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INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS

Geneva

CONSULTATIVE COMMITTEE**Ninety-First Session
Geneva, March 17, 2016****INTERNAL AUDIT AND REPORTS OF
THE WIPO INDEPENDENT ADVISORY OVERSIGHT COMMITTEE***Document prepared by the Office of the Union**Disclaimer: this document does not represent UPOV policies or guidance*

1. The purpose of this document is to report on matters concerning oversight and the WIPO Independent Advisory Oversight Committee (IAOC) and to report on developments concerning the evaluation of the program of activities of UPOV by the WIPO Internal Oversight Division (IOD).

BACKGROUND

2. At its seventy-ninth session, held in Geneva on March 26, 2010, the Consultative Committee recommended to the Council, at its forty-fourth ordinary session, held in Geneva on October 21, 2010, to request the WIPO Internal Audit and Oversight Division (now WIPO Internal Oversight Division - IOD) to conduct independent internal audit, inspections and investigations of UPOV in accordance with the provisions, applied *mutatis mutandis*, of the WIPO Internal Audit Charter (now WIPO Internal Oversight Charter). The Consultative Committee recommended to the Council not to establish an audit committee for the time being and requested the Secretary-General to transmit the WIPO Audit Committee's report on IAOD to the Consultative Committee (see document C/44/13 "Audit Committee", paragraph 5).

3. On the above basis, at its forty-fourth ordinary session, the Council:

(a) adopted document UPOV/INF/10/1 "Internal Audit" (see document C/44/17 "Report", paragraph 26) (see http://www.upov.int/edocs/infdocs/en/upov_inf_10_1.pdf); and

(b) decided not to establish an audit committee for the time being and to request the Secretary-General to transmit the WIPO Audit Committee's report on the WIPO Internal Audit and Oversight Division to the Consultative Committee (see document C/44/17 "Report", paragraph 14).

INTERNAL AUDIT AND INVESTIGATIONS

4. Document UPOV/INF/10/1 "Internal Audit" provides as follows: "The Council, at its forty-fourth ordinary session, held in Geneva, on October 21, 2010, requested the Internal Audit and Oversight Division (IAOD) of the World Intellectual Property Organization (WIPO) to conduct independent internal audit, inspections and investigations of UPOV in accordance with the provisions, applied *mutatis mutandis*, of the WIPO Internal Oversight Charter."

5. The “WIPO Internal Oversight Charter” and the policies and procedures governing internal audit and investigation activities are available at <http://www.wipo.int/about-wipo/en/oversight/iaod/index.html>.

6. The “WIPO Internal Oversight Charter” states that the annual work plan shall be based, where relevant, on a risk assessment to be carried out at least annually, on which basis work would be prioritized.” The risk model developed by IOD is available at http://www.wipo.int/export/sites/www/about-wipo/en/oversight/iaod/pdf/risk_assessment_methodology.pdf and it takes into account the following criteria:

- Materiality – High monetary value and/or volume of transactions;
- Past audit coverage;
- Past Audit results;
- Degree of Organizational and Management Change;
- Function criticality (core/non-core);
- Financial exposure of the area being audited;
- Inherent risk of the area being audited;
- Management/ WIPO Independent Advisory Oversight Committee (IAOC) concerns; and
- Historical data on fraud/wrongdoings.

7. A significant factor in the risk assessment of UPOV is that services rendered by WIPO to UPOV under the “Agreement between the World Intellectual Property Organization and the International Union for the Protection of New Varieties of Plants (WIPO/UPOV Agreement)” (see document UPOV/INF/8 at http://www.upov.int/information_documents/en/) are covered by internal audit at WIPO. On the basis of the risk assessment of UPOV, there was no internal audit of UPOV in 2015. The Secretary-General has not been made aware of the need for any investigations in UPOV in 2015.

REPORTS OF THE WIPO INDEPENDENT ADVISORY OVERSIGHT COMMITTEE

8. The Consultative Committee, at its eighty-third session, held in Geneva on March 30, 2012, “decided to include a standard item in the agendas of the March/April sessions of the Consultative Committee entitled ‘Reports of the WIPO Independent Advisory Oversight Committee’. The Consultative Committee agreed that, if a Consultative Committee session was not held in March/April, the item would be included in the relevant session of the Consultative Committee in October” (document CC/83/8 “Report”, paragraph 15).

9. The quarterly reports for 2015 of the IAOC (formerly WIPO Audit Committee) (documents WO/IAOC/36/2, WO/IAOC/37/2, WO/IAOC/38/1 and WO/IAOC/39/1 are available at <http://www.wipo.int/about-wipo/en/oversight/iaoc/>. There is no reference to UPOV in the IAOC quarterly reports for 2015.

