION
TO THE MEMBERS OF THE WIPO COORDINATION COMMITTEE**

(October 13, 2015)

Mr. Chair, Excellencies, Distinguished Delegates,

It is an honor for me to be able to address you today in my role of President of the WIPO Staff Association. At the same time it is also my responsibility to inform you of the views and concerns of the staff of this Organization.

I would like to warmly congratulate you, Mr. Chair, as well as your Vice Chairs, on your elections to this important committee. The staff representatives hope to have the possibility to consult and work with you in a collaborative and fruitful manner, and would welcome the opportunity to have regular follow-up discussions with you on staff-management matters at WIPO.

The Staff Council is pleased with some of the engaging discussions with member States and looks forward to continued dialogue and exchange.

WIPO continues to go through some very difficult years. Following the Administration's summary firing of the previous President of the Staff Association, staff-management relations naturally deteriorated and the consultative process came to a halt. The situation remains very troubling. The new Staff Council, elected in March of this year, has repeatedly expressed its willingness to have dialogue with the Administration when such dialogue is transparent, meaningful, based on good faith, and when the Administration ceases to interfere in the long-established criteria and procedures for election of the staff representatives on the Staff Council. A recent example of lack of transparency and meaningful dialogue is that of the proposed amendments to the WIPO Staff Regulations and Rules presented to you today for approval. There have been numerous written exchanges on the matter between the Administration and the Staff Council as a result of lack of transparency. We continue to attempt to explain to the Administration that WIPO needs to follow the best practices of other common system organizations and not discriminate against one group of staff, namely French colleagues residing in France. The UN Administrative Tribunal found in its Judgment No. 656 that the UN's policy to not give the repatriation grant to French colleagues working in Geneva while residing in France "...amounts to discrimination, thereby violating a fundamental principle of equality. The denial of the repatriation grant constitutes a dual discrimination on the basis of nationality and of the place of residence, which in the Tribunal's view is not justified." Therefore, it is even more important to await the UN General Assembly decisions later this year with regard to the ICSC's review of the compensation package.

The general overall atmosphere in the Organization is one of pervasive fear and distrust. Staff morale is at an all-time low. The Administration continues with its efforts to rid the Organization of long-serving staff while recruiting others on precarious types of contracts. The Staff Council has not seen any independent analysis of the claimed cost savings as a result of this strategy. Moreover, replacing long-serving staff by temporary staff or non-staff on precarious contracts is creating an important loss of institutional memory without any proper succession planning in place. This will have negative consequences on the quality of services provided and may even increase the costs. You may have seen a document presented as a succession planning policy which can hardly be described as a structured approach but rather a paper used to justify a recommendation of the Joint Inspection Unit (JIU). Combined with deteriorating employment conditions, an ever-increasing amount of harassment, continuous changes to the Staff

Regulations and Rules, the work environment at WIPO today is unhealthy and de-motivating. Indeed, it breeds fear and increases uncertainty. On a daily basis the Staff Council receives colleagues in distress who are frequently afraid to turn to anyone else for assistance. In summary, the staff at WIPO are suffering. The 2014 annual report of the Ombudsperson informs us that “A pervasive commentary heard with the Ombuds-Office is a felt impoverishment of the workplace and a dehumanization of HR practices. The perceived lack of consideration given to the human dimension has affected morale and trust and exacerbated a sense of separation and polarity creating organizational tension.”

Furthermore, it is regretful that we were without an Ethics Officer for such a long period of time, that the ad interim colleague designated was without knowledge of the subject, that we have not had an Ombudsperson since June of this year, that we have had only a part-time acting staff welfare officer for months and that we lost our Director of IOD, Mr. Rajobelina. Staff have not been informed of the recruitment and appointment process of a new IOD Director, the official responsible for the oversight charter.

Staff members, after reading in the press that an investigation process is being conducted by OIOS, contacted the Staff Council to voice questions and concerns. In line with its staff representative duties and responsibilities, the Council conveyed those questions to the Chairs of the Assemblies and Coordination Committee in writing on July 13, 2015. Two and one-half months later we received a reply from the two Chairs in which they wrote that their tenure as Chairs was coming to an end and, therefore, that they would inform their successors of the issues.

The Staff Council welcomes the investigation in the hope that it will provide answers as to why staff allegedly had their personal effects stolen, given to the judicial police, and then DNA extracted therefrom, all without their knowledge or consent and without the lifting of their functional immunity. However, we are deeply concerned about the protection of whistleblowers and witnesses. We have read that the US State Department has taken the decision to deny certification for WIPO on whistleblower protection. WIPO, therefore, is the only UN specialized agency to have been denied certification. The situation of whistleblower protection at WIPO needs the urgent attention of the member States.

We would like to report on the interference of the Director General in matters of staff representation which we have strongly objected to. On November 3, 2014, the Director General sent an e-mail to all WIPO staff informing them of his new interpretation of Staff Regulation 8.1 which refers to the Staff Council and the elections thereto, and he encouraged all staff to take action in line with his new interpretation which some colleagues naturally did by subsequently circulating a petition.

