

WIPO



WO/GA/34/4
ORIGINAL: English
DATE: August 30, 2007

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WORLD INTELLECTUAL PROPERTY ORGANIZATION
GENEVA

WIPO GENERAL ASSEMBLY

Thirty-Fourth (18th Ordinary) Session
Geneva, September 24 to October 3, 2007

**SUMMARY ANNUAL REPORT OF THE DIRECTOR
OF THE INTERNAL AUDIT AND OVERSIGHT DIVISION**

Document prepared by the Secretariat

1. This document presents the Summary Annual Report of the Director of Internal Audit and Oversight Division including, annexed to the Report, a copy of the WIPO Evaluation Policy recently approved by the Director General.

2. *The General Assembly is invited to take note of the Summary Annual Report of the Director of Internal Audit and Oversight Division and the WIPO Evaluation Policy.*

[Attachment follows]

ATTACHMENT

SUMMARY ANNUAL REPORT
OF THE
DIRECTOR OF INTERNAL AUDIT AND OVERSIGHT

July 1, 2006 to June 30, 2007

I. BACKGROUND

1. The WIPO Internal Audit and Oversight Division (IAOD) was established in May 2000. Its original mandate included both internal audit and evaluation functions. The Division also informally acted as a focal point for investigation and inspection. Following the approval of the WIPO Internal Audit Charter by the General Assembly in September 2005, investigation and inspection were specifically incorporated into the IAOD mandate through the Internal Audit Charter. The function of IAOD is to ensure effective internal oversight at WIPO. The IAOD mission is to independently examine and evaluate WIPO control and business systems and processes and to provide recommendations for improvement, thus providing assurance and assistance to management and staff in the effective discharge of their responsibilities and the achievement of WIPO mission and goals.

2. Paragraph 23 of the Internal Audit Charter requires the Internal Auditor to present an Annual Summary Report to the Director General, with a copy to the External Auditor, of activities undertaken and the progress of the implementation of recommendations. This summary report is also presented to the General Assembly, and is provided to the Audit Committee for information. IAOD also makes a short internal report on a quarterly basis to keep the Director General informed of oversight activities carried out and planned. This quarterly report is copied to the Audit Committee. IAOD is required to make a regular presentation (paragraph 22 of the Internal Audit Charter) to the Program and Budget Committee and this has been done in 2007 for the first time. This helps ensure that the activities of IAOD are transparent and accountable.

II. INTERNAL OVERSIGHT ACTIVITIES SUMMARY

3. The main internal audit and oversight activities in the period are summarized below:

(a) Internal Audit

– a Review of New Procurement System and Procedures was completed in August. An audit of the risk registers and risk management of the New Building Project has recently started;

– as required by paragraph 28 of the Internal Audit Charter changes to the Charter have been proposed and will be reviewed by the Working Group of the Program Budget in September 2007. Any changes agreed by the Working Group will be submitted for approval to the General Assembly;

- a draft Audit Manual is being prepared. Standard audit documentation has been prepared for Client Engagement Notification; the specific Detailed Audit Task Plan, the detailed Audit Program and Risk Assessment for each specific audit; and the Audit Reporting Framework. These are currently being tested during the audits mentioned above; and,

- proposals for the Audit Approach regarding the New Construction Project were developed to meet Audit Committee requirements for regular internal audit information on this important project.

(b) Investigation

- two investigations were completed in the period and one investigation is ongoing. The ongoing investigation is being carried out on behalf of IAOD by the UNDP on a cost recovery basis;

- any case accepted for consideration by the WIPO Joint Grievance Panel requires IAOD to carry out an investigation. An investigation is currently underway and will be carried out under the supervision of IAOD by specialist contractors;

- detailed work to establish a system for Financial and Conflicts of Interest Disclosures and Declarations is underway; and,

- some work on a detailed framework and operational manual for the WIPO investigation function was started.

(c) Inspection

- an inspection concerning the review of WIPO Integrity and Ethics Systems was started. It is expected to be completed by in September 2007. It will critically review and evaluate gaps where existing WIPO Integrity and Ethics procedures may be improved; and, in particular, could be made more complimentary, effective and preventative. It will make detailed practical proposals for strengthening WIPO systems and procedures in line with UN and other internationally accepted good practices. A draft outline for a WIPO Integrity and Ethics System Statement for WIPO will be developed. The inspection will also provide specific practical advice on setting up a whistle blowing system at WIPO.

