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## **Program and Budget Committee**

**Fortieth Session**  
**Geneva, June 15 to 19, 2026**

REPORT BY THE WIPO INDEPENDENT ADVISORY OVERSIGHT COMMITTEE (IAOC)

*prepared by the WIPO Independent Advisory Oversight Committee (IAOC)*

1. This document contains the Report by the WIPO Independent Advisory Oversight Committee (IAOC), prepared by the IAOC and covering the period from March 29, 2025 to March 20, 2026.

2. The following decision paragraph is proposed:

*3. The Program and Budget Committee (PBC) recommended to the WIPO General Assembly to take note of the "Report by the WIPO Independent Advisory Oversight Committee (IAOC)" (document WO/PBC/40/2).*

[Report by the WIPO Independent Advisory Oversight Committee follows]

ANNUAL REPORT BY THE WIPO  
INDEPENDENT ADVISORY OVERSIGHT COMMITTEE (IAOC)  
FOR THE PERIOD MARCH 29, 2025 TO MARCH 20, 2026  
[MAY 19, 2026]

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## I. INTRODUCTION

1. Pursuant to its Terms of Reference (ToR), the WIPO Independent Advisory Oversight Committee (IAOC) submits an annual report to the Program and Budget Committee (PBC) and to the WIPO General Assembly.

2. The IAOC (also referred to as "the Committee") was established in 2005. It is a subsidiary body of the WIPO General Assembly and of the PBC. It serves in an independent expert advisory capacity and assists the Assembly and the PBC in fulfilling their oversight responsibilities.

3. The present report covers the period from March 29, 2025, to March 20, 2026. Section II of this report provides an overview of the Committee's quarterly sessions, composition of the Committee and working methods. Section III details matters discussed and reviewed by the Committee during the reporting period.

## II. QUARTERLY SESSIONS, COMPOSITION AND WORKING METHODS

### *Quarterly Sessions*

4. During the reporting period, the Committee held four quarterly sessions: from June 2 to 6, 2025 (77<sup>th</sup> Session); from September 22 to 26, 2025 (78<sup>th</sup> Session); from December 8 to 12, 2025 (79<sup>th</sup> Session); and from March 16 to 20, 2026 (80<sup>th</sup> Session). In line with its ToR, the Committee held information meetings with representatives of Member States following all sessions. The reports for all of the Committee's sessions are published on WIPO's website.

### *Composition and Selection Process for New Members*

5. The IAOC comprises seven members drawn from WIPO's Groups of Member States. The members serve in their personal capacity and independently of Member States. At its 79<sup>th</sup> session in December 2025, the Committee elected Mr. Kamlesh Vikamsey as Chair and Mr. Danil Kerimi as Vice-Chair for the year 2026. Mr. David Kanja was the Chair, presiding over the 77<sup>th</sup> to 79<sup>th</sup> sessions, with Mr. Vikamsey as Vice-Chair.

6. At the 79<sup>th</sup> session, the Committee members thanked the outgoing members, Messrs. Bert Keuppens (Group B) and Igors Ludboržs (Group of Central European and Baltic States (CEBS)), for their excellent and extensive contributions to the work of the Committee during their terms. The Committee also requested the Secretariat to schedule a structured induction program for the incoming members.

7. In accordance with the selection process described in Annex IV, WIPO Financial Regulations and Rules, the Committee currently consists of the following members:

- Mr. Kamlesh Vikamsey, Chair (Asia and the Pacific Group);
- Mr. Danil Kerimi, Vice-Chair (Group of Central Asian, Caucasus and Eastern European States (CACEEC));
- Mr. David Kanja (African Group);
- Ms. Elena Atanasova (Group of Central European and Baltic Countries (CEBS));
- Mr. Guan Jian (China);
- Mr. German Deffit (Group of Countries of Latin America and the Caribbean (GRULAC)); and
- Mr. Robert Samels (Group B).

