



WO/CC/176/INF/2
ORIGINAL: ENGLISH
DATE: JULY 30, 2019

WIPO Coordination Committee

**Seventy-Sixth (50th Ordinary) Session
Geneva, September 30 to October 9, 2019**

ANNUAL REPORT BY THE ETHICS OFFICE

prepared by the Secretariat

1. This document contains the Annual Report by the Ethics Office for the period January 1, 2018 to December 31, 2018.

I. BACKGROUND

2. The WIPO Ethics Office was created in 2010 as part of the establishment of a comprehensive ethics and integrity system under the WIPO Strategic Realignment Program. The Ethics Office works towards ensuring 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 Office is accountable for the following results in particular:

- (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, maintaining required skills and adapting current best practices in ethics and compliance for the Organization; and

(d) Ensuring accountability in the management of assigned WIPO resources (financial, human and material).

3. The Office, headed by the Chief Ethics Officer, is independent of other services at WIPO as required for the effective discharge of its functions.

4. The main activities of the Office are:

- awareness raising and training of staff;
- providing confidential advice to staff members;
- standard-setting and policy development; and
- implementation of policies assigned to the Ethics Office.

II. AWARENESS RAISING AND TRAINING

5. Awareness raising and training activities are, in general, 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 at all levels (“tone at the top” and “mood in the middle”)¹.

6. The desired outcomes of awareness raising and training 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 WIPO's core ethical principles and values, i.e., independence, loyalty, impartiality, integrity, accountability, and respect for Human Rights;
- 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.

7. Since the launch of the WIPO ethics and integrity program 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.

8. 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

¹ Middle management, who are typically in daily contact with the staff, play a critical role in reinforcing the “tone at the top” for establishing a culture of ethics in the Organization. The theories of business ethics refer to this as the “mood in the middle”.

Integrity is available to all staff since 2017. The online course also serves as a refresher course on ethics for all staff of the Organization.

9. In 2018, 500 staff members participated in ethics training and awareness activities:

- 75 new staff members, at all levels, including managers, participated in introductory courses on ethics in three induction courses;
- 30 staff members attended an ethics presentation by a guest speaker on Ethics in international organizations;
- 300 staff members attended the Public Lecture organized by the Ethics Office, on Ethics and Technology, entitled Ethics, Technology, and the Future of Humanity, by Professor Peter Singer;
- 25 staff participated in a dedicated briefing designed for one WIPO Sector;
- 10 staff members from external offices participated in a themed discussion on ethics values and principles; and
- 60 senior staff members participated in two dedicated briefings on Financial Disclosure and Declaration of Interests;

10. Building on the well received awareness raising approach, introduced in 2017, staff continued to be offered presentations combining a wide range of experiences in the ethics field, by invited speakers of high renown and/or with specialized technical skills, from differing cultural backgrounds, to trigger open discussions on codes of ethics and their practical use. The Organization was privileged to host in 2018, for its first public lecture, Professor Peter Singer (Australia), recipient of multiple prestigious distinctions and awards and considered to be among the world's most influential people, one of the most influential Australians of the last half-century, and/or a "Global Thought Leader", who is furthermore author, co-author, editor and/or co-editor of more than 40 publications. The Public Lecture received a great deal of attention outside WIPO circles. The magazine "UN Special" published a dedicated interview with Professor Peter Singer in its May 2018 issue (UN Special No 79).

11. A public of some 400 persons - members of the diplomatic community, United Nations (UN) and UN Specialized Agencies and other International Organizations, representatives of non-governmental organizations (NGOs) and the academic community as well as students- attended the event and engaged in discussions, following the lecture, alongside some 300 WIPO staff. The engagement and attendance by staff served the objective of reflection on ethical behavior in carrying out duties as WIPO staff.

12. Awareness raising and training activities also included information on WIPO's Policy to Protect Against Retaliation for Reporting Misconduct and for Cooperating with Duly Authorized Audits or Investigations (PaR), as well as general and specific information resources, including the information available on the Ethics Intranet site. WIPO's Ethics Office maintains a comprehensive and regularly updated Intranet site, which includes resources and information on the PaR policy, amongst others.