(d) Evaluation

- completion of a WIPO Evaluation Policy, based on drafts prepared by IAOD, was undertaken by a Task Force convened by the Director General for that purpose. The Director General has approved the Policy (see Annex attached). The Policy has been prepared in accordance with international best practice,

taking due account of the Norms and Standards for Evaluation in the UN System¹. It will now support the fuller development of evaluation at WIPO and bring evaluation practices more into line with other organizations in the UN system. The Policy will provide a comprehensive framework for planning and conducting evaluations as well as using value-added evaluative information for decision-making processes for the improvement of present and future activities, within the WIPO Results Based Management (RBM) system. The Evaluation Policy and the delivery of both independent (by IAOD) and self (by program and project managers) evaluations will be particularly timely and important in the context of requirements for evaluation in the new WIPO Development Agenda. In the Development Agenda Member States have explicitly identified the importance of evaluation in helping ensure the effective and efficient delivery development activities;

- preparation of the WIPO Program Performance Report for 2006 was completed. The Report was presented to the Program and Budget Committee meeting held in June; and,

- advice and support was provided for the preparation of the program narratives and results frameworks for the Program and Budget 2008/09, as a member of the Program and Budget Task Force.

III. OTHER OVERSIGHT WORK

Audit and Control Advice

4. In line with the definition and mandate of Internal Audit contained in the Internal Audit Charter, IAOD provided advice on various issues concerning: risk management, procurement “red flags”, results based management and strategic planning, internal control procedures, and cost-effectiveness and compliance with the relevant regulations and rules of the Organization. It is expected in the coming biennia that this part of the work of IAOD will increase significantly to take care of important developments in WIPO systems such as:

- (a) the introduction of IPSAS; and in particular the need for a specific statement of controls assurance from management;

- (b) the further development of Risk Management processes, particularly at the enterprise level;

- (c) the introduction of an IT based fully integrated Enterprise Resource Planning system;

¹ As adopted by the United Nations Evaluation Group (UNEG), at its Annual Meeting in April 2005.

(d) the introduction and implementation of the new Financial Regulations and Rules; including more efficient, effective and modern internal control arrangements;

(e) the increased investment and modernization of WIPO IT systems; both for administration and IP operations;

(f) the developments and implementation activities following from the PricewaterhouseCoopers Desk to Desk report; and

(g) efforts to make WIPO compliant with the requirements for the management, audit and evaluation of EU funds and projects.

The Audit Committee

5. The WIPO General Assembly in September 2005 approved the establishment of the WIPO Audit Committee². The second, third, and fourth meetings of the Audit Committee took place in the period covered by this report, as did various meetings for the Committee to oversee the Desk-to-Desk Assessment Project and report by PricewaterhouseCoopers and the construction of the New Building Project. Audit Committee members have also attended the Working Group of the Program Budget Committee and Program Budget Committee meetings. IAOD provided administrative and secretarial support to the Committee as required by the current Internal Audit Charter.

External Auditors

6. Satisfactory professional and working cooperation and coordination with the External Auditor has continued.

The Ombudsman

7. During the period the Internal Auditor and the Ombudsman have cooperated and met regularly to ensure good liaison and avoid any possible duplication of activities. The exchange of views and discussions has been helpful and useful in ensuring that the separate and independent mandates of the Internal Auditor and the Ombudsman are carried out effectively.

Internal and External Oversight Recommendations Follow-Up List

8. The implementation, by WIPO managers, of all oversight recommendations are subject to regular “follow-up”. This is done by IAOD in three ways:

(i) at the start of each new audit etc, a review of the implementation of earlier recommendations is undertaken;

² Document A/41/10 on “Proposal on the Establishment of a WIPO Audit Committee”.

(ii) through the regular review and updating, by the responsible managers, of the Listing of “Implementation of Oversight recommendations” spreadsheet and its submission to the Audit Committee for review. This is coordinated by IAOD for the Audit Committee; and,

(iii) as a specific annual exercise for this summary report to keep the Director General and the General Assembly informed on the progress of implementation activities by WIPO managers.