8. The composition of the Committee reflects a proper mix and balance of skills, expertise, and experience.

#### *Working Methods*

9. The Committee provides expert advice through its engagement with WIPO's Director General, Secretariat staff, Internal Oversight Division (IOD) and the External Auditor, mainly based on reports, presentations, and information with which it is provided. It further deliberates on relevant matters to reach its assessments and conclusions.

10. During the reporting period, the Committee engaged with the Director General and senior management on the evolving geopolitical and geoeconomic environment, specifically regarding its impact on WIPO's Global IP Services filing rates, which witnessed an initial decline relative to projections followed by a subsequent recovery. The Committee received detailed updates on the Organization's financial performance, noting the surplus achieved in 2024 and the positive operating results recorded in the first half of 2025. Additionally, the Committee reviewed strategic priorities for the 2026-2027 Program of Work and Budget, including the establishment of the Development Acceleration Fund, the impact of Artificial Intelligence (AI) on operations, and WIPO's engagement with the UN80 Initiative.

#### *IAOC Self-Assessment and Independent Performance Evaluation*

11. During its 79<sup>th</sup> session, the Committee conducted its annual self-assessment exercise using the Joint Inspection Unit (JIU) criteria for good practices for Audit and Oversight Committees. The assessment concluded that the IAOC met all criteria and was functioning effectively. The details of this self-assessment are attached to the report of the Committee's 79<sup>th</sup> session.

12. Additionally, in accordance with its Terms of Reference requiring an independent performance evaluation every three years, the Committee discussed arrangements for this evaluation to be conducted in the coming months. The evaluation will include a survey of key stakeholders, including Member States.

### **III. MATTERS DISCUSSED AND REVIEWED**

#### **A. Internal Oversight**

##### *Implementation of IOD's 2025 Internal Oversight Workplan and proposed IOD 2026 Internal Oversight Workplan*

13. The Committee reviewed the implementation of IOD's 2025 Oversight Workplan using quarterly IOD activity reports submitted for each session. By December 2025, the Committee noted that the implementation of the plan was on track, although the updating of the Evaluation Policy and Manual was still pending and expected to be completed in 2026. The Committee also reviewed and provided input into the 2026 Internal Oversight Workplan, noting that it was risk-based and included an advisory assignment on the use of AI in the Organization.

#### *Internal Audit and Evaluation Reports*

14. During the reporting period, the Committee reviewed several internal audit and evaluation reports, including:

- **Audit of Cybersecurity Management:** Reviewed the results of a cybersecurity audit of two components of WIPO's IT systems. Based on black box external penetration testing, the security level was assessed as "satisfying". However, from an insider threat perspective, the security level was rated as "moderate-high," driven by configuration and other issues. The Committee monitored the remediation of identified vulnerabilities throughout the year, noting that 5 out of 12 recommendations were fully implemented by December 2025, with the remaining scheduled for Q1 2026.
- **Audit of Investment Management:** A review conducted by an independent firm under IOD supervision provided an audit rating of "satisfactory, some improvements needed" for governance, risk management, and compliance, whereas portfolio management was rated as "satisfactory". The audit identified no high-risk areas.
- **Business Process Reviews:** The review of the Arbitration and Mediation Center (AMC) concluded that processes were well-structured but identified opportunities to enhance efficiency through automation and improved knowledge management. An advisory engagement on Customer Experience (CX) and Customer Relationship Management (CRM) highlighted opportunities to create greater interconnectedness between CRM, Enterprise Resource Planning (ERP), and Key Data Management (KDM) projects.
- **Evaluations:** The review of the Youth Engagement Process found that governance, risk management, and control practices were adequately designed and operated effectively. The Committee also reviewed an understanding document on the Development Agenda Coordination Division (DACD) and concluded that a full-fledged evaluation was not necessary at that stage due to an upcoming JIU review.

### *Investigations*

15. At each session, the Committee was apprised of the status of investigation cases. As of December 2025, there were four outstanding matters under preliminary evaluation. The Committee noted that two matters closed during the period were related to the resubmission of an earlier complaint. The Committee also discussed procedures for handling repeat complaints to ensure efficient use of resources.

