



WORLD HEALTH ORGANIZATION

FIFTY-EIGHTH WORLD HEALTH ASSEMBLY
Agenda item 17.2

A58/29
17 May 2005

Interim report of the External Auditor

Fifth report of the Programme, Budget and Administration Committee of the Executive Board to the Fifty-eighth World Health Assembly

1. The second meeting of the Programme, Budget and Administration Committee was held in Geneva on 14 May 2005 under the chairmanship of Dr A.A. Yoosuf (Maldives).¹

INTERIM REPORT OF THE EXTERNAL AUDITOR

2. The Committee noted the salient points of the first interim report of the External Auditor.²

- The Audit had been conducted at all three levels of the Organization: country offices, regional offices and headquarters. Regular consultations with the Secretariat and coordination with the Office of Internal Oversight Services have resulted in the establishment of an effective working relationship and the optimal utilization of audit resources.
- Some of the issues discussed in the report had also been highlighted in past reports of the External Auditor.
- Some progress in the areas of policies and procedures has been noted; the fraud prevention policy and associated guidelines had been finalized and published. The environmental policy is expected to be finalized in the near future. Work on the WHO Manual and existing policies and procedures on local cost subsidies is continuing, and the Secretariat is encouraged to finalize this early.
- The recommendations of the external consultants focusing on the reengineering of the budget and finance accounting processes in the Regional Office for Africa should be implemented as soon as possible, as should continuing work on the development of accurate, consistent and complete inventory records across the Organization.
- The need for compliance with existing policies and procedures in a number of areas was highlighted, including the requirement for detailed adjudication reports on contracts for services, allotment and expenditure control, unliquidated obligations, imprest accounts, and staff advances.

¹ For list of participants, see document A58/27.

² Document A58/28

3. The Committee welcomed the interim report of the External Auditor and recommended that the External Auditor's report for the biennium should include a schedule showing the status of implementation of significant recommendations (both past and present). The Committee noted that allotment and expenditure control was an integral part of financial discipline and that appropriate measures should be taken, where required, to enforce it.
4. The Committee noted that the Secretariat has taken measures to improve the process of evaluation of staff members, a step that is in turn linked to improving the quality of work and output of the Organization. Investment in training is increasing with a greater focus on the development of behavioural and managerial skills as part of the Global Management Leadership Programme.
5. The Secretariat explained that the processing of staff travel claims, at present delayed owing to its manual nature, will be improved with the introduction of the Global Management System. In response to a specific question, the Secretariat confirmed that the Director-General has authority to move up to 10% of the regular budget from one appropriation section to another appropriation section.
6. The Committee noted the interim report of the External Auditor and requested that a schedule of findings and progress should be included in future such reports.

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