9. The spreadsheet providing a Listing of all outstanding WIPO oversight recommendations has been regularly updated and reviewed throughout the period. The Audit Committee now examines the spreadsheet at every other of their regular meetings. During the period the relevant Program Managers have been requested to add extra information to the Listing concerning implementing activities and the timetables for those actions for which they are responsible. The WIPO managers responsible to the Director General for implementing oversight recommendations have also been more specifically identified and held accountable through the Listing.

10. At the date of this report the full implementation of 31 recommendations remain outstanding. Of these 15 relate to new recommendations added in the period. Of the recommendations relating to earlier periods those relating to increasing the resources needed for strengthening internal oversight in WIPO are the most seriously behind schedule. The recommendations of the External Auditor have continued to be progressively implemented during the periods, but 5 of their recommendations remain outstanding for over a year. As required by the Internal Audit Charter paragraph 21 a report has been made to the Director General regarding the implementation of recommendations made by the External Auditor and this will also be copied to the Audit Committee for their next meeting.

Networking

11. During the period under review, IAOD continued its active collaboration and networking with other international organizations, including the Representatives of Internal Audit Services (RIAS) of International Organizations and Multilateral Financial and Economic Institutions. In particular IAOD was:

- part of a drafting group preparing a paper for RIAS on the “Disclosure of Internal Audit Reports to Member States”;
- a participant at the 8th Conference of International Investigators organized by OLAF in May 2007, in Vienna;
- continued its active participation in the United Nations Evaluation Group (UNEG), an inter-agency forum for evaluation professionals in the UN system;
- Co-chair of the UNEG task force on Results Based Management (RBM), and helped prepare a report on “The Role of Evaluation in RBM in the UN System”;

- a member of the organizing committee, and shared hosting responsibilities, for the UNEG Annual Meeting in April 2007 in Geneva; and,
- a participant and made a presentation to the Geneva Group Workshop in July 2007 on Audit Committee Good practices.

IV. OVERSIGHT RESOURCES AND PLANNING

12. IAOD has continued to carry out its mandate with very limited human resources. The need for implementation of the WIPO Internal Audit Charter and the consideration of its revision; supporting the WIPO Audit Committee; an increasing heavy workload in respect of investigations; preparation of the Program Performance Report for 2006; and the completion of the WIPO Evaluation Policy, have all constituted important and urgent tasks in the period. The need to be able to carry out a proper program of internal audits based on a thorough assessment of risk; to carry out evaluations and inspections; and to remove the large backlog of investigation cases are all very urgent key tasks for which there are not yet adequate resources.

13. The Internal Audit Charter (paragraph 23) requires the Internal Auditor's comments on the adequacy of resources allocated to internal oversight within the Organization. IAOD does not have adequate staff or financial resources³ to ensure the effective functioning of the internal oversight functions and to enable IAOD to achieve the objectives of its mandate. Such resources should not only correspond to planned increase in numbers of posts, but also to a good level of non-staff resources, enabling the continued contracting of relevant specialists as necessary, the development and use of computer aided audit and investigation techniques, and the implementation of risk-based work plans.

14. Under the Internal Audit Charter (paragraph 25) it is the Director General who, in consultation with the "Internal Auditor" (i.e. the Director, IAOD) ensures that the WIPO Internal Audit function (audit, investigation and inspection) comprises professional staff with sufficient skills, experience and professional knowledge. The revised Program and Budget

³ The IAOD Budget is 0.36% of total WIPO Expenditures as provided in the Original Program Budget for 2006/7. It should be noted that Annex VII to the JIU report on *Oversight Lacunae* (JIU/REP/2006/2) includes a benchmarking of United Nations organizations and specialized agencies in terms of internal oversight budgets as a percentage of overall budgets, with an indication whether the resulting ratio falls within or outside the suggested JIU desired target of around 0.70 per cent. Annex 1 of the JIU report also set out criteria and ranges for determining the numbers of auditors, investigators and evaluators that a UN organization or agency should have. These ranges, if applied to WIPO, are four to eight auditors; one to two investigators; and two to four evaluators (plus adequate support staff). It has been requested that, in addition to the Director, IAOD have six professional staff as soon as possible in 2008.

for 2006/07 does foresee a strengthening by 2 posts (a professional evaluator post and a secretary post) of IAOD before the end of 2007. However, recruitment action is delayed pending approval of the revised budget by the General Assembly. It is further hoped that the 2008/09 Budget will significantly increase IAOD resources for internal audit. It has been requested that as soon as possible in 2008 that, in addition to the Director, there will be six filled professional posts in IAOD.