### *Quality Assurance*

16. The Committee reviewed the status of preparations for the External Quality Assessments (EQA) of the internal audit and investigation functions, scheduled to take place in the first quarter of 2026. The EQA for the internal audit function will involve a self-assessment with external independent validation.

### **B. External Audit**

17. The Committee engaged regularly with the External Auditor, the Audit Board of the Republic of Indonesia.

18. At its 77<sup>th</sup> session (June 2025), the Committee reviewed the External Auditor's Long-form Audit Report and Audit Opinions for 2024. The External Auditor provided an unqualified audit opinion on WIPO's financial statements and regularity and confirmed that WIPO complied with IPSAS requirements.

19. During the 78<sup>th</sup> and 79<sup>th</sup> sessions, the Committee reviewed the External Auditor's Audit Planning Memorandum and interim audit outcomes for 2025. The Committee noted that special consideration would be given to revenue recognition, fraud risk assessment, and the analysis of IT general controls and cybersecurity. As of December 2025, the External Auditor reported that out of 11 recommendations being followed up, 2 had been completed and 9 were in progress.

C. Financial Reporting

20. During its 77<sup>th</sup> session, the Committee reviewed the 2024 Annual Financial Statements. The Committee complimented the Secretariat on the comprehensiveness of the statements and the related disclosures, noting the Organization ended the year with a surplus.

21. The Committee received updates on the governance and oversight of the new ASHI plan. It noted that the ASHI plan will be included in the regular financial statements and audited by the External Auditor. The Committee also noted that the General Assembly had approved a transfer of 50 million Swiss francs to the strategic portfolio.

22. The Committee was updated on the impact of new IPSAS standards effective in 2026 and 2027, noting that they are not expected to have a significant financial impact on WIPO. All standards with a 2025 implementation deadline have already been implemented.

23. During the 80<sup>th</sup> Session, the Committee reviewed an update on WIPO's banking arrangements. The key banking activities include cash and liquidity management, foreign currency transaction management, cash investment activities and custodial services. The Committee discussed and provided advice regarding the management of exposure limits and concentration of activities within one bank.

D. Risk Management and Internal Controls

24. The Committee reviewed WIPO's risk heat map. The top risks identified included cyberattacks and confidential data breaches, fall in value of investments, and significant reduction in income due to filing downturns. The Committee noted that geopolitical and economic contexts had been shifted to a high risk category.

25. The Committee reviewed the outcomes of a Fraud Risk Assessment conducted by an external expert. Among 34 advisory recommendations, six were not accepted. The assessment concluded that risk exposure to fraud within WIPO is relatively limited. The Committee monitored the implementation of the related recommendations throughout the period.

26. At its 80<sup>th</sup> Session, the Committee was briefed on the proposed revised WIPO Accountability Framework which was last published in 2019. The Committee was informed that the Framework would be presented to the PBC 40<sup>th</sup> Session.

27. The Committee received updates on the preparation of IOD's opinion on governance, risk management, and internal controls to support the Director General's Statement on Internal Control. The Committee advised that the overall opinion should include a qualitative assessment.

*Cybersecurity Management, Physical and IT Security*

28. During the 80<sup>th</sup> Session, the Committee reviewed the 2026 workplan for the Information and Security Section, which focused on awareness, operations, and privacy. The Committee received various cybersecurity updates, including information on potential information security risks and incidents, compliance status, safety and security at WIPO, strategic programs, resourcing and penetration tests. The Committee also had a detailed discussion on information security risk mitigation strategies and requested to have a session on any potential legacy systems risk in future sessions.

E. Implementation of Oversight Recommendations

29. The Committee reviewed the status of outstanding recommendations from IOD, the External Auditor, and the Joint Inspection Unit (JIU) at every session.

30. The number of open recommendations fluctuated during the period due to the issuance of new reports. However, the Committee noted the Secretariat's continued efforts to close long-outstanding recommendations, with the total number of open recommendations standing at 47 as of November 2025, a significant reduction from 120 in 2022.

