

## **WIPO General Assembly**

**Fifty-Third (29<sup>th</sup> Extraordinary) Session  
Geneva, September 21 to 25, 2020**

### **REPORT**

*adopted by the WIPO General Assembly*

1. The WIPO General Assembly was concerned with the following items of the Consolidated Agenda (document A/61/1): 1, 2, 4, 5, 6, 8, 10, 11(i), 11(iii), 12, 21 and 22.
2. The reports on the said items, with the exception of items 10(i), 10(iii) and 12, are contained in the General Report (document A/61/10).
3. The reports on items 10(i), 10(iii) and 12 are contained in the present document.
4. Ambassador Omar Zniber (Mr.) (Morocco), Chair of the WIPO General Assembly, presided over the meeting.

## ITEM 10 OF THE CONSOLIDATED AGENDA

### REPORTS ON AUDIT AND OVERSIGHT

(i) Report by the Independent Advisory Oversight Committee (IAOC)

5. Discussions were based on documents WO/GA/53/1 and A/61/6.

6. The Chair of the WIPO IAOC, made the following statement:

“Thank you very much, Mr. President. Distinguished delegates, good day.

“I would like to introduce myself: My name is Mukesh Arya and I am the current elected Chair of the Independent Advisory Oversight Committee (IAOC). I am accompanied by the Vice-Chair, Ms. Tatiana Vasileva.

“Before I proceed to introduce our annual report, I would like to take this opportunity to thank Ms. Maria Vicien-Milburn, who presided over the Committee as Chair in 2019. In addition to in-person meetings, the Committee also held extensive internal consultations by email and other virtual platforms, particularly during the pandemic, in order for us to provide expert advice to the WIPO, as needed.

“During the reporting period, the Committee had a change in membership, particularly representing Group B and the Group of Central European and Baltic States. Mr. Egbert Kaltenbach and Mr. Gábor Ámon ended their terms in January 2020, and Mr. Bert Keuppens and Mr. Igors Ludboržs had their first meeting in April 2020.

“This report includes major issues discussed during the three IAOC meetings, number 54, 55, and 56, up to April 2020. Thereafter, we held two more meetings, number 57 and 58, up to Sep 4, 2020: the issues discussed thereof will be reported in the next WIPO General Assembly.

“I will now provide you with a brief summary of the important activities of the Committee, as contained in the annual report of the IAOC with reference to document WO/GA/53/1, tabled before the WIPO General Assembly (and which was presented before the 31<sup>st</sup> session of the Program and Budget Committee).

“First, on Internal Oversight: it is my pleasure to report that the Internal Oversight Division (IOD) regularly submitted its quarterly activity reports to the IAOC. The Committee reviewed the implementation of the approved 2019 Workplan of the IOD and was satisfied with the progress, including the results of the Client Satisfaction Survey conducted by it.

“The Committee reviewed the draft oversight annual workplan for 2020 before it was finalized. The Committee was satisfied with the planned coverage and supported the workplan. The Committee was also satisfied with the proposed actions by the IOD to adjust the workplan as necessary, in view of the COVID-19 pandemic.

“During the reporting period, the Committee reviewed two internal audit reports and three evaluation reports and provided its advice. The Committee was also apprised of the status of investigation cases and caseload trends, complaints received, and complaints substantiated by category of misconduct. In cases involving a potential conflict of interest on the part of the IOD, the Committee reviewed each case in detail and provided advice, as needed.

“Finally, the Committee was satisfied with the monitoring and reporting performed by the IOD on the implementation status of oversight recommendations, and we shall be coming to that shortly.

“Now on External Audit: during the reporting period, the Committee discussed with the representatives of the External Auditor, their draft External Audit Planning Report - 2019, the Interim Audit Outcomes for 2019, and the final status of the audit of WIPO’s Financial Statements. The Committee was pleased to note that the External Auditor found WIPO’s Financial Statements of good quality. The Committee also took note of the External Auditor’s comments that while the COVID-19 pandemic has potentially high impact, the results of the Financial Statements indicated that WIPO had a sound and stable financial position, given its expected revenues and reserves. The External Auditor added that WIPO was very well placed compared to other Organizations in the UN system to deal with the financial uncertainty.

“Overall, the Committee was pleased with the continued interaction on a regular and consistent basis with the External Auditor.