Staffing Table

Internal Audit and Oversight Division	Current Staff Complement ⁴	Staffing Levels	Comments
Director	1	1	Started in January
Internal Audit	1	1	A Senior Internal Auditor (P4) started in May. It has been proposed that further auditors be recruited in 2008.
Inspection, Investigation, Integrity and Ethics	1	-	Recruitment for a post of Senior Investigator (P4) is again underway. Interviews are planned for September 2007.
Evaluation	1	-	The post holder will be leaving WIPO in August to take up a job in another UN agency. Subject to approval of a revised Program Budget for 2006/7 an additional Evaluator will be recruited to IAOD.
Support Services	1	1	It is estimated that 33% of the time of the Evaluation Assistant post is taken up by Audit Committee work. A secretary post has been allocated to IAOD subject to approval of a revised Program Budget for 2006/7.

The staff movements in the period were:

- the Senior Auditor (P5) (and acting Director) was transferred on 15/1/07;
- a Director (D1) of IAOD took up post on the 16/1/07;
- a Senior Internal Auditor (P4) was recruited and took up post on the 1/5/07; and,
- the Senior Evaluator (P4) has transferred to another UN Specialized Agency from 31/8/07.

⁴ The original Program Budget for the 2006/07 Biennium shows 5 posts (4P and 1G).

15. During the period increased use was made of contractors for various oversight activities (three investigations, one audit and an inspection). It is planned to continue to make use of contracted staff in the next years; and in particular to cover the gap in the provision of evaluation activities that will occur up to, at least, the end of this year.

Budget Table⁵

Expenditure and Commitment 2006/07 ⁶	Budget Allotment 2006/07	Balance 2006/07
1,231,006 ⁷	1,950,402 ⁸	719,395

16. Expenditures are well below budget because all approved posts have not been filled.

Planning

17. Program Budget proposals were developed for 2006/07 (revision) and for 2008/09. The 2008/09 Program Statement for IAOD (Program 24) was agreed with the Director General. Proposals for the staffing of IAOD have also been presented to the Director General to fulfill his responsibilities for staffing under Paragraph 25 of the Internal Audit Charter. Initial high level work plans were developed for all oversight activities with indications of risk. To assist in prioritizing internal audit activities more detailed planning work was completed for the remainder of 2007 audit work once the new internal auditor had taken up post. Work on developing an overall Internal Audit Strategy and an overall WIPO wide Audit Needs Assessment based on a specifically developed Risk Assessment Model for WIPO is ongoing. An Audit Plan and an Evaluation and Inspection Plan for 2008 will be prepared towards the end of the year.

V. LOOKING FORWARD

18. Set out below are some of the main objectives and challenges for the next reporting period. The attainment of these goals is very much dependent on solving more quickly the resource and staffing issues already mentioned.

⁵ In CHF.

⁶ As at 23/06/07.

⁷ Includes costs for External Audit of CHF 65,000.

Internal Audit

19. The most urgent internal audit need is to begin to carry out many more specific audits to begin to ensure that adequate assurance can be provided to the Director General and Member States on the effectiveness of internal control at WIPO. Audits have commenced on the new Procurement System and the New Building Project, and before the end of the year it is hoped to start an audit on IT Security. However, there are many important and high risk audit areas in WIPO that have never been effectively audited by IAOD. In particular, in 2008, it is planned that internal audit work will start to be undertaken in the PCT, Madrid and Hague systems covering both operations and revenues.

20. In parallel with carrying out audits it is also important to continue the development of a professional internal audit manual, guidelines and other practice support documents to help ensure that a proper level of quality control over audit products is achieved.

Investigation

21. The serious backlog of investigation cases needs to be tackled with increasing urgency, speed and adequate and expert resources. An important developmental task will be to start developing a more detailed investigation mandate and operational manual - developed around the "Uniform Guidelines for Investigations", endorsed in 2003 by the Conference of International Investigators. Together with this other very important compliance developments will also be progressed by IAOD as quickly as possible in the next period: the implementation of the financial and conflicts of interest disclosure and declaration policy; a whistle-blowing process set up and made operational; and a specific anti-fraud guidance and an awareness policy.

