

Issued for technical reasons

Report of the Internal Auditor

INTRODUCTION

1. The Office of Internal Oversight Services transmits herewith its annual report for the calendar year 2007 for the information of the Health Assembly.
2. Rule XII of the Financial Rules – Internal Audit – establishes the mandate of the Office of Internal Oversight Services. Paragraph 112.3(e) of Rule XII requires the Office to submit a summary annual report to the Director-General on its activities, their orientation and scope, and on the implementation status of the recommendations made. The Financial Rules also state that this report shall be submitted to the Health Assembly, together with any comments deemed necessary.
3. The Office performs an independent, objective, assurance and advisory activity designed to add value to and improve the Organization's operations. Using a systematic and disciplined approach, it helps the Organization to accomplish its objectives by evaluating and improving the effectiveness of processes for risk management, control and governance. It is responsible for investigation of alleged irregular activity and it implements the Organization's programme evaluation function. The Office is authorized full, free and prompt access to all records, property, personnel, operations and functions within the Organization which, in its opinion, are relevant to the subject matter under review. No limitations were placed on the scope of the work of the Office in the course of conducting its business during 2007.

PRIORITIES AND PRODUCTS

4. The Office views risk as the possibility of an event occurring that will influence the achievement of objectives. It assesses risk in terms of degree of impact and likelihood of occurrence. Methodical consideration of risk guides the Office's prioritization of activities and provides a basis for work planning during engagements.
5. Although the Office limited certain oversight projects to very precise objectives, the general scope of its work was to evaluate whether the network of processes for risk management, control and governance, as designed and implemented by the Organization's management, was adequate and functioning in a manner to fulfil specific purposes. These were to ensure that: (a) risks were identified, evaluated and managed; (b) financial, managerial and operating information was accurate, reliable and timely; (c) staff actions complied with WHO's regulations, rules, policies, standards and procedures; (d) resources were acquired economically, used efficiently, and protected adequately; (e) programmes, plans and objectives were achieved; and (f) the Organization's control process fostered quality and continuous improvement.

6. At the conclusion of each assignment, the Office issued a detailed report and made recommendations to management that were designed to help manage risk, maintain controls and ensure effective governance within the Secretariat.

MANAGEMENT OF THE OFFICE

7. The Office conducts its work in accordance with the International Standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors and adopted for use throughout the United Nations system.

8. The Office reports to the Director-General and at year's end had a staffing resource of nine auditor posts, two evaluator posts, one medical officer post, one investigator post, two administrative posts and one director's post.

9. Available human resources are assigned in accordance with priorities of the Office. High-risk situations involving investigation of irregular activity, which develop unpredictably, may divert such resources away from identified priorities. Accordingly, the Office prioritizes scheduled work and then adjusts the schedule in order to compensate for any unexpected assignments.

10. In addition to human resources, the Office incurs such costs as travel, consultants and operating supplies in order to fulfil its terms of reference. During 2007, the funding of the Office was sufficient to cover necessary expenses and no work was deferred because of lack of funding.

11. The Office maintains regular contact with the Organization's External Auditor in order to coordinate audit work and to avoid overlap in coverage. The Office provides the External Auditor with a copy of all internal audit and evaluation reports.

AUDITS

Regional and country offices

12. **Office of the WHO Representative, Dar es Salaam (United Republic of Tanzania).** The audit focused on the basic internal controls that mitigate the risks associated with administering the Representative's office and its related expenditures. The review disclosed inefficient or non-existent controls over advances for direct financial cooperation and an associated lack of follow-up on recipient's required accountability. The work identified internal control deficiencies in the procurement area. Any WHO staff member could issue a purchase order, and regulations regarding bidding and delegation of authority were often violated. The review found that obligations and payments had been made without adequate supporting documentation. Oversight from the Regional Office requires improvement as some of these weaknesses should have been detected during the review of the imprest account reports. Overall, the results of the audit could not provide assurance that risks have been mitigated or that controls are effective; therefore, the risk of fraud remains high.