“As regard the Financial Reporting, the WIPO Management will present the details of the WIPO Financial Statements to the General Assembly. However, I would refer to the Investment Policy of WIPO in view of the situation posed by the pandemic. When enquired, the Committee was assured by Management that WIPO’s Investment Policy and long-term strategy are designed to withstand difficult periods such as the pandemic. As such, WIPO would continue to make investments in accordance with the same Investment Policy and Strategy.

“Coming to the Implementation of Oversight Recommendations, given the importance attached by the Member States to the implementation of oversight recommendations and the value added, the IAOC continued with its practice of reviewing the status of implementation of recommendations at each of its meetings. To recapitulate the result of the review during the 56<sup>th</sup> meeting, covered in this report, the IAOC noted 130 outstanding oversight recommendations of which 38 per cent are of high priority. The overdue recommendations have marginally increased from 48 to 54. We are satisfied with the rate of implementation of recommendations. The Committee assures that it will closely review the closure criteria for all the recommendations reported as implemented. It may be relevant to mention here that in the subsequent meetings number 57 and 58, the Committee reviewed the Joint Inspection Unit (JIU) recommendations and their implementations, the session reports indicate the status, and they have been circulated among Member States.

“With regard to the Ethics Office, during the reporting period, the Committee reviewed the annual report of the Ethics Office and the draft Ethics Office Workplan for 2020, and provided advice for improvement. The Committee reiterated its concern about the unimplemented recommendations from the audit report on ‘WIPO’s Ethics Framework’, issued in 2016. The Committee was finally satisfied with the revised draft of the Office Instruction on WIPO Ethics Office, after considerable protracted discussion with the Chief Ethics Officer, dating back to May 2018.

“The Committee also had long discussions on the Office Instruction No. 33/2017 on Policy to Protect against Retaliation for Reporting Misconduct and for Cooperating with Duly Authorized Audits or Investigations. The Committee expressed its concern about the effectiveness of the Whistleblower Protection and advised that the provisions concerning conflict of interest be further strengthened in order to protect the integrity of the process.

“With regard to the Office of the Ombudsperson, during the reporting period, the Committee discussed with the Ombudsperson his activity report for 2018 and was pleased to note that there have been an increase in preventive consultations at his office. The Ombudsperson made three broad-spectrum recommendations, the implementation of which the Committee intends to monitor. The Committee noted the high quality of the Ombudsperson’s report and recommends to Member States to access regularly his activity reports. In particular, the IAOC further recommends that the Member States may introduce a mechanism for periodic review of Ombudsperson recommendations, as contained in his Activity report, without adversely affecting the informality of the function itself.

“In closing, on behalf of the Independent Advisory Oversight Committee, I would like to express my appreciation to the Director General, who always attended the IAOC sessions to brief us on the WIPO vision, the short analysis, and present to us the big picture. His regular attendance also underscored his commitment to accountability, ethics and good governance. We wish him all the best in his future endeavors. I take this opportunity to welcome the Director General-Elect, and look forward to working together. I would also like to record our appreciation of the ADG, Administration and Management Sector, for his active participation in all of the IAOC meetings and facilitating our work. We wish him health, happiness, and continued engagement in his retired life.

“We thank the Director, IOD, the Controller, the Chief Ethics Officer, the Ombudsperson and other Senior Managers, as well as the External Auditor, for their availability, clarity and openness in their regular interaction with the Committee, and for the information provided. I would also place on record our appreciation of the cordial meetings held with the Chairs of the WIPO General Assembly and of the Coordination Committee, and their effective interaction on issues of importance.

“Thank you very much, Mr. President. I am ready to answer any question that you may have about our report.”

7. The Delegation of the Russian Federation, speaking on behalf of the Group of Central Asian, Caucasus and Eastern European Countries (CACEEC), thanked the IAOC for the report, and for the excellent work done by the members. The Group welcomed the positive assessment of the internal oversight workplan and noted the fact that the strategy appeared to be implemented in a satisfactory manner. Having observed that the periodic report from the Ombudsperson referred to improvements in the quality of the way in which work in that area was being managed, the Group expressed its hope for a continuation in following the path set out. The Group further noted that it was extremely important for the work to be done at all levels of WIPO, and felt assured that there was good cooperation between the different WIPO bodies affected. There had been a broad range of issues that were addressed, and there was a positive system for taking decisions and a robust financial system, which overall, was satisfactory.

