

WIPO Coordination Committee

Eightieth (52nd Ordinary) Session
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ANNUAL REPORT BY THE ETHICS OFFICE

prepared by the Secretariat

1. Pursuant to Office Instruction N° 16/2020, the WIPO Ethics Office shall provide annual reports on its activities to the Director General and, through the Director General, to the WIPO General Assembly. This document contains the Annual Report by the Ethics Office for the period January 1, 2020 to December 31, 2020.

I. BACKGROUND

2. In line with the commitment of the Organization of maintaining the highest standards of ethics and integrity, as expressed in the WIPO core values, as well as taking account of best practices of other international organizations of the United Nations (UN) common system, the WIPO Ethics Office was established in 2010.

3. The objective of the WIPO Ethics Office is to assist the Director General in 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 WIPO Ethics Office shall have the independence required for the effective discharge of its functions.

4. The main responsibilities of the WIPO Ethics Office are¹:
- (a) Ensuring the design, development and implementation of effective WIPO ethics strategies, programs and policies to enhance integrity, compliance with ethics rules, and the ethical conduct of the Organization's business;
 - (b) Providing confidential advice and guidance to staff and other personnel on ethical issues;
 - (c) Providing other authoritative advice, as well as leadership, to support the correct interpretation of, and compliance with, ethics rules and related strategies, programs and policies;
 - (d) Providing input when consulted on policy issues where its expertise, views and experience may be useful;
 - (e) Administering the Organization's financial disclosure and declaration of interests policy and related programs;
 - (f) Undertaking the responsibilities assigned to it under the policy to protect against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigations;
 - (g) Developing standards, training and education on ethics issues and, in cooperation with the Human Resources Management Department (HRMD) and other offices as appropriate, ensuring regular ethics training for all staff members, and other personnel as appropriate;
 - (h) Providing standard-setting and policy support in respect of the development and interpretation of ethics related policies;
 - (i) Developing internal and external partnerships, and participating in and contributing to activities of relevant ethics networks from multilateral organizations, in order to maintain required skills, and adapt best practices on raising ethics awareness, promoting ethical conduct and complying with ethics rules, for the Organization;
 - (j) Ensuring accountability in the management of assigned WIPO resources (financial, human and material); and
 - (k) Performing such other functions as the Director General considers appropriate for the Office.
5. The WIPO Ethics Office is headed by a Chief Ethics Officer, who enjoys functional and operational independence from Management in the conduct of her or his duties.
6. The main activities of the Office concern:
- 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.

¹ Office Instruction N° 16/2020, WIPO Ethics Office (which supersedes Office Instruction N° 25/2010, June 9, 2010).

II. AWARENESS RAISING AND TRAINING

7. 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 (especially so-called “top” and “middle” level management).

8. 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 for the reputation of the Organization;
- ensure that all staff remain aware of WIPO's core values of independence, loyalty, impartiality, integrity, accountability, and respect for human rights; as well as of the ethics principles in WIPO relevant to conflicts of interest, abuse of authority, commitment to a respectful working environment, gifts, honors, favors, other benefits, resources of the organization, confidentiality of information, and post-employment;
- 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.

9. 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 HRMD.

10. Since the launch of the WIPO ethics and integrity policy, training on ethics for all staff, including new recruits, has been mandatory. Participation in induction courses, which include a session on Ethics, is mandatory for staff joining the Organization, including for managers and staff at senior levels. Since 2017, an online training course on Ethics and Integrity is offered and mandatory for all staff. The online course also serves as a refresher course on ethics for all staff of the Organization.

11. In 2020, a total of 412 personnel took part in Ethics training and awareness activities:

- **248 participants** successfully completed the mandatory on-line training on Ethics and Integrity (please note that the completion date is based on the date of entry in the Enterprise Learning Management (ELM) system, not the actual completion date of the course).

- **116 participants** attended the Public Lecture organized by the Ethics Office, on Ethics & New Technology: The Case for Responsible Innovations, by guest speaker, Professor Jeroen Van Den Hoven.
- **48 participants** attended an introductory briefing on Ethics delivered by the Chief Ethics Officer during the induction program organized by HRMD.