Inspection

22. It is expected that by the end of 2007 the results of the IAOD inspection of the WIPO Integrity and Ethics system will have been fully considered by WIPO senior management (it has already been agreed that a special task force will be set up to do this) and an action plan agreed to take forward recommendations from the inspection to help make these processes and systems complete, more preventative and better integrated. It is important for WIPO that fit for purpose Integrity and Ethics systems (including being able to quickly and efficiently investigate wrong doing) are fully and effectively in place as soon as possible to support improved internal administration of justice, compliance and discipline processes.

Evaluation

23. The rapid and effective implementation of the new WIPO Evaluation Policy will be a first critical step in starting again independent evaluations at WIPO. A biennial evaluation plan needs now to be quickly prepared as a basis for evaluation work to commence. In particular Member States and WIPO will need independent evaluations to help ensure the new Development Agenda is effectively and properly implemented. It will not be prudent or sound management to commence significant investment in the Development Agenda or fund enhanced development activities unless there is proper capacity to evaluate whether the right things are being done and whether they are being done correctly. Independent evaluation will be vital to help in assessing achievements and results and identify good practices and lessons learnt for this work to be as successful as possible.

VI. CONCLUSIONS

24. Much useful and constructive work has been done in the period, by both my predecessor and myself, to set up a strong and independent oversight department. We have a good Charter for internal audit, investigation and inspection; and the Director General has approved a first Evaluation Policy for WIPO (see Annex attached). However, much more still needs to be done, and needs to be done at a greater pace and with more urgency than before. Despite good efforts and well intentioned planning by the relevant authorities and decision makers the lack of resources (particularly staff) means that Internal Audit and Oversight activity continues to be less than adequate and effective at WIPO. It is of particular concern that, some two years after the adoption of the Internal Audit Charter, sufficient staff have not yet been provided for all the needed high risk and urgent audits, investigations and evaluations that are required. It is very much hoped that every effort will continue to be made to ensure that sufficient resources will be provided to make IAOD credible and effective as soon as practical.

[Annex follows]

ANNEX

WIPO EVALUATION POLICY

INTRODUCTION

1. The WIPO Evaluation Policy (hereinafter “the Policy”) constitutes the framework for the evaluation function of the World Intellectual Property Organization (WIPO), and aims at strengthening existing internal guidelines for evaluation.
2. The Policy is a follow-up to the approval by the WIPO General Assembly in September 2005 of the WIPO Internal Audit Charter, which stipulates that “evaluation...is the subject of a policy framework outside this Charter”¹. The Policy complements the WIPO Internal Audit Charter and helps ensure that all WIPO oversight functions are governed by adequate guiding principles.
3. The Policy has been prepared in accordance with international best practice, taking due account of the Norms and Standards for Evaluation in the UN System adopted by the United Nations Evaluation Group (UNEG)², and other international good practices.
4. The purpose of the WIPO Evaluation Policy is to provide a comprehensive framework for planning and conducting evaluations as well as using information emerging from evaluations within WIPO’s results-based management (RBM) system. The Policy aims to enhance the generation and use of value-added evaluative information for (i) decision-making processes concerning the improvement of present and future activities; (ii) policy formulation and review by Member States; and, (iii) management oversight by the Director General. The Policy emphasizes that evaluation is an organizational responsibility focusing on learning and accountability, and that it applies to evaluations conducted throughout the Organization.
5. The Policy describes: the concept and role of evaluation within WIPO; the roles and responsibilities of program and project managers and the Evaluation Unit³; and, the prioritization, planning, management, conduct, budgeting, follow-up and use of evaluations.

¹ Document A/41/11 Annex II, page 1, foot note 1.

² Including the Ethical Guidelines for UN Evaluators.

³ To better distinguish the various oversight functions and activities, namely, internal audit, inspection, investigation, integrity and ethics processes and evaluation, a central WIPO Evaluation Unit (hereinafter referred to as the “Evaluation Unit”) will be created within Internal Oversight.