13. **Office of the WHO Representative, Gaborone.** The integrated audit found that the country cooperation strategy (2003–2007) addresses national and WHO's public health priorities and that a considerable number of the necessary changes identified in the strategy document had been instituted. The audit noted that the Office experienced a financial crisis during the biennium 2004–2005 when most funds available for activities were redirected to cover the Office presence and to support

fellowships for undergraduate medical education. This situation remained largely unchanged during 2006 and the audit concluded that available resources should be reoriented towards priority areas of work. In particular, there is a need to refocus WHO's support on strengthening health systems and disease prevention and control. The audit deemed that reorientation is of crucial importance as timely decisions regarding resource allocation priorities are required before the plan of action for the biennium 2008–2009 can be prepared. The audit concluded that the operational support processes, systems and infrastructure are adequate to support programme implementation.

14. **Assessment of the control readiness of the global management system at the Regional Office for the Western Pacific.** The focus of the work was to assess, from a control perspective, the readiness of the administrative and finance functions at the Regional Office for the implementation of the global management system based on the system's business process model. The audit also included a review of the proposed model of roles and functions of the system for potential conflicts in terms of inappropriate segregation of duties. The main output was a control framework document consisting of the detailed objectives and individual activities which, if implemented, would address high-level risk considerations. Action should be undertaken by the system's project team to integrate the main control activities into the system's business process model. The audit recommended that the Regional Office's management team should review the control framework and consider the operational implications associated with assignments of roles and responsibilities and their impact on local staffing requirements and resource allocations.

15. **Regional Office for South-East Asia.** The objective of the audit was to assess whether risks associated with the budget and finance areas at the Regional Office were identified and mitigated through the control structure. Although the audit found that overall the risks had been recognized and mitigated, it identified control weaknesses that should be rectified. The audit recommended strengthening the performance monitoring of the budget and finance unit, increasing compliance with WHO's procedures in the issuance of agreements for performance of work, reinforcing the use of the activity management system and improving controls on advances for direct financial cooperation.

16. **Office of the WHO Representative, Asmara.** The audit reviewed the basic controls that mitigate the risks associated with the expenditures of the Representative's office. The results disclosed internal control deficiencies and a lack of transparency in the local procurement process. The delegation of authority was often violated and obligations and payments were processed without adequate supporting documentation. The audit also identified incorrect administrative practices such as infrastructure costs being charged to project funds. The review of advances for direct financial cooperation revealed a lack of follow-up on recipient's required accountability. Overall, the results of the audit could not provide assurance that risks have been mitigated or that controls are effective; therefore, the risk of fraud remains high.

17. **Communicable diseases surveillance and response, Regional Office for the Americas.** The performance audit found that progress has been made in provision of support to countries in the Region in order to strengthen communicable diseases surveillance and response systems, in preparing national influenza pandemic preparedness plans, and in creating and supporting surveillance and laboratory networks. However, the audit noted the lack of a staffing plan, a shortage of fixed-term staff to support core functions, and weaknesses in management and project monitoring. Further, the audit identified the need to augment resource mobilization planning, increase collaboration on antimicrobial resistance between programmes, and improve information sharing.

18. **Communicable diseases surveillance and response, Regional Office for South-East Asia.** Experience with severe acute respiratory syndrome and the risks associated with avian influenza highlight the need for work in both the South-East Asia and Western Pacific regions on epidemic alert

and response. The performance audit found the workplan aligned with global and regional policies and satisfactory coordination with headquarters. Interaction with other technical programmes in the South-East Asia Region is adequate. However, coordination with the Regional Office for the Western Pacific needs to exploit the synergies between the two regional offices with respect to activities and tools. The audit recommended that the Avian Influenza Task Force cover broader interdepartmental aspects of support to Member States for the implementation of the International Health Regulations (2005). It also identified management inconsistencies in the functional structure of the team and the subunits in New Delhi and Bangkok.