8. The Delegation of China thanked the IAOC, External Auditor and Internal Oversight Division (IOD) for their annual reports, and expressed its appreciation for the hard work done. The Delegation was pleased to note that despite the onset of the COVID-19 pandemic, which posed great challenges to the IAOC, the Committee was able to finish its work in due time. The Delegation felt the independence and efficiency of the oversight function was particularly important, and hoped that the IAOC would continue to engage with the Director General, the Senior Management Team and other oversight entities to ensure that they could provide high quality and independent expert recommendations.

9. The Delegation of Iran (Islamic Republic of) thanked the IAOC for its annual report, recalling the important role played by the Committee in preserving effectiveness and efficiency

of the Organization, while constantly striving to improve the oversight function of WIPO. The Delegation expressed its appreciation for the positive interaction between the IAOC and Member States through the regular sessions of the information meetings for Member States' Representatives and the consistent reporting to the Program and Budget Committee (PBC) and the WIPO General Assembly, as well as the Committee's regular interaction with the External Auditor. With regard to the query on the impact of the pandemic on WIPO's financial management, the Delegation noted that Management had assured the IAOC that WIPO's Investment Policy and long-term strategy had been designed to withstand difficult periods such as the ongoing pandemic crisis.

10. The Delegation of the Russian Federation supported the statement made earlier on behalf of the CACEEC, and thanked the IAOC for the annual report. Noting the important role played by the IAOC regarding oversight, and in particular reference to the PBC, the Delegation believed that its assessments and oversight were especially valuable at that moment to the Organization. The Group equally shared high opinion of the IAOC annual report and the way in which it worked and the positive assessments it had provided, notably regarding the financial management of WIPO and the work of the Ombudsperson. The Group also noted the very good interaction with the External Auditor, and expressed its gratitude to the Committee members and all within WIPO who regularly engaged with the IAOC by participating in its meetings. The Group hoped that the constructive approach taken would help in determining policies, especially on matters of risk management, other oversight issues and matters relating to the administrative and budgetary functioning of the Organization. Such oversight could produce added value, helping the Member States by providing more expert assessment concerning relevant matters on the Agenda. Expressing its hope that the emerging practice would continue in the future, the Group endorsed the Committee's engagement to monitor the financial repercussions of the pandemic on the work of the Organization. Moreover, the Group would be grateful for future assessments and recommendations regarding the way in which such an exercise would be carried out, and concluded by wishing the Committee continued positive results as it assisted the Organization.

11. The Delegation of the United States of America added its support to the statement to be made on behalf of Group B. The Delegation appreciated the work of the IAOC, especially during this difficult period, reiterating the statement it made during the PBC session. The Delegation strongly agreed with the IAOC's view that Member States would benefit from the information contained in the activity report of the Ombudsperson, and asked whether the Secretariat could share the status or efforts being made to have the report available for the next session of the WIPO Coordination Committee. The Delegation, noted that the IAOC had requested clarification and information on statistics provided in paragraphs 24 and 25 of the Annual Report by the Ethics Office regarding complaints of retaliation and review of such determinations by the Ethics Office of the United Nations Office for Project Services (UNOPS). The Delegation asked if the IAOC was able to provide more details on the request for clarification.

12. The Delegation of Australia stated it highly valued the work of the IAOC and its role in providing independent expert advice and oversight. The Delegation applauded the Committee's dedication as it continued to meet virtually during the difficult period of COVID-19. The Delegation was pleased to see in the report that the IAOC was generally satisfied with respect to many areas of WIPO's work. The Delegation considered the role of the Ethics Office of WIPO to be essential, and remarked that the IAOC played an important advisory role with respect to that function. The Delegation welcomed the collaboration between the Committee and Ethics Office to support best practice operations. The Delegation placed a high value on effective implementation of the Policy to Protect Against Retaliation for Reporting Misconduct and for Cooperating with duly Authorized Audits or Investigations (the PaR Policy), and supported ongoing efforts to ensure WIPO aligned to best practices.

13. The Delegation of Morocco thanked the IAOC for its report and for the essential role in the oversight mechanism that helped in maintaining the relevance of the activities undertaken by WIPO. While expressing it was very satisfied with the excellent communication and regular interaction between the Committee and the Member States, as well as the synergy with the External Auditor, the Delegation hoped the Committee would continue to play an active role in the general oversight and the oversight mechanisms of the Organization.

