

## WIPO Coordination Committee

**Seventy-Fourth (48<sup>th</sup> Ordinary) Session**  
**Geneva, October 2 to 11, 2017**

### ANNUAL REPORT BY THE ETHICS OFFICE

*prepared by the Secretariat*

#### **WIPO'S ETHICS OFFICE: 2016**

2006: In 2006, work commenced on setting up a United Nations (UN) Ethics Office in New York.<sup>1</sup>

2007: In 2007, the UN Ethics Office became operational.

2010: WIPO's Ethics Office became operational three years after the start of the UN Ethics Office.<sup>2</sup>

Covering, compared to the UN Secretariat, a relatively small staff population with activities focused on specialized areas -- knowledge issues and innovation -- and with operations predominantly based in and managed from one geographical location, WIPO's Ethics Office performs similar roles and functions as the UN's Ethics Office.

Over the years, the UN Ethics Office in New York has become a valued partner in WIPO's quest to upholding the highest ethical standards of its staff in the performance of their duties as international civil servants.

<sup>1</sup> By UN General Assembly Resolution 60/248 of December 2005 the Ethics Office was established as a new office in the UN, reporting directly to the Secretary-General.

<sup>2</sup> The Ethics Office was created in June 2010, in line with WIPO's Strategic Realignment Program (SRP) value "Environmental, Social, and Governance Responsibility".

1. The following is a report on the activities of WIPO's Ethics Office in 2016. Since its establishment in June 2010, the Ethics Office has reported on its activities to the Member States. Since 2015, the report of the Ethics Office's activities is presented as a separate Annual Report by the Ethics Office to the WIPO Coordination Committee.<sup>3</sup>

## I. BACKGROUND

2. The Convention establishing the World Intellectual Property Organization refers to the importance for the Organization of securing the highest standards of efficiency, competence and integrity. The establishment of a comprehensive ethics and integrity system at WIPO is an initiative under the Strategic Realignment Program (SRP), which began to be mainstreamed into WIPO activities following its conclusion in 2013.

3. The role of WIPO's Ethics Office, which shall have the independence required for the effective discharge of its functions<sup>4</sup>, is to ensure that staff members and other personnel observe and perform their functions with the highest standards of integrity through fostering a culture of ethics, transparency and accountability.

### The Mandate of the Ethics Office: Independence, Impartiality, Confidentiality

The WIPO Ethics Office is accountable, in particular, for the following key results:

- (a) Ensuring the design, development and implementation of an effective WIPO ethics program to enhance integrity, compliance and the ethical conduct of the Organization's business;
- (b) Enhancing appropriate compliance and ethical business conduct in the Organization through the provision of authoritative advice, leadership and oversight, ensuring the correct interpretation of ethics and compliance strategies, programs and policies; administering the Organization's financial disclosure program;
- (c) Assuring knowledge management and sharing as well as developing internal and external partnerships in order to promote ethics awareness, maintain required skills and adapt current best practices in ethics and compliance for the Organization;
- (d) Ensuring accountability in the management of assigned WIPO resources (financial, human and material).

<sup>3</sup> Annual Report by the Ethics Office to the WIPO Coordination Committee (WO/CC/71/3 Rev., WIPO Coordination Committee, Seventy-First (46th Ordinary) Session, October 5 to 4, 2015 and WO/CC/73/2).

<sup>4</sup> WIPO Office Instruction No. 25/2010, June 9, 2010, stipulates that the WIPO Ethics Office shall have the independence required for the effective discharge of its functions.

## II. STRUCTURE

4. WIPO's Ethics Office is headed by the Chief Ethics Officer, who reports to the Director General. Its activities fall into four main areas:

- (a) Promotional activities;
- (b) Confidential advice to senior management, managers and all staff members;
- (c) Standard-setting and policy development; and
- (d) Implementation of policies assigned to the Ethics Office.

The Office is independent of WIPO's other services.

## III. PROMOTIONAL ACTIVITIES

### Ethics and Integrity Training and Awareness Raising

5. Since the launch of the WIPO ethics and integrity policy<sup>5</sup> in 2012, there has been mandatory training for all staff at every level of the Organization. The training program is managed by the Ethics Office in close collaboration with the Human Resources Management Department (HRMD).

#### **WIPO CODE OF ETHICS: VALUES AND PRINCIPLES**

##### **Six Values**

- Independence;
- Loyalty;
- Impartiality;
- Integrity;
- Accountability; and
- Respect for Human Rights.