This violates ILO Administrative Tribunal rulings which clearly state that staff representation activities are outside the scope of the competence of the Director General. It should also be noted that the Director General's new interpretation of this Staff Regulation contradicts the established practice respected by the two previous Directors General as well as the current Director General during his first mandate.

The state of unrest and dissatisfaction at WIPO is evident from the number of legal appeals which have skyrocketed in recent years. In 2014 the Administration revised the internal system of justice and since then staff have been conveying to us their dissatisfaction with and distrust of the revised and imposed system.

Prior to the changes, all sanctions against staff members (except reprimands and warnings) could only be applied by the Director General after having consulted an administrative body which was called the Joint Advisory Committee, a member of which was, in accordance with the

Statutes of the WIPO Staff Association, the President of the Association. This body was abolished in the review of the new internal system of justice allowing the Director General to apply all sanctions, including dismissal, without consulting any disciplinary body. This is not in the best interests of the staff or the Organization. Good management practices as well as a credible system of justice call for a proper system of checks and balances. Other UN common system Organizations have a joint disciplinary mechanism or body which examines disciplinary cases and makes recommendations to the Director General. Likewise, we would like to request that the Joint Advisory Committee be reintroduced at WIPO in the same previous composition in order to enable a fair and thorough examination of disciplinary cases.

Referring to one of the documents which you have in front of you entitled "Designation of the Chair and Deputy Chair of the WIPO Appeal Board," some colleagues have expressed their disappointment with the lack of gender balance and geographical distribution in the selection of the Chair and Deputy Chair. With all due respect to the persons proposed to chair this important Board, it has been brought to our attention that working knowledge of the French language is apparently missing, which is one of the two official languages of communications at WIPO and, therefore, one of the two languages in which an appeal can be filed. This is of significant concern to our French-speaking colleagues.

Concerning the document in front of you entitled "Proposed Amendments to the WIPO Staff Regulations and Rules", the Staff Council has already transmitted to the members of the Coordination Committee our views, positions and requests.

In summary, the Staff Council respectfully requests the Coordination Committee to postpone its consideration of the proposed modifications to those Staff Regulations and Rules governing benefits and allowances until next year after the UN General Assembly will have taken its decisions on the ICSC's recommendations with regard to its review of the total compensation package. This concerns Staff Regulations 3.14, 3.2(a), 5.3, 9.9 and 12.4. This request is to not only avoid duplication of work but also to ensure that staff benefits and allowances at WIPO are non-discriminatory and remain consistent with the recommendations of the ICSC and subsequent decisions of the UN General Assembly which are to be uniformly applied in all UN common system organizations and agencies.

For all other proposed changes to the Staff Regulations and Rules the Staff Council would like to respectfully request the Coordination Committee to postpone its deliberations thereon until such time as the Staff Council can have extensive discussion on the matters with the Administration.

In closing, we would like to state that our objectives are simple. We want to have a work force which loves to work at WIPO, that trust and respect be restored and that fear be diminished, if not eliminated, so that staff can better contribute to working towards your goals and in a manner in which costs can be reduced in a transparent, fair and agreeable manner without favoritism. We understand your concerns and objectives, and we would like to do our part towards achieving your objectives through a work force which is motivated to work in a healthy environment.

Notwithstanding the continued tensions in staff-management relations we remain hopeful. We shall continue to strive for the restoration of transparent and meaningful dialogue based on good faith, fairness and respect, and we shall keep this important Committee informed accordingly.

Thank you for your attention.

[Annex II follows]

**ADMINISTRATION'S COMMENTS TO THE
STATEMENT BY THE PRESIDENT OF THE WIPO STAFF ASSOCIATION
TO THE MEMBERS OF THE WIPO COORDINATION COMMITTEE¹**