13. In line with best practice (private and public sector), special attention continued to be placed on "the mood in the middle". In that respect, three activities were dedicated to managers and senior staff.

14. Concerted efforts were made to ensure geographical balance. Guest speakers in 2018 included Nigerian and Australian nationality.

15. In 2018, ethics and integrity training and awareness raising also 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.

16. General ethics awareness events were held throughout the year, including through sector-specific outreach. Printed materials, providing information and contact details of the Ethics Office, were distributed at all events.

Overall, ethics and awareness events were well received.

III. CONFIDENTIAL ADVICE TO STAFF MEMBERS

17. In 2018, the Ethics Office received the following requests for advice:

- three on outside activities;
- six on conflicts of interest;
- five on employment-related matters;
- five on protection against retaliation;
- seventy on declarations of interests/investments; and
- nine on other issues.

18. Advice was provided to the satisfaction of the staff members concerned.

IV. STANDARD-SETTING AND POLICY DEVELOPMENT

PROTECTION AGAINST RETALIATION

19. In furtherance of the principles and objectives of securing the highest standards of integrity amongst all members of the personnel of the Organization, and in support of the Organization's established core value "Environmental, social and governance responsibility", the 2017 *Policy to Protect Against Retaliation for Reporting Misconduct and for Cooperating with Duly Authorized Audits or Investigations (PaR)* constitutes the general framework for the protection of all personnel against retaliation for cooperation in an oversight activity, or for making a report, in good faith, of misconduct that, if established, would be manifestly harmful to the interests, operations or governance of the Organization.

POLICY ON FINANCIAL DISCLOSURE AND DECLARATION OF INTERESTS

20. The 2017 *Policy on Financial Disclosure and Declaration of Interests (FDDI)* applies to the disclosure of financial interests and to the compliance with the International Public Sector Accounting Standards (IPSAS) for senior staff and other designated categories of staff. The Policy aims to achieve an appropriate balance between the need for information and staff members' right to privacy, while taking into account the risk management framework, the internal controls system implemented by the Secretariat, and best practices on the issue. The first filing exercise, with review of submissions by an external reviewer, was undertaken in 2018.

V. IMPLEMENTATION OF POLICIES ASSIGNED TO THE ETHICS OFFICE

PROTECTION AGAINST RETALIATION

21. A PaR policy, in existence at WIPO since 2012 and updated in 2017, constitutes the general framework for the protection of all personnel against retaliation for participation in an oversight activity as defined in the policy or for reporting misconduct.

22. In accordance with the PaR policy, 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 whether there is a need to recommend adequate protection of the staff member concerned.

23. In accordance with its mandate to provide services to other UN organizations, the Ethics Office of the United Nations Office for Project Services (UNOPS) serves as outside reviewer for requests for review in respect of determinations on preliminary reviews by WIPO's Ethics Office.

24. In 2018, the Ethics Office received five PaR related inquiries, concluded three preliminary reviews and initiated preliminary reviews in two cases where staff alleged retaliation and claimed protection against retaliation. The Ethics Office determined in two cases that these did not present *prima facie* cases of retaliation, either because the complainant had not engaged in an activity protected by the policy and/or because the protected activity had not been a contributing factor in causing the alleged retaliation.

25. In the three cases concluded, the complainants requested a review by the Ethics Office of UNOPS of the determinations reached by WIPO's Ethics Office upon its preliminary reviews.

FINANCIAL DISCLOSURE AND DECLARATION OF INTERESTS

26. In 2018, WIPO staff members at the level of D1 and above, and a limited number of other designated categories of staff, submitted declarations over the reporting year 2017 under the FDDI. This policy has as objectives:

- to promote transparency and accountability;
- to enhance internal and external public trust in the integrity of the Organization; and
- to assist the Organization to manage the risk of actual and perceived conflicts of interest through disclosure, mitigation and prevention.