##### **Seven Principles**

- Conflict of interest;
- Abuse of authority;
- Commitment to a respectful working environment;
- Gifts, honors, favors or other benefits;
- Resources of the Organization;
- Confidentiality of information;
- Post-employment.

6. All staff including new recruits has been trained since the launch of the WIPO ethics and integrity policy. It is mandatory for staff joining the Organization to participate in induction courses, which include a session on Ethics. A mandatory online training course on Ethics and Integrity will be launched in 2017 to this effect. The e-course will also serve as a refresher course on ethics for all staff of the Organization.

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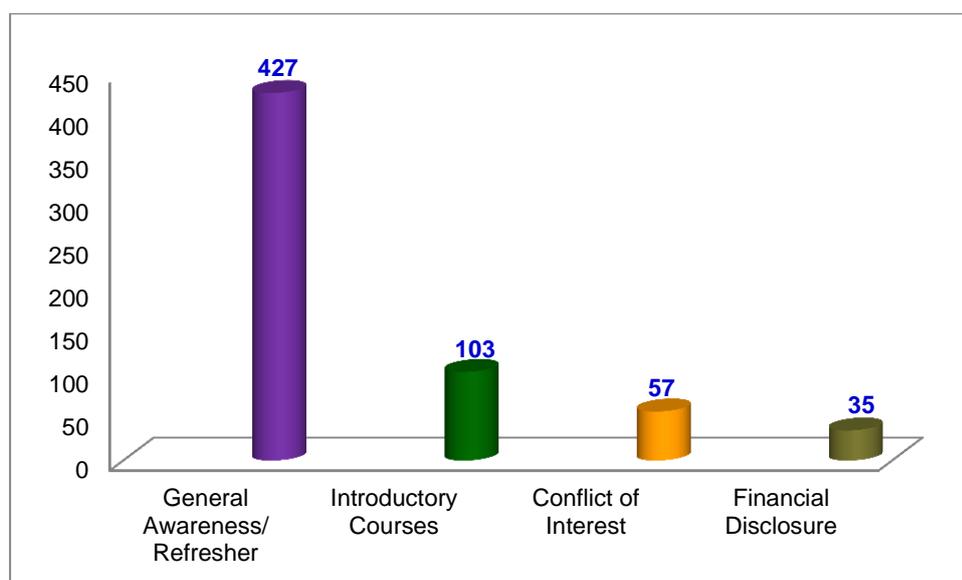
<sup>5</sup> WIPO Code of Ethics, Office Instruction No. 84/2012 of December 28, 2012, effective January 1, 2013

## WIPO Ethics and Awareness Raising Activities in 2016

7. Around 53 per cent of staff (622) participated in ethics training and awareness activities in 2016:

- 103 new staff members, at all levels, including managers, participated in introductory courses on ethics in three induction courses in 2016;
- Four briefings were held for 427 staff, including from External Offices, on WIPO's values and principles;
- Fifty-seven staff participated in a briefing on Conflict of Interest; and
- Thirty-five staff participated in a briefing on financial disclosure.

The latter two activities were held with an expert facilitator from the UN Ethics Office.



8. Training and awareness raising activities included information on WIPO's "Policy to Protect Against Retaliation for Cooperating in an Oversight Activity or Reporting Misconduct or other Wrongdoing" ("Whistleblower Protection Policy" or (PaR)), and on general and specific information resources, including the Ethics Intranet site. WIPO's Ethics Office maintains a comprehensive Intranet site which includes resources and information on the PaR policy.

9. WIPO staff were also given the opportunity to join an activity organized by the UN, in Geneva, which included a presentation by the Director of the UN Ethics Office.

### *Objectives*

10. Training, refresher courses and awareness building activities in general, are tailored to the Organization's values and policies on ethical conduct, and are in line with good training practices and commonly recognized ethical principles.

Specifically, the activities aim to:

- enhance the culture of ethics;
- raise awareness across the Organization about principles, policies, tools and considerations relating to ethical behavior at WIPO;

- increase trust among colleagues and managers, and trust in the Organization;
- promote accountability in decision-making; and
- strengthen ethical leadership – “tone at the top”.

### *Outcomes*

11. The desired outcomes are to:

- ensure a common understanding of the meaning of “ethics and integrity” in a professional setting, and of the importance of ethical conduct to the reputation of the Organization;
- ensure that all staff remain aware of core ethical principles;
- promote a consistent message on ethics and expected standards of conduct in WIPO; and
- improve understanding of mechanisms that are in place to support personnel.