19. **Control design review at the National Polio Surveillance Project, New Delhi.** The objective of the review was to assess how the internal controls in the areas of finance, administration, human resources, logistics and operating systems are aligned in order to support achievement of the goal to eradicate poliomyelitis in India. For each high-risk area, the review produced individual action plans containing an assessment of the priority and complexity of implementation of the recommended controls. The work also provided control matrices containing risk considerations, control objectives and activities, and residual risks identified during the review. In general, the review found that the process level controls, as reportedly implemented by the Project, had been designed to deal with high-risk areas. However, the review disclosed deficiencies that require prompt remedial action. More specifically, there is a need to finalize the framework agreement for a major donor's contributions; the Project should discontinue the practice of storing signed blank cheques; contractual arrangements for field volunteers should be reviewed; and the periodic budget monitoring process for the field units should be strengthened.

20. **Office of the PAHO/WHO Representative, Mexico City.** The integrated audit disclosed that the work of the country team focuses on priorities of Mexico's National Health Plan, and is aligned with the country cooperation strategy, the PAHO Strategic Plan 2003–2007, and WHO's Tenth and Eleventh General Programmes of Work. The technical capacity of the country team is adequate, except in the area of HIV/AIDS, for which it should be strengthened. The quality of the general services support to technical programmes requires improvement as do working relations within the team. The rate of regular budget implementation was low and the audit recommended timely reprogramming of activities in selected areas of work after discussion with the national counterparts. The various components of information and knowledge management are well articulated and support programme implementation. The audit also reviewed the operational support processes, systems and infrastructure and concluded that overall these are adequate to support programme implementation. The audit recommended strengthening specific aspects related to the management of extrabudgetary resources, personnel administration and segregation of duties.

21. **Regional Office for the Americas.** The assurance audit confirmed that the Regional Office had implemented a control framework which mitigates the main risks in the budget and finance areas. The review found that the control environment could be strengthened further with updated written procedures and an improved mechanism for control of temporary delegations of authority. Management of the access rights to the accounting system requires strengthening, as does security of electronic transfer of funds for a specific account. Although progress has been made in the administration of agreements for technical cooperation, some recommendations from a previous audit report had not yet been acted upon.

22. **Expanded Programme on Immunization, Regional Office for the Western Pacific.** The performance audit concluded that the Programme has placed WHO staff in all priority countries and is implementing regional initiatives, including hepatitis B control. The audit noted weaknesses in aspects of programme planning, management and implementation that may limit the success of the Programme in an environment of decreased funding and increased integration of work with partners.

These weaknesses affect management, strategic and operational planning, staffing and work distribution, resource mobilization, and communication. They also put at risk achievement of the Regional Committee's goal of hepatitis B control by 2012 and reduce support for other priority programme areas such as routine immunization.

23. **Regional Office for Africa, Brazzaville.** The audit comprised a review of the status of the issues raised in previous internal audit reports and of the extent to which key risks in the finance and administration areas had been mitigated. The work identified several positive actions taken by the Regional Office during 2007 that have resulted in stronger controls; however, the control environment remains weak in some areas. More specifically, staffing levels remain below requirements, better assignment of responsibility for staff is needed; control over expenditure is weak; deficiencies with respect to local purchases remain; and recruitment procedures require attention. The results of the audit did not provide assurance that all key risks are monitored and addressed. (See also paragraph 47.)

Headquarters

24. **Tobacco Free Initiative staff contracts.** The audit reviewed specifically the contractual status of staff working for the Initiative in order to determine whether each individual possessed a valid, suitable contract and whether the recruitment process had complied with WHO's requirements. The results disclosed that in some cases WHO's regulations had not been followed, inappropriate contractual mechanisms had been used, vacancy notice procedures had not been applied, and some staff were not in possession of a current contract as of the audit date. The report recommended that the Initiative regularize any outstanding contractual issues and ensure that, in future, all staff contractual arrangements within the Initiative comply with WHO's regulations.