14. The Chair of the IAOC noted the very encouraging words from the delegations for the IAOC, and stated that the Committee would continue to work towards fulfilling the expectations of the Member States. With regard to the two items that he marked as important, the Chair of the IAOC addressed the recommendation of the Ombudsperson first. The Chair stated that, given that the function of the Ombudsperson was an informal mechanism, within the overall scheme of governance, it was imperative that the review and revision of the organizational policies and practices should be periodically undertaken. However, given the nature of the work performed in that regard, the Chair of the IAOC stated that it was important to ensure that the Ombudsperson's office is given adequate space while reviewing any suggested recommendations in the overall interest of the Organization. With reference to the Ethics Office, the Chair of the IAOC stated that it also needed review due to its evolving nature, both from the perspective of those administering the policy, as well as those benefiting therefrom. The Chair of the IAOC suggested that it was time to review the policy to make the Whistleblower Protection more inclusive. The Chair of the IAOC believed that the WIPO Coordination Committee was engaged in the exercise and concluded by stating that the Committee would continue as guided by the WIPO General Assembly.

15. Responding to the question raised by the Delegation of the United States of America, the Director General explained for the benefit of the delegations who were not aware that the report of the Ombudsperson was published on the Intranet for the attention of all staff. The Administration had no objections whatsoever with the suggestion of the IAOC and in fact, following the intervention of the Delegation of the United States of America during the PBC, steps were already underway to fulfil the request that all Member States be given access to the report.

16. The Chair thanked the IAOC Chair for the important clarifications.

17. The WIPO General Assembly took note of the "Report by the WIPO Independent Advisory Oversight Committee (IAOC)" (document WO/GA/53/1).

(iii) Report by the Director of the Internal Oversight Division (IOD)

18. Discussions were based on documents WO/GA/53/2 and A/61/6.

19. The Director, IOD stated that in line with the Internal Oversight Charter, IOD was pleased to present an overview of oversight activities undertaken by the IOD, during the reporting period July 1, 2019, through December 31, 2019. The report was for six months, due to the change in the reporting period, as per the recommendation from the external auditors, to align the reporting period to the financial statements. The Director, IOD, mentioned that the annual report was included in document WO/GA/53/2. On the implementation of oversight plans, at the reporting date, IOD had fully implemented the 2019 oversight plan, and the implementation of the 2020 work plan was on track with suitable adjustments for the impact of the pandemic. During the reporting period, IOD audits, evaluations, and investigations covered the following key operational areas: WIPO Enterprise Content Management (ECM) System Project, Internal Service Management in the Administration and Management Sector, Financial Closure Process, WIPO's Policy on Gender Equality, WIPO's Partnerships, procurement procedures, customer query management systems, and Vehicle Entry at WIPO. On investigations, during the reporting period, 17 new cases were registered and 20 were closed. As of December 31, 2019,