### *Nature of training and awareness activities*

12. In 2016, ethics and integrity training and awareness raising included a review of ethical principles and values that apply at WIPO, with focus on specific areas, examples and case studies, and on ethical decision-making models. Furthermore, the activities included an introduction to the Ethics Office, its activities and the services it provides to staff, such as its 24/7 helpline. In all activities, there were inter-active discussions about common obstacles to behaving ethically, and on ways to address these.

13. General ethics awareness events were held throughout the year, including through sector-specific outreach. New printed materials, providing information and contact details of the Ethics Office, were distributed at all events. Subject-specific training, on Financial Disclosure, Conflicts of Interest and on ethical standards for international civil servants, were delivered in collaboration with experts from the UN Ethics Office (New York).

### *Impact, as measured by post-training surveys*

14. Online surveys were sent to participants enrolled in the 2016 training courses.

15. Overall, the training was well received, with over 80 per cent of respondents rating the course as “increasing their understanding”.

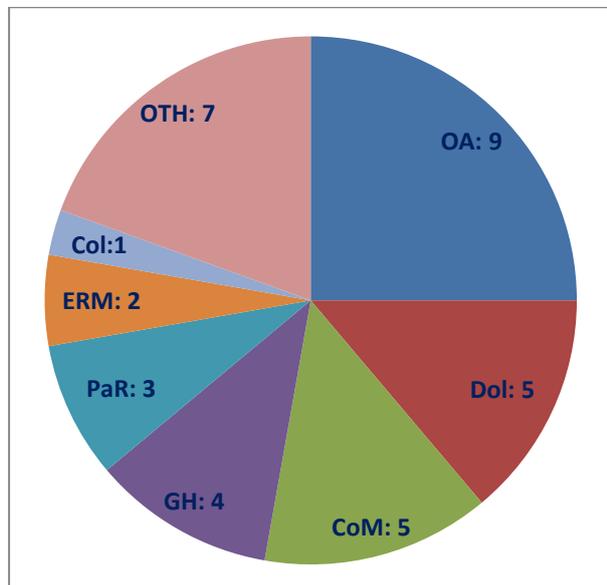
16. The Ethics Office took note of comments and feedback received in designing new ethics and awareness building events.

## **IV. CONFIDENTIAL ADVICE TO SENIOR MANAGEMENT, MANAGERS AND ALL STAFF MEMBERS**

17. In 2016, the Ethics Office received the following requests for advice:

- nine on outside activities;
- five on declarations of interests/investments;
- five on communications and media;
- four on gifts and/or hospitality;

- three on protection against retaliation;
- two on employment-related matters;
- one on conflicts of interest;
- seven on other issues.



OA: Outside activities  
Dol: Declarations of interests/investments  
CoM: Communications and Media  
GH: Gifts and/or hospitality  
PaR: Protection against retaliation  
ERM: Employment-related matters  
Col: Conflicts of interest  
OTH: Other issues

## V. STANDARD-SETTING AND POLICY DEVELOPMENT

### Financial Disclosure Policy

18. WIPO's Declaration of Interest Policy of 2013 applies to the disclosure of financial interests and to compliance with the International Public Sector Accounting Standards (IPSAS), for senior staff and other designated members of staff.

19. In 2016, work on the revision of the policy was revived. Central to the revision is achieving an appropriate balance between the need for information and staff members' right to privacy, the risk management framework and internal controls system that the Secretariat has been implementing, while taking account of best practices. Work on the revision is nearing completion.

### Policy to Protect against Retaliation (PaR)

20. Work was undertaken pursuant to the request by the 73<sup>rd</sup> (47<sup>th</sup> Ordinary) Session of the WIPO Coordination Committee to the Secretariat<sup>6</sup>:

*"[R]equest the Secretariat to review the Whistleblower Protection Policy, taking into account lessons learned, recent developments in this area, and best practices from other organizations, and requests the Independent Advisory Oversight Committee (IAOC) to review and comment on the proposed revision."*

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<sup>6</sup> WO/CC/73/7, paragraph 170

21. In response to this request, the Ethics Office undertook a careful review of the policy, in collaboration with the Office of the Legal Counsel. In this review, note was taken of observations and recommendations reflected in the Audit of WIPO's Ethics Framework.<sup>7</sup> The outcome of the review was submitted for review and comment by the Independent Advisory Oversight Committee (IAOC) in June 2017.

## **VI. IMPLEMENTATION OF POLICIES ASSIGNED TO THE ETHICS OFFICE**

### Policy to Protect against Retaliation for Cooperating in an Oversight Activity or Reporting Misconduct or other Wrongdoing (PaR)

22. The Policy to Protect against Retaliation for Cooperating in an Oversight Activity or Reporting Misconduct or other Wrongdoing (PaR), has been in effect at WIPO since 2012 and constitutes the general framework for the protection of all personnel against retaliation for participation in an oversight activity as defined in this Policy or who make a "whistleblower" report.