27. The Ethics Office is tasked with the administration of the FDDI statements, which is handled by an external reviewer, whose role is determined by the FDDI. At the end of the process, the external reviewer provided a report to the Director General. The external reviewer's review and analysis of participant disclosure forms was based on the relevant Office Instructions, knowledge and experience attained from similar disclosure programs, consultation with WIPO's Ethics Office, and independent research as necessary to evaluate possible conflicts. Each disclosure form was subject to two levels of review by the external reviewer. The review methodology was designed by the external reviewer to highlight items that required special consideration, including but not limited to, a financial interest of a company on WIPO's Vendor List, and/or any relevant formal authorizations required for certain interests or activities. The review included research of publicly available information to obtain the investment strategy, as well as the fund breakdown of disclosed interests. Additionally, the external reviewer conducted follow up discussions with the participants as necessary to obtain supplemental information relevant to the review.

28. When factors existed in a disclosure form indicating perceived, potential, or actual conflicts of interest, the external reviewer discussed the situation with WIPO's Ethics Office for guidance and resolution. The ultimate conclusion on whether a perceived, potential or an actual conflict existed, and the appropriate resolution, remained with WIPO.

PROGRAM OVERVIEW

29. In 2018, statements of financial disclosure and declaration of interests were submitted online. The external reviewer launched a website for the 2018 Financial Disclosure and Declarations of Interests Program. One hundred and five staff participated in the filing cycle covering the year 2017. The program was open for approximately five weeks with a deadline of July 31, 2018.

30. A total of 94 out of 105 participants, 90 per cent, completed their FDDI forms by the deadline of July 31, 2018. The remaining 11 participants submitted their FDDI forms late, allowing for a 100 per cent filing rate for the 2017 filing cycle.

ADDITIONAL VERIFICATION

31. Approximately 5 per cent (6 participants) of randomly selected FDDI forms were selected for the verification process, in addition to the regular review process. The staff members were asked to provide third-party documentation for all items that they had disclosed. These additional documents were requested in order to verify the accuracy and completeness of information disclosed by participants. All participants selected for the Verification Process were compliant, providing the necessary third-party documentation on items disclosed, resulting in no reportable observations.

32. The Ethics Office provided substantive and technical support and guidance to filers. To familiarize staff with the new system, the Ethics Office, in collaboration with the external reviewer, organized briefings and support sessions for staff required to file FDDI statements. The Ethics Office furthermore provided advice on conflict-of-interest management.

33. Participants also had the option to contact the external reviewer for assistance by email, through an "Ask A Question" function within the website and/or by telephone to the external reviewer's service desk. The majority of participant inquiries to the external reviewer related to technical issues such as to register/login to the FDDI website instead, misplacement of registration emails, or other registration/login issues. The external reviewer responded to all inquiries within two business days.

34. Based on the experience of the 2018 process, the external reviewer recommended that participants use their WIPO email addresses to access the system and for any correspondence. The external reviewer would maintain anonymity in their system through an automated anonymous Filer ID assigned by the system, and would refer to the participants anonymous Filer ID during discussions with WIPO's Ethics Office.

35. The Ethics Office took into consideration the experience gathered in 2018 for the design and launch of the 2019 process.

36. Compliance with IPSAS created additional disclosure requirements for staff members at the level of D2 and above. A 100 per cent rate of compliance by WIPO staff with IPSAS disclosure requirements in 2018 concerning related party transactions for the 2017 reporting period, was achieved.

VI. OTHER ACTIVITIES OF THE ETHICS OFFICE

37. 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.

38. Throughout 2018, the Ethics Office engaged with the WIPO Independent Advisory Oversight Committee (IAOC). Upon the election in December 2018 of Ms. Maria Vicien-Milburn (Chair), and Ms. Tatiana Vasileva (Vice-Chair), the Chief Ethics Officer again extended her fullest cooperation to the Chair and Vice-Chair, as well as to the IAOC.

39. Also in 2018, the Ethics Office cooperated with system-wide surveys and initiatives. In particular, the Ethics Office was the designated WIPO focal point for the UN Joint Inspection Unit's (JIU) reviews of "whistle-blower policies and practices in United Nations system organizations".

VII. SYSTEM-WIDE COLLABORATION ON ETHICS-RELATED ISSUES WITHIN THE UNITED NATIONS BY THE ETHICS OFFICE

40. 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.

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