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 on general and specific information resources, including the Ethics Office Intranet pages. WIPO's Ethics Office maintains a comprehensive and regularly updated Intranet site, which includes resources and information, amongst others on the PaR policy.

CONFIDENTIAL ADVICE TO STAFF MEMBERS

13. Upon request, the Ethics Office provides confidential advice to staff members. In 2020, the Ethics Office provided advice in approximately 50 instances. The areas of advice concerned: outside activities, communications, media, conflicts of interest, declarations of interest, protection against retaliation (inquiry), employment-related and other referrals.

III. STANDARD-SETTING AND POLICY DEVELOPMENT

Protection Against Retaliation

14. In furtherance of the principles and objectives of securing the highest standards of ethics and integrity for all members of personnel of the Organization, and in support of WIPO's core values, the 2017 PaR policy 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

15. The 2017 Policy on Financial Disclosure and Declaration of Interests (FDDI) applies to the disclosure of financial interests and to 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.

IV. IMPLEMENTATION OF POLICIES ASSIGNED TO THE ETHICS OFFICE

Protection Against Retaliation

16. 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.

17. 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 exists a need to recommend protection as per the policy, of the staff member concerned.

18. In accordance with its mandate to provide services to other UN organizations, the Ethics Office of the United Nations Office for Project Services (UNOPS) served as outside reviewer for requests for review of preliminary reviews by WIPO's Ethics Office until October 4, 2020. There were no cases for secondary review after that. The Chief Ethics Officer is currently arranging another review mechanism for 2021.

19. In 2020, the Ethics Office received no requests for protection against retaliation.

Financial Disclosure and Declarations of Interests

20. In 2020, 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 2019 under the FDDI policy.

21. 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.

22. The Ethics Office is tasked with the administration of the FDDI statements. The statements are examined by an external reviewer, whose role is determined by the FDDI policy. At the end of the process, the external reviewer provides a report to the Director General.

23. The external reviewer reported that review and analysis of participant disclosure forms were 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, a financial interest with significant investment objectives focused on intellectual property, and/or any relevant authorizations required for certain interests or activities. The review included research of publicly available information to obtain the investment strategy, as well as a 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.

24. 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 conclusion on whether a perceived, potential or an actual conflict existed, and the appropriate resolution, remained with WIPO.

Program Overview

25. Continuing the practice in 2018 and 2019, in 2020, statements of FDDI were submitted online. The external reviewer's website was updated for the 2020 FDDI Program for WIPO participants.

26. An earlier launch date was set again in 2020 as had been done in the previous cycle. During the review in 2018 a delay in participant response times was experienced, and found to be due to the traditional summer break of most participants. The earlier launch dates in 2019 and in 2020 allowed participants to complete their FDDI form submissions prior to the summer holidays, therefore reducing the lag time in participant follow-up responses. The change of

dates seemed to have contributed to the timely response by participants in 2019 and 2020. Revisions to be proposed in the FDDI Office Instruction in 2021 will make the earlier schedule permanent.

27. Following the external reviewer's recommendation, the requirement for participants to use an anonymized email "*alias*" for the FDDI was eliminated in the 2019 and 2020 filing cycles. In 2018, an anonymized email "*alias*" had been used, with a view to participant confidentiality and anonymity. This system caused significant confusion among participants and resulted in a high volume of calls and emails for support relating to login issues. Moreover, many participants nevertheless chose to use their personal emails for these inquiries and for engaging with the external reviewer.

28. A survey by the Ethics Office conducted in 2019 indicated that the vast majority of filers did not have objections to suppressing this requirement. Allowing participants to use their personal WIPO emails during the 2019 and 2020 disclosure cycles markedly reduced participant confusion, login inquiries and requests for login support. WIPO accepted the external reviewer's recommendation to continue to allow participants to use their personal WIPO emails. Revisions to be proposed in the FDDI Office Instruction later this year will make the use of WIPO email addresses a permanent element of the FDDI procedures.

29. During the 2020 FDDI exercise, participants who filed in the previous year were able to utilize a feature within the external reviewer's website that pre-populated returning participant's disclosure form with each disclosure item that had been submitted in their prior year's form. This facilitated a more effective and efficient filing process for these participants and resulted in less follow up with participants during the external reviewer's review of the form. On the recommendation of the external reviewer, this procedure will continue to be used in future periods.

