

Council

C/57/14

**Fifty-Seventh Ordinary Session  
Geneva, October 27, 2023****Original:** English  
**Date:** October 20, 2023**APPOINTMENT OF THE EXTERNAL AUDITOR***Document prepared by the Office of the Union**Disclaimer: this document does not represent UPOV policies or guidance***EXECUTIVE SUMMARY**

1. The purpose of this document is to report on the decision of the General Assembly of the World Intellectual Property Organization (WIPO) on the designation of the WIPO External Auditor and on developments with regard to the consultations on the procedure for the appointment of the External Auditor of UPOV for a term of office of six years starting from January 2024 to December 2029.
2. The Council is invited to:
  - (a) note the decision of the WIPO General Assembly at its Sixty-Fourth (64th ordinary) Session in Geneva from July 6 to 14, 2023, on the appointment of the Audit Board of Indonesia as the WIPO External Auditor for a period of six years to begin on January 1, 2024; and
  - (b) consider the information on the consultations concerning the appointment of the External Auditor of UPOV for a term of office of six years starting from January 2024 to December 2029.

**BACKGROUND**

3. Article 29(6) of the 1991 Act and Article 25 of the 1978 Act of the UPOV Convention provide that the auditing of the accounts of UPOV shall be effected by a State member of UPOV as provided in the administrative and financial regulations, and that the State shall be designated, with its agreement, by the Council.
4. Regulations 8.1 and 8.2 of the “Financial Regulations and Rules of UPOV” (document [UPOV/INF/4/6](#)) provide as follows (changes with respect to WIPO’s Financial Regulations and Rules are highlighted):

**“Appointment of the External Auditor****“Regulation 8.1**

“The WIPO External Auditor, who shall be the Auditor General (or official holding the equivalent title) of a Member State of WIPO, shall be appointed by the General Assembly of WIPO, in the manner decided by the WIPO Assembly. Where the WIPO External Auditor is the Auditor General (or official holding the equivalent title) of a State member of UPOV, the Council shall designate as External Auditor, with its agreement, the WIPO External Auditor. Where the WIPO External Auditor is the Auditor General (or official holding the equivalent title) of a Member State of WIPO that is not a State member of UPOV, the Council shall designate as External Auditor, with its agreement, the Auditor General (or official holding the equivalent title) of a State member of UPOV.”

**“Tenure of office of the External Auditor****“Regulation 8.2**

“The External Auditor shall be appointed for a term of office of six years non-renewable consecutively.”

## PROCEDURE FOR THE APPOINTMENT OF THE EXTERNAL AUDITOR OF UPOV

5. The Council, at its fifty-sixth ordinary session, held in Geneva, on October 28, 2022, noted the developments with regard to the procedure for the appointment of the External Auditor of WIPO reported in document C/56/12. In accordance with the recommendation of the Consultative Committee, at its ninety-ninth session, held in Geneva, on October 27, 2022, the Council, approved the following the procedure for the appointment of the External Auditor of UPOV for a term of office of six years starting from January 2024, to December 2029, as set out in paragraph 8 of document C/56/12:

Considering that from the five nominations received from WIPO member States, two of them are not from UPOV members, the following steps are approved:

- (1) the Office of the Union to start consultations with UPOV members that have, in the past, audited the UPOV accounts or are members of the UN Board of Auditors;
- (2) if the General Assembly of WIPO, in 2023, appoints the Comptroller and Auditor General of a WIPO member State that
  - i. is also a UPOV member, then the Council shall designate as External Auditor, with its agreement, the WIPO External Auditor;
  - ii. is not a UPOV member, then the Office of the Union would make a proposal to the Council, to appoint with its agreement, a UPOV member that has, in the past, audited the UPOV accounts or is a member of the UN Board of Auditors. (see document C/57/15 "Report", paragraphs 51 and 52).

## APPOINTMENT OF THE EXTERNAL AUDITOR OF WIPO

6. The General Assembly of WIPO held its Sixty-Fourth (64<sup>th</sup> ordinary) Session in Geneva from July 6 to 14, 2023, and "appointed the Audit Board of Indonesia as the WIPO External Auditor for a period of six years to begin on January 1, 2024" (see documents [A/64/13](#) "Summary Report", paragraph 26, and [WO/GA/56/4](#) "Appointment of the External Auditor" available at <https://www.wipo.int/about-wipo/en/assemblies/2023/a-64/index.html>).

## CONSULTATIONS FOR THE APPOINTMENT OF THE EXTERNAL AUDITOR OF UPOV

7. As Indonesia is not a UPOV member, in accordance with the decision of the Council of 2022, the Office of the Union has undertaken a series of consultations with the UPOV members that have, in the past, audited the UPOV accounts (i.e. United Kingdom and Switzerland).

8. At the date of the publication of this document, the Office of the Union, is in contact with Switzerland, as the Host Country of UPOV for its assistance concerning this matter. The Permanent Mission of Switzerland to the United Nations Office and to the other international organizations in Geneva has transmitted the request of the Office of the Union to the Department of Foreign Affairs of Switzerland in Berne. The Office of the Union will report to the Consultative and the Council on the progress made in the consultations with Switzerland on a possible way forward concerning the appointment of the External Auditor of UPOV.

9. *The Council is invited to:*

*(a) note the decision of the WIPO General Assembly at its Sixty-Fourth (64<sup>th</sup> ordinary) Session in Geneva from July 6 to 14, 2023, on the appointment of the Audit Board of Indonesia as the WIPO External Auditor for a period of six years to begin on January 1, 2024; and*

*(b) consider the information on the consultations concerning the appointment of the External Auditor of UPOV for a term of office of six years starting from January 2024 to December 2029.*