25. **Bank accounts of associations and other entities established by WHO staff.** Following an alleged irregular withdrawal of cash made on a WHO-related bank account, the Office conducted an audit in order to identify bank accounts of associations and other entities (including clubs, groups, societies not formally recognized as "associations" within the meaning of the Staff Rules and Staff Regulations) established by WHO staff, or former staff, at headquarters. The review indicated that controls over these bank accounts needed to be improved. The issues identified included outdated panels of authorized bank signatories, sole signatory authority on some bank accounts, and several inactive bank accounts the need for which should be reassessed. Further, the work established that WHO's administration needs to consider creating mechanisms or guidelines for the establishment and operation of WHO-related associations and other entities and their bank accounts.

26. **Role of information technology and telecommunications in the global management system project.** The audit, which was conducted in collaboration with a major consultancy firm, reviewed the risks and mitigation related to the delivery of information technology components and services required for project implementation and the subsequent handover to the Information Technology and Telecommunications Department. The audit found that the processes between the Department and the project were not sufficiently aligned or integrated, leading to weaknesses in risk mitigation for both meeting the target date for going live and subsequent maintenance. The Department needs to formalize and implement a transition plan in order to be able to provide ongoing support for the project, given the new skills and roles needed. Overall, informatics control and governance need to be strengthened in order to ensure a suitable level of standardization throughout WHO. This is necessary to reduce the costs and complexity of running the system. The level of risk for the successful implementation of the system was considered high and the audit recommended that the Department and the project periodically evaluate how realistic was the timing of implementation and related contingency plans.

27. **Selection and recruitment at headquarters.** The purpose of the audit was to assess the system of internal controls in areas of highest risk and appraise the efficiency of selection and recruitment functions. An analysis indicated that the elapsed time for selection appears to have decreased marginally over the past two years. However, selection time is still significantly longer than the target of six to nine months stated in the Programme budget 2006–2007. The audit noted that the main causes of delays with the selection process occur during the processes before issuance of the vacancy notice, i.e. creation of post descriptions, classification, drafting and translation of the vacancy notice. A satisfaction survey indicated that the quality of the selection and recruitment process at headquarters has not improved since the reorganization of responsibilities in mid-2006. Overall, the audit disclosed that the operational support processes and systems, when followed, appear adequate to control identified risks. However, areas for improvement remain, many of which have been reported previously. If recommendations from previous audits were implemented, they could clear bottlenecks and improve the Organization's ability to monitor performance of the processes and to allocate resources.

28. **WHO Research Ethics Review Committee.** The assurance audit found that this headquarters committee, which serves a core function, generally complies with international standards. However, the audit identified gaps throughout the Organization in compliance with its own policy of ethics review of all research supported by WHO. The audit detected 38 contracts signed at headquarters, regional and country offices during the period 2005–2007, providing funds for activities that should have undergone internal ethics review but had not. Two regional offices do not have any research ethics review process or structure, and the research ethics review capacity in three other regional offices does not meet international standards. A written policy on ethics review of research supported by country offices was available in only three regions. The work further identified gaps in knowledge about the requirements for research ethics review at headquarters, regional and country offices. There is no detailed work plan to bring all levels of the Organization into compliance with WHO's policy on ethics review of research. Urgent action is needed to rectify the current situation.

29. **The International Drug Purchase Facility, UNITAID.** The audit reviewed risks and their management associated with the memorandum of understanding for WHO's hosting of UNITAID. The audit identified two highly probable risks that would have a major impact on WHO. First, WHO is vulnerable to public and media criticism should a negative event occur with respect to UNITAID's operations, and therefore a mitigation strategy is needed. Secondly, fiduciary oversight needs to be strengthened as there is a lack of consistency in partnership agreements with respect to indicators, which may lead to challenges in monitoring the implementation of those agreements. In respect of UNITAID, there are three highly probable, serious risks: UNITAID does not achieve its goals and objectives while hosted by WHO; it has no legal identity; and its partnership agreements may not be fully enforced to keep projects running. The audit included recommendations to strengthen mitigating controls.