DEFINITION AND ROLE OF EVALUATION

6. An evaluation is an objective, impartial and systematic assessment of an activity, initiative, project, program, strategy, policy, unit, or sector, whether financed from regular budget or extra budgetary resources⁴ (hereinafter referred to collectively as “activities”). Evaluation aims at determining the relevance, effectiveness, impact, efficiency and sustainability of all WIPO activities. Evaluation examines processes and contextual factors to understand why, and to what extent, expected results have been achieved, and what impact they have had. Evaluation also examines unintended outcomes.
7. Evaluation looks at whether the right things are being done and whether they are done correctly. It examines the rationale and the justification of activities. It assesses the effectiveness of achieving expected results, and it examines the efficiency of the use of inputs to achieve results. Finally, evaluation recommends and suggests better ways of achieving expected results. It looks at alternative ways, good practices and lessons learned.
8. Evaluation is a management tool providing objective feedback, value-added information and knowledge to program and project managers and Member States about institutional relevance and performance, achievement and sustainability of results, the use of resources, impact, and good practices. Evaluation informs the planning, programming, budgeting, implementation and reporting cycle, and is an essential contribution to managing-for-results. Evaluation contributes to the improvement of the performance of on-going and future activities and to the enhancement of institutional and development effectiveness.
9. Evaluation is not intended to evaluate the personal performance of individuals.
10. By providing evidence-based information, evaluation is an important component for organizational knowledge building and learning. Evaluation also supports accountability and transparency.

GUIDING PRINCIPLES FOR EVALUATION

11. Evaluations will be designed to provide timely, quality, and reliable information. Terms of Reference for each evaluation will be drawn up clearly describing in detail the type of evaluation, how it will be conducted and the stakeholders who will be involved in the evaluation exercise.
12. Evaluations will be conducted in an impartial, transparent and participatory manner, involving, as appropriate, stakeholders throughout the evaluation process. In the event that stakeholders’ views differ, it will be reflected in the evaluation report.
13. Evaluations will be conducted with due respect to beliefs, manners and customs of involved stakeholders. The anonymity and confidentiality of stakeholders will be appropriately guaranteed.

⁴ Evaluation of extra-budgetary activities may be carried out at the request of, and in cooperation with, concerned parties.

14. Evaluation reports will contain evidence-based findings, conclusions, recommendations and lessons learned. The reports will be presented in such a way that the information is easily accessible and comprehensible.

TYPES OF EVALUATION

15. Evaluations will include two types of evaluation, namely independent evaluations and self-evaluations.

16. Independent evaluations may include:

- Program evaluations, which assess in-depth the performance of WIPO Programs as defined and described in the WIPO Program and Budget;
- Systemic evaluations, which examine issues which have organization-wide implications and address cross-cutting themes;
- Evaluations, which assess the impact of the WIPO Secretariat's activities in particular areas of work.

17. Self-evaluations of WIPO programs and projects will be conducted by program and project managers in accordance with WIPO evaluation methodologies, guidelines and procedures.

RESPONSIBILITIES FOR EVALUATION

18. Evaluation will be an integral part of WIPO's organizational culture. There will be a firm commitment at all levels of the Organization to ensure that evaluations are effectively planned, conducted and used.

19. Specifically, program and project managers will ensure that:

- (a) the WIPO Evaluation Policy, WIPO evaluation procedures, methodologies and guidelines are adhered to and applied;
- (b) Evaluation Unit staff and externally contracted evaluation consultants shall be provided information that is necessary to conduct evaluations in a comprehensive, objective and impartial manner and that they can conduct interviews as deemed necessary;
- (c) the evaluability of WIPO programs and projects is enhanced and that programs and projects are systematically evaluated;
- (d) adequate evaluation competence and capacity exist among their staff;
- (e) self-evaluations are conducted according to specific procedures⁵ and in compliance with WIPO evaluation policies and methodologies;
- (f) evaluation results are appropriately shared and effectively used within the Organization.

⁵ To be developed upon approval of the Policy.

INDEPENDENCE OF THE EVALUATION UNIT

20. The Evaluation Unit, as part of Internal Oversight, will perform its function independently from other WIPO management functions to ensure impartial reporting. It will also perform separately from other Internal Oversight functions.

21. Evaluation Unit staff and externally contracted evaluation consultants will be protected against undue influence to enable them to express their opinions in an objective and impartial manner.