F. Ethics and Ombudsperson

*Ethics Office*

31. The Committee reviewed the Ethics Office's Annual Report for 2024 and its Workplans for 2025 and 2026. The Committee noted that a large portion of the Office's advice related to outside activities and workplace conflicts. The Committee also reviewed and provided advice on the revised Terms of Reference (Office Instruction) for the Ethics Office.

*Ombudsperson*

32. The Committee received regular activity reports from the Ombudsperson. A significant development during this period was the transition of the Ombuds function. The Committee noted that effective January 1, 2026, the United Nations Ombudsman and Mediation Services (UNOMS) would assume responsibility for providing these services to WIPO. The Committee met with the UNOMS representatives in December 2025 to discuss practical arrangements for future collaboration.

G. Human Resources Management

33. The Committee reviewed updates on HR management. The results of the staff engagement survey showed a 76 per cent satisfaction rate with a 67 per cent response rate. The Committee also reviewed updates on the Geographical Diversity Action Plan, and the development of a leadership profile framework.

H. Other Matters

*Investment Management*

34. As requested by Member States, the Secretariat submitted to the Committee, at each of its sessions, the available monthly Investment Performance Reports and the monthly



Investment Monitoring Reports, prepared by the Investment Advisors and the Custodian, respectively. The Committee wishes to clarify that its role is limited to conveying to Member States the information contained in the monthly Investment Performance Reports and Investment Monitoring Reports and does not provide any assurances in that regard.

35. The Committee reviewed the monthly Investment Performance and Monitoring Reports for each session. The Committee verified that within the period in focus, all investments were performing as expected wherein all investments were managed in accordance with the Investment Strategy and no breaches were reported by the Custodian. However, the Committee advised the Secretariat to consider conducting a stress test every 2-3 years to assess the adequacy of diversification and to consider expanding the geographical scope within asset classes.

#### *Enterprise Resource Planning (ERP) System*

36. The Committee received regular updates on the "AIMS Transformation" project (WIPO's new ERP system). The Committee noted that Phase I (Performance Management) was projected for implementation by early 2026 and that the project remained on track and within budget.

#### *Data Governance*

37. The Committee reviewed updates on WIPO's Data Governance and Management initiative, including the WIPO Data and Analytics Strategy Roadmap. The Secretariat highlighted challenges such as unbalanced data maturity and siloed data, prioritizing customer data accessibility and consistency.

#### *Impact of AI on IP, and the Use of AI in WIPO*

38. The Committee was briefed on several emerging issues at the intersection of AI and IP, including the WIPO Conversation on IP and Frontier Technologies, and the Artificial Intelligence Infrastructure Interchange (AIII). WIPO continues to lead these discussions and monitor global developments on these issues.

39. The Committee was also briefed on the use of AI within the Organization, including pilots, projects, data governance, policies and guardrails. The governance structure was discussed, including the AI Task Force, an AI Framework Approach and the AI evaluation group, among other things. The Committee requested the Secretariat to provide periodic updates on these important topics in future meetings.

#### *Proposed Amendments to the Terms of Reference of the Committee*

40. In accordance with its Terms of Reference (ToR), the IAOC periodically reviews its ToR at least once every three years. The current ToR was last amended in 2023 and adopted by the WIPO General Assembly on July 14, 2023 (document A/64/13). While a review would ordinarily be due in 2026, the Committee has decided to postpone its review and presentation of any proposed revisions to the PBC until 2027. This decision was guided by two key considerations. First, it will allow the Committee to incorporate the observations and recommendations from the 2026 external review of the IAOC's function. Second, it realigns the three-year review with the Committee's membership rotation cycle, ensuring that future reviews are conducted when all members have had sufficient time to contribute meaningfully to any proposed revisions.

#### **IV. CLOSING REMARKS**

41. The Committee would like to express its appreciation to the Director General, the Secretariat staff, and the External Auditor for their availability, clarity, and openness in their regular interactions with the Committee, and for the information provided.

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