30. **Assessment of the control readiness of the global management system control readiness assessment for the Global Service Centre.** Although the new global management system and the Service Centre bring opportunities, they also entail risk for the Organization, as many internal control considerations will change. Accordingly, the audit comprised a desk-based assessment before the establishment of the Service Centre following the pilot experience at the Regional Office for the Western Pacific (see above, paragraph 14). Its purpose was to assess the potential weaknesses in the proposed system of internal controls in areas of highest risk for the processes to be performed at the Service Centre. The audit also included a review of the system's role and function model in order to identify potential conflicts in terms of inappropriate segregation of duties. The main deliverable was a control framework for the Service Centre, which identified the relevant objectives and activities to control high-level risks, for the processes within the planned scope of their work. The control

framework should be considered by the system's project team for integration of the control activities into the system's business process model.

EVALUATIONS

31. **WHO's work with collaborating centres.** The Organization-wide evaluation of WHO's work with collaborating centres examined the relevance, effectiveness and efficiency of the programmatic contribution of the centres to the achievement of WHO's objectives and expected results. Some recent positive developments were noted, such as the formation of global and regional screening committees, but the evaluation also identified several constraints affecting work with centres and provided options to improve collaboration.

32. The evaluation found that strategic and policy issues have received less attention than administrative issues. Inadequate strategic planning for interaction with the centres affects the relevance, effectiveness and management of WHO's work with them. With the exception of actively managed networks and focused bilateral relationships, the evaluation found a lack of a shared strategic vision, policy direction and planning to guide technical programmes in their dealings with the centres. It noted further that representatives from the centres need to participate more in discussions of various aspects of the collaborating centres mechanism.

33. Despite the great potential of the centres to contribute to WHO's work, they are often underused and frequently, their work is insufficiently aligned with that of WHO. Increased efforts are needed to build capacity and provide resources for the centres in developing and middle-income countries that have the potential to play a role in supporting WHO programmes, especially at regional level and using languages other than English. Current procedures result in much of the administrative work being covered by the regional offices, irrespective of which WHO entity has initiated the designation of the centre, with no specific budget allocated for collaboration. There is a lack of systematic involvement of WHO country offices in the designation process and with the exception of a few larger country offices, a lack of active use of the work of the centres at country level. Monitoring and evaluation need to be done systematically, using the annual reports of the centres to strengthen collaboration.

34. **Selected areas in the Special Programme for Health and Environment, Regional Office for Europe.** The evaluation examined selected programmes and policy processes, concluding that the Special Programme has demonstrated leadership in influencing the political agenda for environment and health policy support at the regional and country levels. The European Environment and Health Process, a coordinating mechanism initiated by the Special Programme, plays a critical role in intersectoral coordination. The Process maintains a transparent relationship with the Regional Committee and brings coherence to the inputs from technical units.

35. The evaluation found that the Programme's normative work has contributed positively to the reputation of the Regional Office for Europe and has provided satisfactory technical support to higher-income countries. However, with respect to countries with low or low-to-middle incomes, the Programme can improve its support by developing an operational framework based on country-specific needs and capacities, and the available mechanisms for response. This framework should consider cross-sectoral coordination among the technical units, and include direct support for public health reform, for example by placing staff in selected countries in order to build national capacity. Such a shift in the placement of staff resources must be considered in the context of budget ceilings, as it will have an impact on the Programme's normative intercountry capacity. In dialogue with

headquarters, solutions need to be found in order to retain the current technical capacity, which is viewed as a valuable asset to the Organization. However, during the evaluation, the Regional Office initiated a restructuring that restricts the ability of the Programme to act on the recommendations made in the report.

36. **Emergency preparedness and response in countries in transition in the African Region.** The evaluation examined the implementation of WHO's mandate in three selected countries affected by chronic emergencies. It concluded that resolution WHA58.1, on health action in relation to crises and disasters, with particular emphasis on the earthquakes and tsunamis of 26 December 2004, provides a clear strategy for WHO, which was further strengthened through United Nations General Assembly resolution 60/124 on strengthening of the coordination of emergency humanitarian assistance of the United Nations in the context of WHO's role as the global health cluster lead agency.