10. The terms of reference of the IAOC, paragraph 13, provide as follows: “Based on its review of the Internal and External Audit functions of WIPO and its interactions with the Secretariat, the Independent Advisory Oversight Committee will submit an annual report to the Program and Budget Committee and to the WIPO General Assembly.” The Annual Report of the IAOC, covering the period September 1, 2014, to August 31, 2015 (document WO/GA/47/2), is available at:

http://www.wipo.int/edocs/mdocs/govbody/en/wo_ga_47/wo_ga_47_2.pdf

EVALUATION

11. At its ninetieth session held in Geneva, on October 28 and 29, 2015, the Consultative Committee considered document CC/90/4 “Presentation by the WIPO Internal Oversight Division” and received a presentation by Mr. Tuncay Efendioglu, Acting Director, IOD. The Consultative Committee agreed to request IOD to conduct an evaluation in 2016-2017 of the program of activities of UPOV (see document CC/90/19 “Report on the Conclusions”, paragraphs 40 and 41).

12. The IOD evaluation will be based on a review of the activities in the 2014-2015 biennium. IOD plans to provide a report for the ninety-second session of the Consultative Committee to be held on October 27, 2016. As a part of its evaluation, IOD plans to arrange interviews with stakeholders at the fringes of the UPOV sessions in March 2016. A copy of the leaflet explaining the evaluation process is attached in the Annex to this document and will be distributed to stakeholders by Circular E-16/042 of March 3, 2016 to designated persons in UPOV bodies.

13. *The Consultative Committee is invited to note:*

(a) *that, on the basis of the risk assessment of UPOV, there was no internal audit of UPOV in 2015;*

(b) *that the Secretary-General has not been made aware of the need for any investigations in UPOV in 2015;*

(c) *the information contained in the IAOC quarterly reports for 2015 (documents WO/IAOC/36/2, WO/IAOC/37/2, WO/IAOC/38/1 and WO/IAOC/39/1), and in the IAOC Annual Report 2014-2015 (document WO/GA/47/2); and*

(d) *the developments concerning the IOD evaluation of the program of activities of UPOV as set out in paragraphs 11 and 12, above.*

[Annex follows]

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ANNEX



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Internal Oversight Division

**Evaluation of the International Union for the
Protection of New Varieties of Plants (UPOV)**

An Information Guide for Stakeholders

When is the Evaluation of UPOV happening?

1. January to February 2016 - Design

Preparation of the Concept Note; design Terms of Reference; preparing the budget, selecting and hiring external expert

2. February 2016 – Inception

To identify activities to be evaluated and key informants and information

3. March 2016 - Evaluation

Data and information gathering, field work, consultations and analysis of all information

4. April 2016 - Reporting

Sharing the results of the evaluation in order to provide a report for the Consultative Committee in October 2016.

What is the Evaluation of UPOV about?

The evaluation will assess and validate the achievements of Expected Results (ER) for each of the four Sub-Programs of UPOV and their relevance to the achievement of related overall goals. These Sub-Programs include: Sub-Program UV 1 “Overall Policy on Plant variety Protection”; Sub-Program UV 2 “Services to the Union for Enhancing the Effectiveness of the UPOV System”; Sub-Program UV 3 “Assistance in the Introduction and Implementation of the UPOV System”; Sub-Program UV 4: External Relations”. Additionally, the efficiency, coordination and the management of the resources of these Sub-Programs will be reviewed.

The evaluation will entail: (a) looking at the support for members of the Union in their implementation of the UPOV plant variety protection system (UPOV PVP System); (b) the continuity in the improvement in services for an increasing membership and related resource allocations; (c) improved understanding of plant variety protection for the stakeholder community and the general public; (d) as well as developments that will ensure satisfaction of current and new members’ needs- in relation to the UPOV System.

The Terms of Reference (ToRs) of this evaluation, which can be obtained on request, will guide the final report that will be the result of this evaluation. Once completed, the report will be made public to the interested parties.

Who will use the Evaluation results?

- UPOV management
- UPOV Council
- Members of the Union

What work is UPOV focusing on?

The mission of the International Union for the Protection of New Varieties of Plants (UPOV) is to provide and promote an effective system of plant variety protection, with the aim of encouraging the development of new varieties of plants, for the benefit of society.

Why do we evaluate UPOV?

The UPOV Council noted, at its forty-ninth ordinary session, held in Geneva on October 29, 2015, that the Consultative Committee had agreed to request the Internal Oversight Division (IOD) of WIPO to conduct an evaluation in 2016-2017 of the program of activities of UPOV (see document C/49/18 “Report on the Decisions”, paragraph 18).

What questions will the evaluation address?

Relevance:

The extent to which the results are contributing the UPOV’s mission and overall policy on PVP, as well as responding to identified needs of the members of the Union.

Efficiency:

The efficient use of resources deployed to achieve results.

Effectiveness:

The degree of achievement of expected results from UPOV’s provision and promotion of an effective system of PVP.

Sustainability:

The prospects for continued operation of the UPOV PVP System and cooperation among the members of the Union.

Impact:

Changes produced as a result of the use of the UPOV PVP System.