11 cases were pending, including five at the preliminary evaluation stage, two at the full investigation stage, and four cases were on hold pending action by another entity. Of the pending cases, 10 cases were opened in 2019 and one in 2016. As of December 31, 2019, the average length of time it took for cases to be processed was 4.2 months, which was well within the target of six months. During the reporting period, three management implementation reports were issued, providing recommendations on customer query management systems, procurement procedures and vehicle entry at WIPO. In regards to recommendations, IOD continued to manage and report on oversight recommendations using the team-central system, which enabled interactive dialogue with program managers and their delegates, for an effective follow-up of implementation of all open recommendations. On the date of the 2020 report, there were 117 open recommendations, including 41 of high priority and 76 of medium priority. IOD recommendations constituted 86 per cent of all open oversight recommendations, 55 IOD recommendations and six external audit recommendations were closed during the period. Five of these were part of the previous external auditors recommendations, being monitored by IOD. Besides, no IOD recommendations were closed without implementation during the reporting period. In addition to its planned oversight work, IOD continued to provide professional advice as requested on policy documents, evaluations, business processes, or the regulatory framework. During the 2020 reporting period, IOD provided advice to the Office of the Director General on the upcoming planned evaluation of external offices in 2020/21 as decided by the WIPO General Assembly. That advice consisted of an availability matrix providing basic, non-exhaustive set of evaluation questions, data sources and data locations. The evaluation section received a request for advisory services from the Regional Bureau for Asia and the Pacific to conduct an *ex-ante* evaluation. The purpose of this *ex-ante* evaluation was to assess whether the Bureau's technical framework was well-designed and valuable. IOD had regularly attended the sessions of the IAOC, reporting on the implementation of the internal oversight plan, the discussion of oversight results and other aspects concerning the work and the functioning of the division and seeking IAOC's advice from time to time. In the period covered by that report, the 54<sup>th</sup> and 55<sup>th</sup> sessions of the IAOC took place. IOD maintained good working relations with external auditors by having regular meetings on audit, internal control and risk management issues. The external auditor and IOD shared strategies, annual plans and individual reports with a view to ensure efficient oversight coverage while avoiding potential duplication and oversight fatigue. The Secretariat engaged actively with the external auditors during their 2019 audits and provided necessary inputs wherever required. The Secretariat regularly met with the Ombudsperson and with the Chief Ethics Officer to ensure good coordination and complementary support. On outreach activities, as part of its ongoing effort to better explain and advocate for the internal oversight function, IOD continued to reach out to colleagues within WIPO through presentations given to new staff in the induction training, the IOD newsletter, the IOD dashboard and presentations to directors and senior managers as and when required. On satisfaction surveys, IOD continued to seek feedback from colleagues on the quality of its oversight work through planned satisfaction surveys after each assignment. The analysis of consolidated survey results indicated an average satisfaction rate of 85 per cent for post-assignment surveys and 76 per cent for after one year surveys. During the reporting period, IOD continued its active and useful collaboration and networking with other UN system organizations, and entities. In particular, IOD actively participated in the annual meeting of the UN Representatives of Internal Audit Services (UNRIAS), held between August 21 to 25, 2019, in Montreal, Canada. IOD participated and cohosted the annual meeting of the United Nations Representative for Investigation Services (UNRIS) held between November 6 to 8, 2019 in Geneva. IOD also attended the UN panel of external auditors meeting held on November 28, 2019, in Bonn. On operational independence, IOD confirmed that during the reporting period no instance or activity occurred, that could be considered as jeopardizing the operational independence of IOD. On oversight resources, to discharge its mandate, IOD was provided with a biennial budget of 5.072 million Swiss francs, which represents 0.73 per cent of WIPO budget for 2018/2019 biennium. Overall, the level of human and financial resources had been adequate for IOD to cover the high priority areas, as identified in the work plans,

effectively. Exchange of oversight plans and continuous coordination of oversight activities with the external auditor, as well as the effective use of IT tools had helped to achieve more efficiency and effective coverage of risk areas. On training, for continued professional development, IOD staff attended various training activities to acquire new knowledge, technical skills and other competencies to increase IOD operational effectiveness and efficiency in undertaking oversight assignments. On average, each IOD staff attended 10 days of training which included fraud protection and detection, investigative research techniques, data analytics, tableau visualization application, digital data capturing, cybersecurity, conflict management, evaluation of science and innovation policies, behavioral science policy, Teammate and synergologie. Having concluded its remarks, the Director, IOD, thanked the delegations for their kind attention and was happy to answer any questions or receive any comments.

20. The Delegation of the United Kingdom, speaking on behalf of Group B, thanked the IAOC, the External Auditor and the Director of the IOD for the preparation of those documents. Group B thanked for the opportunity to comment on those reports as provided to the WIPO General Assembly by the PBC. Group B reiterated the importance of the IAOC, External Auditor and the IOD and stressed the essential role that they played in the audit and oversight mechanisms of WIPO and advising Member States. In the interest of time, Group B recalled its statements on those reports as delivered to the 31<sup>st</sup> session of the PBC and reiterated the messages expressed in those statements.