37. The evaluation confirmed that country offices have assumed a leadership role. WHO's performance in countries affected by crises requires the involvement of all WHO's areas of expertise and leadership from the WHO Representative. The specific role of the Emergency and Humanitarian Action Programme within country offices needs to be clarified, in particular its strategic collaboration on epidemic preparedness and response. Greater involvement of health system departments is needed to support a significant role in recovery. The Organization needs to develop a broader management perspective on preparedness, encompassing all threats to health security, and to link this with health systems strengthening. This requires special approaches in fragile states.

38. Administrative and operational challenges were also identified, including the need to provide further training in applying the new standard operating procedures for emergencies. Inadequate continuity for staff is still one of the main risks to WHO's performance in emergencies. Headquarters needs to ensure proactive planning and management of predictable funding in collaboration with the regions.

INVESTIGATIONS

39. **A WHO country office.** The investigation reviewed an allegation of personal profit from two large currency-exchange transactions. The investigation disclosed that the exchange rates obtained from a broker did not differ significantly from the official United Nations rates; no evidence was found to substantiate the allegation and the case was closed.

40. **A WHO country office.** The investigation established that a staff member prepared cheques and forged signatures to settle fake invoices, which resulted in an estimated loss of at least US\$ 60 000. The investigation also revealed that senior management in the country office had been made aware of the financial irregularities three years ago but had informed neither the Regional Office nor headquarters. A disciplinary review resulted in the termination of the staff member's contract and the referral of the case to the local authorities. The review also resulted in the reassignment of a senior staff member.

41. **A WHO country office.** The investigation established that a staff member had arranged without authorization storage outside WHO premises of WHO office equipment which subsequently disappeared. The investigation further established that the same staff member had issued a fake local purchase order which had exposed the Organization to a claim of about US\$ 185 000. A disciplinary review resulted in the dismissal of the staff member.

42. **At headquarters.** The investigation revealed that a staff member had claimed reimbursement of educational expenses exceeding the amount actually paid. The matter has been referred for determination of misconduct and action appropriate with that decision.

43. **A WHO regional office.** The investigation disclosed that a staff member who had claimed reimbursement from two different universities had in fact been reimbursed by one of them. The staff member admitted that certain documents submitted were fake and was subsequently dismissed.

44. **At headquarters.** The investigation disclosed that a staff member had not followed WHO procedures for the publication of a public document that had policy implications for the Organization. The matter has been referred for determination of misconduct and action appropriate with that decision.

45. **At headquarters.** The investigation established that an allegation of conflict of interest against a WHO consultant was unsubstantiated and the case was closed.

FOLLOW-UP AND IMPLEMENTATION

46. The Office monitors the implementation of all its recommendations in order to ensure that either action has been taken effectively by management or senior management has accepted the risk of not taking action. The Office collaborates with management on tracking audit recommendations¹ and noted the positive results as they were implemented during 2007. A list of reports issued from the plan of work for 2007 is attached at Annex and includes information on implementation. All recommendations from the 2006 plan of work and earlier have been reported as implemented, reviewed by the Office for effectiveness and the audits closed, except as mentioned in the following paragraphs.

47. **Regional Office for Africa, Brazzaville.** Audit reports issued in 2003² and 2005³ and a 2004 consultancy report described the Regional Office's exposure to financial and administrative risks. A follow-up visit in 2006⁴ confirmed that the recommendations remained without substantive implementation. During 2007, new administrative leadership was put in place and various measures were taken to strengthen controls and implement recommendations. Among these were formal training for country office administrative officers, appointment of a compliance officer to deal with audit issues, consolidation of the budget and finance staff in Brazzaville, hiring of additional short-term finance staff, and development of management reports for country offices. The audit mission of late 2007 (see paragraph 23) noted improvements, but determined that full implementation will require a sustained effort over time. The Office will continue to liaise with the Regional Office to ensure strengthening of weak areas.

