
WHO's internal management control framework

Report by the Secretariat

1. The Executive Board at its special session in November 2011 considered a report on WHO reforms for a healthy future, which included a section on managerial reforms with proposals for increasing effectiveness through better organization and ways of working.¹ The Board adopted decision EBSS2(3) on managerial reforms, in which the Board requested, inter alia, that the proposals for strengthening the internal control framework be taken forward.
2. In addition, the United Nations Joint Inspection Unit also recommended that the Director-General ensure that the compliance and control mechanisms at different levels of the Organization be integrated into a coherent and comprehensive internal control framework.²
3. In response, the Secretariat has prepared a draft internal management control framework,³ a summary of which follows. The purpose of this policy framework is to strengthen WHO's internal control system in response to risks to the Organization's mandate and objectives, and to delineate precisely what the internal control system consists of within the WHO context. It is designed to guide the development of policies, procedures and systems that could be applied to all levels of the Organization.
4. WHO considers internal control⁴ as a process designed to provide reasonable assurance to WHO management regarding the achievement of objectives relating to operations, reporting and compliance. The definition is broad and reflects that it is more than financial objectives and financial controls. It aims to achieve effectiveness and efficiency in all operations, including: safeguarding of assets; reporting reliability, timeliness, transparency or meeting other requirements established by the WHO; and adherence to policies, rules and regulations.

¹ Document EBSS2/2, section 3.

² Review of management, administration and decentralization in the World Health Organization (WHO) – Part 1, Joint Inspection Unit, 2012, document JIU/REP/2012/6.

³ The full text is available on the WHO website in English only at: http://www.who.int/about/who_reform/who-internal-control-framework.pdf.

⁴ Based on the definition provided by the Committee of Sponsoring Organizations of the Treadway Commission in: *Internal Control – Integrated Framework*: executive summary. Durham, North Carolina, United States of America: Committee of Sponsoring Organizations of the Treadway Commission; 2013.

5. The framework is based on best practices as defined by the Committee of Sponsoring Organizations of the Treadway Commission (whose framework for internal control is internationally accepted and used by some other organizations in the United Nations system). It includes five core interrelated components of internal control and 18 principles required in order to have an integrated and effective internal control system.

6. The framework includes a detailed description of expected roles and responsibilities. The responsibility for implementing the framework is shared between all staff: every individual within WHO has a role in effecting internal control. However the roles vary in responsibility and level of involvement accordingly. The Executive Board and Programme, Budget and Administration Committee are responsible for overseeing the implementation of the system of internal control. The Director-General is accountable to the Executive Board for the effective implementation of the internal control framework and in achieving the Organization's objectives. In this role, the Director-General is assisted by the Global Policy Group, comprising herself, the Deputy Director-General and the regional directors in ensuring the adequacy and effectiveness of WHO's overall system of internal control.

7. In order to ensure effective, systematic and coordinated implementation of the internal control framework, a Steering Committee has been established to oversee the implementation of internal control across the Organization, to provide oversight of the day-to-day operations of internal control within the Organization and to delegate accountability responsibility for internal control actions as required. The Steering Committee is supported by subject matter experts as required. The Director of the Office of Internal Oversight Services will serve as an observer and resource for information regarding internal oversight.

8. The framework includes a description of the mechanisms to be used to assess the overall effectiveness of internal control, including a manager's certification process; an annual letter of representation from regional directors and assistant directors-general; a letter of assurance provided by the External Auditor; an annual report by the Director of the Office of Internal Oversight Services; an annual statement of internal control to provide assurance to WHO's governing bodies; and a statement by the Director-General on the effectiveness of internal controls that is appended to the annual financial statements.

9. The Secretariat is currently developing a managers' guide and a checklist that will outline managerial responsibilities and provide relevant reference information. Training courses and workshops for managers are planned throughout 2014.

ACTION BY THE PROGRAMME, BUDGET AND ADMINISTRATION COMMITTEE

10. The Committee is invited to take note of the report.

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