ROLES AND RESPONSIBILITIES OF THE EVALUATION UNIT

22. The Director of Internal Oversight will ensure that the Evaluation Unit:

(a) staff conducting evaluations have relevant educational background, qualification and training in evaluation, as well as professional work experience;

(b) manages the work of external evaluation consultants;

(c) develops and updates, on a regular basis, evaluation strategies, procedures, methodologies and guidelines applicable to the whole Organization, in line with developments and good practice both within and outside the UN System;

(d) provides advice and guidance to program and project managers to enhance the evaluability of WIPO projects and programs;

(e) provides adequate support and quality assurance to program and project managers for the planning, conduct and use of self-evaluations;

(f) prepares a biennial Evaluation Plan;

(g) prepares Terms of Reference for each independent evaluation, in full consultation with program and project managers, and submits the Terms of Reference to the Director General for approval;

(h) conducts and manages independent evaluations in accordance with the Evaluation Plan;

(i) prepares an Annual Evaluation Report;

(j) manages the Evaluation Unit budget in an efficient manner;

(k) prior to finalization of evaluation reports, validates evaluation findings, and discusses conclusions and recommendations with the concerned program and project managers and, as appropriate, stakeholders involved in the evaluation exercise to ensure fair, factual and useful reports;

(l) develops appropriate and user-friendly mechanisms for the collection, publication and dissemination of lessons learned;

(m) initiates, plans and implements evaluation awareness raising and capacity development activities internally at WIPO, and, when requested, may, in coordination with the Technical Assistance and Capacity Building Sector, assist IP institutions in Member States to enhance their evaluation capacities;

- (n) develops and maintains a roster of external independent evaluators suitable for the evaluation of WIPO's activities;
- (o) develops and maintains a public WIPO web site dealing with evaluation;
- (p) as the WIPO focal point for evaluation, exchanges information and cooperates with other UN entities and other organizations as deemed appropriate;
- (q) contributes to WIPO's results-based management processes, as required, and in particular provides quality assurance and advice in the design of WIPO Program and Budget evaluation frameworks (objectives, expected results and performance indicators) and, based on program managers' contributions, prepares annual and biennial Program Performance Reports for submission to WIPO Member States, validating data on results;
- (r) reports to the Director General any case of serious misconduct or other wrongdoing which emerges from evaluations.

PLANNING OF INDEPENDENT EVALUATIONS

23. Biennial Evaluation Plans will be submitted by the Director of Internal Oversight to the Director General for approval. The Plans will indicate the independent evaluations to be carried out by the Evaluation Unit during a biennium. Planning priorities will be based on risk-assessment, size and need for evaluation. The Plans will cater for all WIPO Programs in relation to WIPO's Strategic Objectives⁶ to be evaluated at least every six years, and larger Programs may be evaluated more frequently. The Plans will also include an estimate of resources required for their implementation.

RESOURCES FOR EVALUATION

24. The Evaluation Unit will be provided with adequate human resources to enable it to perform its mandate in accordance with the WIPO Evaluation Policy. Sufficient non-staff resources will be allocated to ensure that adequate funds are available for the planning, conduct, reporting, and dissemination and follow-up of evaluations in accordance with the biennial Evaluation Plan. The total budget for evaluation shall be an integral part of the WIPO biennial Program and Budget.

25. Adequate resources will also be allocated for the undertaking of evaluation capacity building and training activities.

26. The resources necessary for conducting effective self-evaluations by program and project managers will be integrated into the corresponding program and project budgets.

REPORTING, DISCLOSURE AND DISSEMINATION

⁶ As defined in the WIPO Strategic Framework.

27. The draft reports of the independent evaluations carried out in the framework of the Evaluation Plan will be subject to consultation with program and project managers and their comments will be duly reflected in the report.

28. Final evaluation reports will be submitted to the Director General by the Director of Internal Oversight, and will include a proposed dissemination list of the report for approval by the Director General.

29. An Annual Evaluation Report on the implementation of the Evaluation Plan will be prepared and will summarize all evaluation activities, lessons learned, and the progress on the implementation of agreed evaluation recommendations. The Annual Evaluation Report will be submitted to the Director General and presented to the WIPO General Assembly.

FOLLOW-UP AND USE OF EVALUATION FINDINGS

30. An explicit response to evaluations, through the establishment of appropriate mechanisms for collecting, processing and disseminating evaluation results within WIPO will be developed to ensure that experience and knowledge gained from past work is documented, and that lessons learned are effectively used in managing-for-results.

31. There will be an internal mechanism to ensure that agreed recommendations are followed-up and implemented in a timely manner. Program and project managers will be responsible for the implementation of agreed evaluation recommendations.

REVIEW OF THE POLICY

32. The Policy will be reviewed no later than three years after its adoption taking into account lessons learned from its implementation and international developments in the evaluation profession.

[End of Annex and of document]