21. The Delegation of China thanked the IOD for the annual report. The Delegation was satisfied with work of the IOD over the past year and endorsed the CMS system developed by IOD to be used in investigations. The Delegation believed that investigation cases are sensitive information and that WIPO should use systems developed by itself to deal with this kind of information as it was truly necessary. Regarding the external quality assessment (EQA) conducted by IOD to ensure that evaluation function complied with the internal and external standards and in particular, UN standards, the Delegation welcomed the initiative and looked forward to the EQA internal audit and investigation in 2020. Meanwhile, the Delegation encouraged IOD to engage with peers from entities both inside and outside of the UN system. The Delegation appreciated the Director General and all relevant departments for actively implementing all the recommendations and the results. The Delegation expected that relevant programs would keep strengthening the implementation of high priority recommendations. The Delegation attached great importance to the oversight/audit function and believed that the oversight system, composed of the IAOC, the External Auditor, IOD and the Ombudsman, was very important for achieving strategic goals and increasing management quality. The Delegation encouraged WIPO to continue to implement all oversight recommendations to improve oversight mechanism to achieve further developments.

22. The Delegation of Iran (Islamic Republic of) thanked the Director, IOD, for presenting the annual report, which gave an overview of the internal oversight activities conducted during the reporting period. The Delegation attached great significance to the work of the IOD in the most independent manner and recognized its contribution to enhance transparency, and efficient internal oversight within the Organization. The Delegation also welcomed the continued cooperation among the IOD, the IAOC, and the External Auditor. The Delegation welcomed the finding of the report that WIPO's capacity development activities contributed to the Organization's strategic objectives and the development needs of the Member States. Moreover, the Delegation highlighted the importance of IOD's cooperation within the internal oversight or similar services of other organizations of the UN system and of multilateral financial institutions. The Delegation encouraged IOD to continue its active and useful collaborations and networking with other UN system organizations and entities, in particular, active participation in the annual meeting of UNRIS. To conclude, the Delegation noted with satisfaction that no instance or activity occurred that could be considered as jeopardizing the operational independence of IOD.

23. The Delegation of the Russian Federation, speaking on behalf of the CACEEC, thanked the Director, IOD, for its report. The CACEEC greatly commended the role of the IOD in seeking to ensure accountability, transparency, and professionalism in the Organization and in ensuring that appropriate new practices were introduced. When it came to assessing quality in accordance with UNEG standards, the CACEEC welcomed it in terms of WIPO's internal oversight. The CACEEC also noted measures relating to risk mitigation and anti-fraud, as well as recommendations relating to the way in which the organizational resources can be assessed and found it very important. In particular, in accordance with the digital transformation in WIPO, the Group found it important to optimize processes, to use and bring in new toolkit that could be used for new procedures that were being introduced. The CACEEC commented that, particularly in the environment of artificial intelligence (AI), automated processes, machine learning, that could be especially valuable in the future. The CACEEC believed that digitalization of IP offices was going to be particularly important and that experience gained in that area would be of interest to all Member States. To conclude, the CACEEC wanted close attention to be paid to some ideas being main-streamed, especially gender issues and the work done in WIPO partnerships. Here again, the CACEEC wanted them to be brought in line with the practice of other UN agencies.

24. The Delegation of the United States of America appreciated the work of the IOD during the reporting period and the information in that report. The Delegation thanked the IOD for responding to their statement and inquiries during the PBC. However, the Delegation would appreciate the Director of the IOD clarifying whether the substantiated retaliation case referenced in that report was the same case described in the IAOC report.

25. The Delegation of the Russian Federation wished to endorse the statement made on behalf of the CACEEC, and was grateful to the Director of the IOD for having prepared the annual report. The Delegation commended the contribution made by the IOD to strengthening the internal control functions and introducing leading audit practices to WIPO. The Delegation supported the expansion of the role of the IOD in combating fraud, abuse and the development of thematic educational models. What was of particular importance to the Delegation, was the effective work done by the IOD on assessing the management of organizational resources as well as the implementation of initiatives relating to the development of a digital strategy aimed at expanding access to information. In addition, the Delegation wanted to draw attention to the conclusions related to possible improvement of the information and knowledge management system that are adopted within the framework of the WIPO partnership. It was clear that WIPO's practices were certainly in the forefront of what was done within the UN as a whole, and the Delegation counted on further work by the IOD to ensure that independent quality assessment of the effectiveness of the work done by the Organization would be available. The IOD's proposals with reference to integration and management processes in terms of the services of AI, automatization and robotization, were things that were particularly important and required further detailed analysis, and the Delegation needed to have the interim results of any consideration made available to Member States. The Delegation also commended as positive practice involving Member States of WIPO in the discussion of the work plan for the forthcoming period. The Delegation would certainly be more than happy to participate in any such process intended to implement the recommendations being made.