23. In accordance with the PaR, the Ethics Office receives complaints of retaliation and conducts preliminary reviews to determine whether a complainant has engaged in a protected activity. Based on its preliminary review of a complaint, the Ethics Office determines whether *prima facie* there is a case of retaliation, and for adequate protection of the staff member concerned.

24. In 2016 the Ethics Office concluded preliminary reviews on two claims for protection against retaliation. The complaints were determined to fall outside of the PaR, and no further action by the Ethics Office was therefore required. Comparison shows that WIPO's numbers of inquiries are comparable to that of other United Nations' bodies.

### Declarations of Interest and IPSAS-Mandated Disclosures of Related Party Transactions

25. The WIPO Ethics Office is responsible for the implementation of the Declaration of Interest program for WIPO staff members at the level of D1 and above, and a limited number of other high-risk categories. Compliance with IPSAS has created additional disclosure requirements for staff members at the level of D2 and above. A 100 per cent rate of compliance with IPSAS disclosure requirements concerning related party transactions for WIPO staff was achieved for the 2016 reporting period.

26. Pursuant to Annex III of WIPO's Financial Regulations and Rules, as amended on October 14, 2015, members of the IAOC shall sign a statement of disclosure of interest. The Ethics Office exchanged communications on this requirement for the reporting year 2016 with the Chair of the IAOC.

## **VII. MEASURING ETHICS AND INTEGRITY AT WIPO**

27. In 2016, a survey was undertaken on awareness of WIPO's ethics principles and commitment to these principles. Eighty-six per cent of respondents reported being aware of ethics principles, and 87 per cent of respondents reported being committed to these principles.

28. The findings of the survey were taken into consideration for the further design of training and awareness raising programs on ethics.

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<sup>7</sup> Audit of WIPO's Ethics Framework, Reference: IA 2016-06, March 6, 2017

## VIII. OTHER ACTIVITIES

29. In 2016, the Ethics Office, as the prime actor within the institution dealing with ethics issues, was actively involved in the Audit of WIPO's Ethics Framework. The report was concluded in March 2017.<sup>8</sup>

30. The Ethics Office, as all program units within the Organization, also prepares its contribution to the biennial and annual planning processes of WIPO. Risk management is also performed as part of the integrated results based management framework.

31. As per paragraphs 2(a)(v) and 2(b)(ii) of the Terms of Reference of the IAOC<sup>9</sup>, "the functions and responsibilities of the IAOC include promoting internal control by "Reviewing and advising on the ethics function, including the code of ethics, financial disclosure, and whistle blower protection"; respectively "Reviewing and providing advice on the proposed annual work plans of the Ethics Office."

32. In 2016, the Ethics Office had active engagements with the IAOC, as per the IAOC's scheduled calendar of meetings. In all its interactions, the Ethics Office performed the balancing act between the respective mandates, at all times mindful of the vital prerequisites for the functioning and operation of an Ethics Office, namely independence, impartiality and confidentiality.

33. Also in 2016 the Ethics Office cooperated, through WIPO's focal point, with system wide surveys and initiatives. For example, contributions were made to the work of the United Nations Joint Inspection Unit on Fraud Prevention, Detection and Response in the UN system.

## IX. HARMONIZATION WITH BEST PRACTICES OF THE UNITED NATIONS COMMON SYSTEM

34. WIPO's Ethics Office actively engages with the Ethics Network of Multilateral Organizations (ENMO), which aims to promote system-wide collaboration on ethics-related issues within the UN system. The ENMO serves as a broad forum of ethics functions from UN system entities, affiliated international organizations and international financial institutions, and allows for the exchange of ethics policies and practices.

35. *The WIPO Coordination Committee is invited to take note of the "Annual Report by the Ethics Office" (document WO/CC/74/3).*

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<sup>8</sup> Audit of WIPO's Ethics Framework, Reference: IA 2016-06, March 6, 2017. The Ethics Office is responsible for considering and implementing as appropriate the comprehensive set of recommendations, in collaboration with the ten other stakeholders explicitly identified in the report. The goal is to achieve implementation of the relevant recommendations marked as "high priority" by mid-2018, that is, within 15 months of the date of publication of the report.

<sup>9</sup> WIPO Financial Regulations and Rules Annex III, as amended on October 14, 2015