On the invitation for comments by the Chair of the WIPO Coordination Committee, the Director General mentioned that the Director of the Human Resources Management Department (HRMD) and the Legal Counsel would respond to two issues brought up by the President of the Staff Association, respectively on the consultative process regarding the amendments to the Staff Regulations and Rules and on the use of the French language in the appeal process. The Director General recalled to the Committee that the Organization's Staff Regulations stipulate that the Staff Council would be elected by all staff, whereas the practice in the past has been that only paid-up members of the Staff Association voted. He stated that a group of 50-odd staff challenged that interpretation and practice by lodging a petition with the Joint Advisory Group (JAG) to review the interpretation. The JAG was comprised of 3 persons designated by the Director General, 3 members elected by staff and the Secretary from HRMD, and this Group had concluded that the correct interpretation of that Regulation was that the Staff Council should be elected by all staff, whether a paid up member of the Staff Association or not. The Director General added that this conclusion had been sent to the Legal Counsel for his own view on the issue and that the latter had concurred with the JAG's conclusion. He hoped that the Staff Council would heed the conclusion of the JAG at the next Staff Council elections, which would take place in March or April 2016. The Director General stressed that his 'interference' insofar this matter was concerned was confined to supervising the mechanisms that existed for staff to raise such questions. With respect to the questions of temporary and non-staff raised by the President of the Staff Association, the Director General mentioned that this issue had been submitted in the draft Programs and Budgets for several biennia and that the Secretariat had been faced with repeated requests by Member States to contain staff costs, which the Secretariat had attempted to act upon. In the proposed Program and Budget for the next biennium, the Secretariat estimated that income would increase by some 6 per cent, while it proposed to increase expenditure by 4.9 per cent, staff expenditure by 2 per cent, contractual services increase and other non-staff related items by 10 per cent. The Director General highlighted that this was a policy, which the Member States had encouraged the Secretariat to adopt and recalled that staff numbers had neither decreased, nor increased, but had remained stable over the course of the last seven years. There was disagreement by a certain number of staff members and the Administration over the implementation of this very policy. Nevertheless, the Director General pointed out that this was a system-wide issue, which had been raised by Federation of International Civil Servants' Associations (FICSA) as well as other staff associations in the UN system and that it was just the current environment faced by many Organizations. He also mentioned that the use of contractual services had certain obvious advantages, as there were no long-term liabilities engaged with the use of contractual services, as opposed to the use of staff. In this connection, the Director General also added that long-term liabilities were another matter on which Member States had expressed their concern, in particular how the Organization was going to be able to fund the long-term liabilities, specifically the after service health insurance (ASHI). The Director General also drew attention to the other advantage that non staff, contractual services, represented, which was the possibility to be able to draw upon specialist expertise in specific areas when required and on a time-to-time basis. Typically, in the areas of information technology, translation and languages, outsourced services were extensively used. The Secretariat had moved on from a model where all translation was done internally, to a model where translation was managed internally, but outsourced to an extensive network of international contractors for language translation. The Director General also mentioned that another reason for this change was due to the altered

¹ The statement of the President of the Staff Association is reproduced as Annex I to this document.

composition of the demand for languages in the course of the last 15 years in particular, some 21 per cent of PCT applications in PCT being filed in Japanese, 13 per cent in Chinese, and about 5 or 6 per cent in Korean, and the Secretariat simply did not have the internal staff to cope with the accelerated rhythm with which this composition of languages was changing, thus the increasing reliance on external resources. He highlighted that this was not a policy to suppress staff, rather a policy to make the best use of the networked environment of open innovation, in which all enterprises in the world were conscious of the fact that it was impossible for them to have, internally, all of the diversity of skills and expertise that were required in order to run efficient operations and hence to draw upon the possibilities that the networked environment offered in using outside expertise. On the issue of the specific treatment of French nationals, in relation to repatriation grants and in relation to education allowances, the Director General recalled that the Committee had taken a decision with respect to education allowance, which in his view was a very reasonable decision, as it not only aligned the Secretariat with the recommendations submitted by the External Auditors and the Joint Inspection Unit (JIU), but it also preserved the acquired rights of existing staff. He mentioned that the Secretariat had very much advocated for the preservation of the acquired rights in this amendment, despite the reservation of certain Member States. On repatriation, the Director General stated that the decision taken by the Committee permitted the Secretariat to align itself with the recommendations submitted by the External Auditors, the JIU and practices in the UN system.

On the consultative process regarding the amendments to the Staff Regulations and Rules, the Director of HRMD clarified that the Administration had made numerous attempts to bring the Staff Council back to the table for discussions to no avail. However, there had been consultations in the form of written exchanges and that the Staff Council had raised numerous points with respect to the Amendments to the Staff Regulations and Rules. She mentioned that it was natural to have disagreements on some of the amendments that had been proposed for approval to the Coordination Committee, but that the Administration had taken some of the proposals into account and had revised the initial proposed amendments when it was possible. The Director of HRMD also explained that the reference made by the President of the Staff Association to the UN review of the common system compensation package was not relevant in this discussion, as all the Secretariat was seeking to do with the amendments to the Staff Regulations and Rules was to uphold WIPO's regulatory framework.

The Legal Counsel, in response to the President of the Staff Association's assertion in relation to the number of appeals currently going on through the Secretariat's internal justice system as well as onto the ILO Administrative Tribunal, stated that, although he did not possess the figures for appeals filed internally, there was only one pending case relating to the Organization, which was before the ILOAT and where the judgement was expected to be given in February 2016. In other words, there had been a drastic reduction rather than an increase in the number of cases being brought against the Organization. On the second issue related to the use of the French language in the Appeal Board, the Legal Counsel confirmed that approximately 45 per cent of the cases filed in the Organization's internal Appeal Board were in French, meaning that it constituted somewhat more of a balance rather than it being skewed against the French language in respect of proceedings filed internally to the Appeal Board. The Legal Counsel also clarified to the Coordination Committee that Regulation 8.1 of WIPO Staff Regulations and Rules stated that "The staff shall have the right of association. The interests of the staff shall be represented before the Director General and his representatives by a staff council elected by the staff members" and that the Office of the Legal Counsel always considered that the Staff Council must be elected by the staff members as a whole, and not just by those staff members who were members of the Staff Association. He added that, in this respect, there definitely was a difference of opinion between the Administration and the Staff Council.

The Director General stated that the Administration listened to the statement made by the President of the Staff Association and that the Secretariat looked forward to engaging with the Staff Council on these issues in the very near future.

[End of Annex II and of document]