

Independent Expert Oversight Advisory Committee: terms of reference

Report by the Secretariat

1. At its sixteenth meeting in May 2012 the Programme, Budget and Administration Committee of the Executive Board noted the report of the Independent Expert Oversight Advisory Committee,¹ in which the Chairman of the latter Committee indicated that it had undertaken a review of its existing terms of reference against accepted best practice and external sources of guidance on oversight committees and proposed revisions to the terms of reference.²
2. These revisions would formalize more explicitly the function of the Independent Expert Oversight Advisory Committee in reviewing the Organization's oversight activities (covering internal and external audit, evaluation and investigations). They also add new functions, first, that the Committee shall provide technical and professional advice on the selection criteria for the appointment of the Organization's External Auditor. The Committee has valuable expertise to share with the Programme, Budget and Administration Committee and the Board about factors or criteria to be considered, which was welcomed by the latter Committee.³ At the same time, it is understood that the Committee will advise on the criteria of the appointment of the External Auditor, rather than on the process. Secondly, the Committee shall advise the Director-General in relation to future appointments of the Director of the Office of Internal Oversight Services. It should be noted that such an appointment falls within the authority of the Director-General and is subject to WHO's Staff Regulations and Rules. The Secretariat understands that revision as enabling the Independent Expert Oversight Advisory Committee to provide general advice to the Director-General on the desirable qualifications and skills of the Director of the Office of Internal Oversight Services in the light of evolving expectations and demands as well as professional requirements. The revisions would also require the Committee periodically to review and report on its performance (in order to reflect best practice in oversight committees elsewhere and the principles recommended by the Joint Inspection Unit of the United Nations system).
3. The terms of reference and the proposed amendments thereto were appended to the second annual report of the Independent Expert Oversight Advisory Committee (document EBPBAC16/3), which recommended their formal adoption by the Executive Board through the Programme, Budget

¹ Document EB131/2.

² Document EBPBAC16/3.

³ See document EB129/2, paragraphs 16 and 17.

and Administration Committee. Accordingly, this document formally submits (see Annex) the existing terms of reference and proposed amendments thereto.

ACTION BY THE EXECUTIVE BOARD

4. The Board is invited to review, and confirm its agreement to, the revised terms of reference of the Independent Expert Oversight Advisory Committee.

ANNEX

INDEPENDENT EXPERT OVERSIGHT ADVISORY COMMITTEE

TERMS OF REFERENCE¹ AND PROPOSED AMENDMENTS THERETO

PURPOSE OF THE COMMITTEE

1. As an independent advisory committee established by the Executive Board of WHO, and reporting to the Programme, Budget and Administration Committee, the purpose of the Independent Expert Oversight Advisory Committee is to advise the Programme, Budget and Administration Committee and, through it, the Executive Board, in fulfilling their oversight advisory responsibility and, upon request, to advise the Director-General on issues within its mandate.

FUNCTIONS

2. The functions of the Committee shall be:

(a) to review the financial statements of WHO and significant financial reporting policy issues, including advice on the operational implications of the issues and trends apparent;

(b) to advise on the adequacy of the Organization's internal controls and risk management systems, and to review management's risk assessment in the Organization and the comprehensiveness of its ongoing risk management processes;

(c) to exchange information with, and review the effectiveness of, the Organization's internal and external audit functions, as well as to monitor the timely, effective and appropriate implementation of all audit findings and recommendations;

Replace (c) with: *(c) to exchange information with, and review the effectiveness of, the Organization's internal audit, evaluation and investigation work as currently vested in its Office of Internal Oversight Services; its external audit function; and to monitor the timely, effective and appropriate implementation of all audit findings and recommendations;*

Insert new sections (d) and (e)

(d) to provide technical and professional advice on the selection criteria for the appointment of the Organization's External Auditor;

(e) to advise the Director-General in relation to future appointments of the Director of the Office of Internal Oversight Services;

¹ Document EB126/25 and resolution EB125.R1, Annex.

Renumber sections (d) and (e) to become (f) and (g)

(f) to advise on the appropriateness and effectiveness of accounting policies and disclosure practices and to assess changes and risks in those policies;

(g) to provide, on request, advice to the Director-General on the matters under points (a) to (f) above;

Insert new section (h)

(h) to review and report periodically on its own performance according to best professional practice in oversight committees and as per the principles recommended by the Joint Inspection Unit of the United Nations system; and

Renumber

(i) to prepare an annual report on its activities, conclusions, recommendations and, where necessary, interim reports, for submission to the Programme, Budget and Administration Committee of the Executive Board by the Chairman of the Independent Expert Oversight Advisory Committee.

COMPOSITION

3. The composition of the Committee and the qualifications of its members shall be as follows:

(a) The Committee shall comprise five members of integrity and objectivity and who have proven experience in senior positions in the areas covered by these terms of reference.

(b) Following consultations with Member States, the Director-General shall propose to the Executive Board candidates for membership of the Committee. Members of the Committee shall be appointed by the Executive Board. No two members shall be nationals of the same State.

(c) Members shall provide their services free.

(d) Members must be independent. They shall serve in their personal capacity and cannot be represented by an alternate attendee. They shall neither seek nor accept instructions in regard to their performance on the Committee from any government or other authority external to or within WHO. All members will be required to sign a declaration of interest and a confidentiality agreement in accordance with WHO practice in this respect.

(e) Members shall collectively possess relevant professional, financial, managerial and organizational qualifications and recent senior-level experience in accounting, auditing, risk management, internal controls, financial reporting, and other relevant and administrative matters.

(f) Members shall have an understanding of and, if possible, relevant experience in the inspection, investigative processes, monitoring and evaluation.

- (g) Members should have or acquire rapidly a good understanding of WHO's objectives, governance structure and accountability, the relevant regulations and rules, and its organizational culture and control environment.
- (h) Committee membership should have a balanced representation of public and private sector experience.
- (i) At least one member shall be selected on the basis of his or her qualifications and experience as a senior oversight professional or senior financial manager in the United Nations system or in another international organization.
- (j) In the selection process, due regard shall be given to geographical representation and gender balance. In order to retain the most equitable geographical representation, membership should be rotated among the WHO regions to the extent possible.

TERM OF OFFICE

4. The term of office shall be four years, non-renewable, except that the term of office for two of the initial members shall be two years, renewable once only for four years. The Chairman of the Committee shall be selected by its members. He or she shall serve in this capacity for a term of two years.

ADMINISTRATIVE ARRANGEMENTS

5. The following arrangements shall apply:
- (a) Members of the Committee not resident in the Canton of Geneva or neighbouring France shall be entitled to the reimbursement of travel expenses in accordance with WHO procedures applying to members of the Executive Board.
 - (b) The Committee shall meet at least twice per year.
 - (c) The quorum for meetings of the Committee shall be three members.
 - (d) Except as provided for in its terms of reference, the Committee shall, *mutatis mutandis*, be guided by the Rules of Procedure of the Executive Board concerning the conduct of business and the adoption of decisions. The Committee may propose amendments to its terms of reference for consideration by the Executive Board, through the Programme, Budget and Administration Committee.
 - (e) The Committee may decide at any time to obtain independent counsel or outside expertise if necessary and shall have full access to all WHO files and archives, which shall be treated on a confidential basis.
 - (f) The WHO Secretariat will provide secretariat support to the Committee.

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