26. In addressing the questions from the various Delegations, the Director, IOD, first thanked all delegations for their kind words in appreciating the work done by IOD, which was encouraging and motivating. The Director, IOD, noted the comments made by delegations, the suggestions given, and stated which would be duly incorporated in the planning process. On the query raised by the Delegation of China about the EQA of the evaluation function, that the IOD should do an EQA of the audit and investigation function, the Director, IOD, said that an EQA of audit and investigative function was due that year and that it was ongoing. The results would be reported in the next report to the Assemblies. On the question raised by the Delegation of the United States of America, the Director, IOD, clarified that the case, as

mentioned during the PBC, would follow the provisions of the protection against retaliation policy. The Director, IOD, added that the competent authority would make any final determination on retaliation, and that he was open to discuss bilaterally, if necessary.

27. The WIPO General Assembly took note of the “Annual Report by the Director of the Internal Oversight Division” (document WO/GA/53/2).

## ITEM 12 OF THE CONSOLIDATED AGENDA

### WIPO ARBITRATION AND MEDIATION CENTER, INCLUDING DOMAIN NAMES

28. Discussions were based on document WO/GA/53/8.

29. The Secretariat noted that the document provides an update on the Center’s activities as an international resource for time- and cost-efficient alternatives to court litigation of IP disputes. The Secretariat affirmed that the Center administers cases and provides legal and organizational expertise in alternative dispute resolution (ADR), including for Member State intellectual property and copyright offices. The Secretariat noted that the document also provided an update on the domain name-related activities of WIPO. It covered the Center’s administration of domain name disputes especially under the WIPO-initiated Uniform Domain Name Dispute Resolution Policy (UDRP). It furthermore covered policy developments, including the review by the Internet Corporation for Assigned Names and Numbers (ICANN) of the UDRP, and the status of the recommendations made by the Member States in the context of the Second WIPO Internet Domain Name Process.

30. The Delegation of Singapore highlighted that the Intellectual Property Office of Singapore (IPOS) was the first IP office to collaborate with the Center on ADR. The Delegation noted with appreciation the presence of a representative of the Center in Singapore and the critical role that the Center plays in supporting regional ADR activities, including through its list of Singapore-based neutrals. The Delegation noted that Singapore was well placed to help resolve IP disputes, especially with the challenges posed by the current pandemic. The Delegation highlighted WIPO mediation and expert determination options customized to IPOS proceedings, as well as the well-received seminars and workshops that the Center and IPOS organized. The Delegation noted its enhanced mediation promotion scheme that funds a large part of parties’ mediation cost, which has attracted a good number of cases administered by the Center. The Delegation looked forward to the wider adoption of ADR for IP disputes and considered the Center an important partner in this vision. The Delegation also highlighted the recent Singapore Convention on Mediation, which assists mediation parties in enforcing settlement agreements worldwide, and noted the value which Singapore and WIPO can together offer businesses and users of IP through ADR.

31. The Delegation of China acknowledged that mediation and arbitration are important channels for the resolution of IP disputes, and as such form an integral part of the IP system. The Delegation noted the nationwide work undertaken by the China National Intellectual Property Administration since 2014 in the area of mediation and arbitration, including the creation of numerous intellectual property ADR organizations with established professional teams of full-time and part-time mediators and arbitrators. The Delegation noted that this work has been achieving positive results, with a number of IP disputes having been settled by mediation and arbitration. The Delegation actively supports the work of the Center, and wishes to extend further support in cooperation with WIPO and Member States.

32. The Delegation of the United Kingdom, speaking on behalf of Group B, acknowledged that ADR mechanisms such as mediation and arbitration keep legal costs low and offer disputing parties an opportunity to reach an amicable solution more quickly. Noting that the Center