30. During the 2020 disclosure program, the external reviewer maintained anonymity in its review system through an automated anonymous Filer ID assigned to each participant by the external reviewer's FDDI system. As in the 2019 cycle, during the case discussions with WIPO's Ethics Office in 2020, the external reviewer continued to refer to the participants' anonymous Filer ID (generated by its FDDI system), instead of referencing names and/or personal WIPO emails.

31. In order to maintain confidentiality of participant information and disclosures as strictly and confidentially as possible, in both the 2019 and 2020 FDDI cycles, the external reviewer put in place a number of measures to protect participant privacy. The external reviewer used a closed project team, physical security of documentation, system access and printing restrictions, and a rigorous application and network security-testing regime. These practices are to remain in place in future FDDI filing cycles and will be mandated in the tendering process for an external reviewer, which will take place when the current agreement's five-year period ends after the 2021 FDDI exercise.

32. One hundred and eleven (111) WIPO staff members participated in the 2020 program (i.e. the 2019 Filing Cycle). The program was open for approximately six weeks, with an official closing deadline of June 19, 2020. One hundred and ten (110) participants completed their disclosure forms prior to the official closing deadline and for one staff member on sick leave, the participant's form was administratively closed, thus resulting in almost full compliance for the 2019 filing cycle (conducted in 2020). About 90 per cent of the reviewed staff member disclosures were categorized as 'No Reportable Observations', whereby the external reviewer did not identify a possible conflict of interest in its review of the declarations. The remaining 10 per cent of disclosures were discussed with WIPO's Ethics Office (11 participants) to make a determination on conflicts of interest and any necessary remedial action.

33. The 11 cases included two individuals who had filed paper disclosure forms, after the program's official closing deadline. The external reviewer reviewed their forms during a case meeting with the Chief Ethics Officer, and no reportable observations were identified. As for the remaining nine disclosure forms, seven were categorized as "Discussed with Chief Ethics Officer – No Action Required", while the other two were categorized as "Discussed with Chief Ethics Officer – Action Agreed Upon". There were no actual conflicts of interest for the 2019 FDDI exercise.

Additional Verification

34. Approximately 5 per cent (6 participants) of randomly selected FDDI forms were selected for the 2020 verification process, in addition to the regular review process. The staff members were asked to provide third-party documentation for all items they had disclosed. If their forms were blank, they were asked to re-confirm that they did not have any items to disclose on their WIPO FDDI form. Any 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 or blank form submission confirmation, resulting in no reportable observations.

35. During 2020, with all participants teleworking from home, the Ethics Office, and the external reviewer did not conduct organized briefings and support sessions for staff required to file FDDI statements as had been done in previous years. Instead, the Ethics Office provided substantive and technical support and guidance to filers including advice on conflict-of-interest management on request to individual participants *via* telecommunications. In future FDDI exercises, information sessions will be held if a sufficient (5) number of participants express an interest. In any event, all participants will be provided with the Ethics Office FDDI and the external reviewer's technical guide and tutorial along with the announcement that the FDDI exercise has opened.

36. Participants also had the option to contact the external reviewer for assistance by email, through an "Ask a Question" function on its website and/or by telephone to the external reviewer's service desk. The external reviewer reported that despite not having hosted information sessions during the pandemic, there was minimal correspondence with FDDI participants regarding disclosure items. The majority of participant inquiries to the external reviewer related to technical issues, such as misplacement of registration emails or other registration/login issues to the FDDI website. The external reviewer reported that it had responded to all inquiries within two business days.

IPSAS

37. Compliance with IPSAS created additional disclosure requirements for staff members at D2 level and above. A 100 per cent rate of compliance by WIPO staff with IPSAS disclosure requirements was achieved.

38. The Ethics Office took into consideration the experience gathered in the 2018 and 2019 cycles for the design and launch of the 2020 process.

V. OTHER ACTIVITIES OF THE ETHICS OFFICE

39. 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.

40. Throughout 2020, the Ethics Office engaged with the WIPO Independent Advisory Oversight Committee (IAOC).

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

41. 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 system for participating bodies from the UN family and other multi-lateral organizations. 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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