¹ See document EBPBAC7/6.

² Referred to in document A57/19, paragraph 16.

³ Referred to in document A59/32, paragraph 20.

⁴ Referred to in document A60/34, paragraph 23.

48. **Telephone expenses at headquarters.**¹ The audit report was issued in January 2005, and recommendations have been largely implemented. However, as previously reported,² the major issue still outstanding concerns the need to review and recover the cost of private mobile telephone calls. Although some work has been done, implementation has not been completed. Follow-up will continue.

49. **UNICEF/UNDP/World Bank/WHO Special Programme for Research and Training in Tropical Diseases.**³ In early 2006, about one year after issuance of the audit report, the Office received a communication which indicated that the Programme had implemented the recommendations.⁴ However, an on-site verification in late 2006 found that a substantial number of recommendations had not in fact been implemented. The outstanding recommendations were reiterated to the programme, yet no further substantive information on implementation has been received despite several follow-up requests.

50. **Headquarters travel claims.**⁵ The audit report was issued in July 2005. An initial response, received in April 2007, did not address the recommendations made for improving control and reviewing policy application. No further response has been received and follow-up will continue.

51. **Staff security unit at headquarters.** The audit report, issued in June 2005, discussed weaknesses in procedures used by the security unit at headquarters to identify and mitigate major risks related to staff security.⁶ The Office received replies in September 2006 and October 2007, indicating that some issues had been addressed. However, the audit remains open as some recommendations concerning issues such as reporting structure between regions and headquarters, accountability of WHO Representatives for security issues, and compliance with minimum operating security standards have not yet been implemented. Follow-up will continue.

52. **Global Malaria Programme.**⁷ The audit report, issued in August 2006, discussed the unmitigated risks that existed in administrative and financial areas of the department concerned. An initial response was never received and follow-up requests remain unanswered. The current status of implementation is unknown.

53. **Office of the WHO Representative, Baghdad – Iraq Trust Fund.**⁸ The audit reviewed the financial and administrative aspects of WHO's operations in Iraq, which the Representative conducts under complicated, changing and difficult circumstances. The Office received an initial response in December 2007, that is about one year after the audit report was published. Actions had been taken to implement some of the recommendations, but the response did not address all of them. Additional information has been requested in order to ensure that all issues receive adequate attention and follow-up will continue.

¹ Referred to in document A59/32, paragraph 46.

² Referred to in document A60/34, paragraph 42.

³ Referred to in document A58/25, paragraph 28.

⁴ Referred to in document A59/32, paragraph 47.

⁵ Referred to in document A59/32, paragraph 26.

⁶ Referred to in document A59/32, paragraph 28.

⁷ Referred to in document A60/34, paragraph 24.

⁸ Referred to in document A60/34, paragraph 16.

54. **Epidemic alert and response, Regional Office for Africa, Harare.**¹ The audit report, issued in August 2006, identified certain weaknesses in performance and administration, and also the need to reorient planning and resource mobilization. The Office received detailed progress reports in January and October 2007 and January 2008 which satisfactorily addressed many issues. Other recommendations were flagged as work in progress and follow-up will continue.

55. **Enterprise risk management.**² The Office notes the continuing vulnerability of the Organization due to insufficient identification and analysis of the risks it faces. The Office recognizes the difficulties posed by implementation of the global management system and the recent improvements in risk management of that project, including the direct involvement of the Director-General. However, the Office still considers the overall lack of formal risk management as imprudent. The General Management Cluster has indicated that it will incorporate formal risk management processes into existing managerial structures, but the Office has not yet received an implementation plan.

ACTION BY THE HEALTH ASSEMBLY

56. The Health Assembly is invited to note the report.

¹ Referred to in document A60/34, paragraph 19.

² Referred to in document A60/34, paragraph 28 and Annex.