already offers tailored services for specific sectors, the Delegation wondered if consideration had been given to the Center's work reflecting broader policy objectives. The Delegation noted that it could be interesting to examine the number of disputes in healthcare, life sciences and green technologies, and that it might be worth exploring a possible fast-track dispute resolution scheme to support the availability of innovations in those areas while meeting the needs of rights holders. The Delegation appreciated how the Center shared its expertise with intellectual property offices around the globe. The Delegation further welcomed the Center's awareness-raising activities, and the development of research and development model agreements that incorporate ADR mechanisms. The Delegation congratulated WIPO on the 20<sup>th</sup> anniversary of the UDRP, and acknowledged the positive impact the UDRP has had in making the resolution of domain name disputes faster and less expensive. The Delegation had taken note of policy developments in the Internet Domain Name System (DNS), and highlighted the importance of maintaining light and effective ways for rights holders to manage their rights. The Delegation highlighted the ongoing process in ICANN to review rights protection mechanisms (RPM), and recognized WIPO's related engagement. The Delegation encouraged stakeholders to continue to participate actively in the appropriate structures to help ensure the RPMs' continuing effectiveness.

33. The Delegation of Iran (Islamic Republic of) acknowledged the importance of the Center's activities as an international resource for time and cost effective alternatives to court litigation of IP disputes, as well as domain name dispute resolution. The Delegation welcomed the initiatives undertaken by the Center to facilitate access for potential users to WIPO ADR, in particular its online case administration resources, including the WIPO Clause Generator. The Delegation highlighted the utility of the WIPO Guide on Alternative Dispute Resolution for IP Offices and Courts, and noted the options it provides for stakeholders to integrate ADR into their existing processes. The Delegation strongly encouraged further such collaboration, including the continued organization of training programs and promotional activities.

34. The Delegation of the Republic of Korea noted the significance of ADR, particularly in light of the changing global environment, and the Republic of Korea's ongoing support of the activities of the Center. The Delegation acknowledged the Memorandum of Understanding (MoU) between the Ministry of Culture, Sports and Tourism of the Republic of Korea (MCST) and WIPO that established Funds-in-Trust (FIT) for the promotion of ADR, and highlighted the implementation of collaborative projects such as the WIPO-MCST mediation promotion scheme, and mediation webinars. Additionally, the Delegation noted the Government's action, including through recent partial amendment of the Copyright Act, to help establish mediation as an important option for copyright-related disputes. The Delegation reaffirmed its commitment to promoting ADR and to collaborating with WIPO in this field.

35. The Delegation of the United States of America noted its support of the statement made by the Delegation of the United Kingdom on behalf of Group B. In the area of domain name dispute resolution, it further noted that in the rollout of generic Top-Level Domains, appropriate RPMs must be in place to avoid trademark abuse, consumer confusion, fraud, and the general undermining of the public trust in the DNS. The Delegation continues to monitor the adequacy of such RPMs as tools to protect rights holders against cybersquatting as the DNS expands. The Delegation acknowledged the importance of privacy but also stressed that access to Whois data is crucial for law enforcement and rights enforcement by IP holders, as well as cybersecurity, consumer protection, and a host of legal, policy and social objectives. The Delegation noted that it was closely monitoring the ongoing work of ICANN to develop policies for a new framework to ensure that parties with legitimate interests will have access to Whois data.

36. The Secretariat thanked all delegations who spoke and expressed their appreciation for the work of the Center, and for the trust and for the business of their respective users of the Center's ADR services. In relation to the query on behalf of Group B related to the provision of

ADR services in light of the current pandemic situation, the Secretariat noted that much of the Center's work was already conducted online, including in particular domain name case management, but also the conduct of mediations and arbitrations. The Secretariat acknowledged the role of existing Center IT infrastructure in the seamless transition that was made to remote working arrangements, and further noted the strong demand for the Center's online tools. The Secretariat welcomed the observations of the Delegation of the United Kingdom on behalf of Group B, on the issue of efficient options for disputes arising in certain areas of current public policy concern. The Secretariat acknowledged this important issue and noted the Center's continuous prioritizing of time and cost for users. The Secretariat highlighted WIPO's Expedited Arbitration option, and noted the Center's provision of mediation as an option for parties to avoid the more judicial procedures that can entail significant time and cost.

37. The Director General acknowledged the Delegation of the United Kingdom's query, on behalf of Group B, related to Center cases in specific public policy areas, and potential procedures to address them in an expedited and affordable manner. The Director General noted that anonymized data for such cases could be made available and that adapted ADR options would be further considered in light of the special importance of IP assets in certain public policy fields.

38. The WIPO General Assembly took note of the document "WIPO Arbitration and Mediation Center, Including Domain Names" (document WO/GA/53/8).

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