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## Congress of the United States

House of Representatives

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## "Establishing Accountability at the World Intellectual Property Organization: Illicit Technology Transfers, Whistleblowing, and Reform"

Africa, Global Health, Global Human Rights, and International Organizations Subcommittee

February 24, 2016 Excerpts of Remarks Chairman Chris Smith

Our hearing today shines a spotlight on an organization that is a critical component of a global system of intellectual property and patent protection, the World Intellectual Property Organization, or WIPO. It is an organization that, unfortunately, appears to have lost its way under its current Director General, Francis Gurry, and is in need of major reform.

We will hear from whistleblowers who will relate how they uncovered illicit transfers of technology to rogue nations such as North Korea and Iran, and how WIPO under Director General Gurry, unbeknownst to member States, cut deals with China and Russia to open offices in those countries, potentially putting our Intellectual Property at risk.

This hearing thus is about national security as much as the importance of sound governance and oversight. China, for example, has a notoriously bad record on protecting intellectual property rights – WIPO ought to be part of the solution.

You may know that I serve as Chairman of the Congressional-Executive Commission on China; Senator Marco Rubio is co-chair.

Ominously, the Commission's latest annual report released last October concluded that human rights violations had significantly worsened and were broader in scope than at any other time since the Commission was established in 2002.

Last week I travelled to China on a mission to promote human rights, the rule of law and democracy, which of course includes intellectual property rights.

In China I not only met and argued with government leaders, but I had the privilege of writing and delivering a keynote address to students and faculty at New York University / Shanghai.

Hopes in the 90's that China would eventually and inevitably matriculate from a dictatorship to democracy haven't even come close to materializing.

According to the Commission's report, U.S. companies faced significant difficulties related to intellectual property rights in China. And China is not the only place where these problems persist.

Two of our witnesses, Jim Pooley and Miranda Brown, will recount what they saw at WIPO, and what happened when they sought to bring to light what they saw. It is not a pretty story, but it is one I will leave to them to explain in their own words.

It is the personal aspect of governance and oversight that I want to emphasize, because at its heart the story we will hear revealed this afternoon is a human drama, about brave individuals who at great personal cost to themselves and their comfort saw wrongdoing and decided to do something about it.

Today's hearing is timely as well as topical, as there has been an internal investigation of WIPO by the UN's Office of Internal Oversight Services into the allegations of wrongdoing. The results of this investigation are currently before the chairman of WIPO's General Assembly – this is a General Assembly of member states, including the United States, based in Geneva.

It is incumbent upon the General Assembly chairman – Gabriel Duque of Colombia – that he act upon this report, share it with the member states, and make it publically available. We also call upon our State Department to follow up on this, and to be persistent in pushing for reform, transparency and accountability of WIPO.

Today's hearing will have reverberations beyond WIPO, for there appears to be a culture of corruption at many International Organizations, not only WIPO.

We hear revelations, for example, about FIFA and world soccer, and how the serpent of corruption wheedles its way even into the world of sport, undermining the nobility of athletic competition.

We hear of the sexual exploitation of minors occurring in UN peacekeeping missions – I chaired three hearings on that and traveled to DR Congo to investigate – transforming ostensible emissaries of mercy into envoys of exploitation, and supposed places of refuge maw pits of misery.

This hearing is the first in what we hope to be a series of hearings this Congress holds to focus on the need for reform at the United Nations and its institutions, with our next in the series being on UN Peacekeepers and the issue of sexual exploitation and abuse.

We believe by shining a light, we can help victims and help end corruption, bringing healing and true reform.

Organizations such as WIPO are too important to be abandoned. It is essential that we conduct vigorous oversight and demand accountability to help refocus this organization on fulfilling its vital mission.

Finally, I would like to thank my co-chairs from the co-sponsoring subcommittees, Ileana Ros-Lehtinen and Matt Salmon, and our various ranking members, for joining us at this important hearing. Rep. Ros-Lehtinen in particular has been dogged in pursuing this issue over many years now, and deserves praise for first addressing the issue of corruption at WIPO.