ANNEX

AUDIT, EVALUATION AND INVESTIGATION REPORTS AND STATUS, 2007

Report title	Paragraph reference	Report date	Closure date	Comments
AUDITS				
TFI Contracts	24	23.02.07	17.10.07	By working with human resources personnel, the Initiative has remedied the irregularities in staff contracts.
WHO Country Office, Dar es Salaam, United Republic of Tanzania	12	11.04.07	20.11.07	The Country Office issued a response dealing with the weaknesses through the Regional Office and provided an acceptable implementation plan for the recommendations.
WHO Country Office, Gaborone, Botswana	13	23.04.07	28.11.07	The Country Office issued an acceptable response, including supporting evidence, through the Regional Office.
GSM Control Readiness Assessment, WPRO	14	19.10.07		Awaiting initial response.
Bank accounts of associations and other entities established by WHO staff at headquarters	25	04.05.07		Awaiting initial response.
Regional Office for South-East Asia	15	14.05.07	07.12.07	The Regional Office responded initially in September 2007, dealing with many of the recommendations. In response to the auditor's queries, further evidence of implementation was sent in November 2007.
WHO Country Office, Asmara, Eritrea	16	30.05.07	02.11.07	The Country Office issued a response in September 2007 through the Regional Office which dealt with the weak areas and provided an acceptable implementation plan.
Communicable disease surveillance and response teams of the Communicable Diseases Unit at AMRO/PAHO	17	16.07.07		The Regional Office issued detailed progress reports in November 2007 and January 2008 which satisfactorily addressed many issues. Other recommendations were flagged as work in progress and follow-up will continue.

Report title	Paragraph reference	Report date	Closure date	Comments
AUDITS				
Role of information technology and telecommunications in the global management system	26	15.06.07		General management issued an initial response in January 2008 which agreed with the recommendations and indicated that work was ongoing. Owing to the nature of the project, timely implementation is required and an update on progress was requested for April 2008.
Communicable diseases surveillance and response at the WHO Regional Office for South-East Asia	18	31.07.07		The Regional Office issued a response to the recommendations in October 2007. However, in some cases, additional evidence is needed to evaluate implementation and follow-up will continue.
WHO selection and recruitment, Headquarters, Geneva	27	30.08.07		Awaiting initial response.
National Polio Surveillance Project, New Delhi	19	25.01.08		Awaiting initial response.
Pan American Health Organization/World Health Organization Country Office, Mexico	20	23.11.07		Awaiting initial response.
WHO Research Ethics Review Committee	28	10.01.08		Awaiting initial response.
Regional Office for the Americas, Washington, DC	21	08.01.08		Awaiting initial response.
Risk assessment of the Memorandum of Understanding with the International Drug Purchase Facility - UNITAID	29	10.12.07		Awaiting initial response.
Expanded Programme on Immunization Unit at the Regional Office for the Western Pacific	22	<i>Draft</i>		Awaiting initial response.
Regional Office for Africa	23	12.02.08		Awaiting initial response.
GSM Global Service Centre Control Readiness Assessment, Headquarters, Geneva	30	15.01.08		Awaiting initial response.

Report title	Paragraph reference	Report date	Closure date	Comments
EVALUATIONS				
WHO's work with collaborating centres	31	28.06.07	n/a	
The Special Programme on Health and Environment at the Regional Office for Europe	34	14.11.07	n/a	
Emergency preparedness and response in countries in transition in the African Region	36	07.03.08	n/a	
INVESTIGATIONS				
A WHO country office	39	07.06.07	07.06.07	Closed on issuance.
A WHO country office	40	13.06.07	29.10.07	One senior staff member reassigned, one staff member's contract terminated and case referred to local authorities.
A WHO country office	41	15.06.07	18.09.07	Staff member dismissed.
A WHO regional office	43	06.07.07	29.10.07	Staff member dismissed.
At headquarters	42	10.09.07		<i>Sub judice.</i>
At headquarters	44	30.10.07		<i>Sub judice.</i>
At headquarters	45	03.10.07	03.10.07	Closed on issuance.