

Report of the Programme, Budget and Administration Committee of the Executive Board

1. The fourteenth meeting of the Programme, Budget and Administration Committee of the Executive Board was held in Geneva on 12 and 13 May 2011 under the chairmanship of Dr Ali Jaffer Mohamed (Oman). The list of participants is annexed.
2. The Committee adopted its agenda,¹ with the following amendments: (1) deletion of item 3.6 as there were no proposed amendments to the Financial Regulations and Financial Rules; and (2) addition of item 2.8: Medium-term strategic plan 2008–2013 and Proposed programme budget 2012–2013.

Agenda item 3.1 General management: progress report (Document EBPBAC14/2)

3. The Secretariat informed the Committee about progress made in implementing the Global Management System since the Committee's last meeting in January 2011. It provided the Committee with a short update on efforts made to further strengthen risk management in the Organization. A proposal was also presented to rationalize the periodicity of reporting on managerial and administrative issues to the Committee.
4. The Committee expressed its satisfaction with the fact that the Global Management System had been successfully rolled out in the African Region. Questions were asked regarding the planned upgrade of the System and its related cost as well as the savings that will result from its implementation. Queries were also raised with regard to harmonization between the Global Management System and the new system in the Region of the Americas/PAHO. Some Committee members expressed interest in being further informed about the Global Management System and its functionalities.
5. The Secretariat explained in response to the questions that US\$ 5 million has been reserved in the 2012–2013 budget for the planned upgrade of the Global Management System, which is to be completed by May 2013. This amount was less than 25% of the original implementation cost. The upgrade is required to ensure continued support by Oracle and to obtain the benefits of a new generation of technology. With regard to the savings to be achieved through the System, it was noted that many of the benefits of the System, such as increased visibility and transparency, are not easily quantifiable. However, further quantification efforts would be undertaken.

¹ See document EBPBAC14/1.

6. As to the system in the Region of the Americas/PAHO, the Regional Director confirmed that the systems currently in use communicate with each other and that the required integration between the Americas/PAHO new system and the Global Management System will take place.

7. On a more general level, some Committee members raised questions regarding the purpose and content of the progress report and noted that the question of periodicity of reporting was linked to these two issues. The Secretariat observed that it would like to receive guidance from the Committee, because the context in which the report had initially been requested by the Committee members has since changed. In this regard, special reference was made to the Director-General's reform process and to report on this process to the Committee in a comprehensive manner.

8. In the discussion that followed it was agreed that, at least for the time being, the report covering administrative and managerial issues would continue to be produced twice a year. The Committee felt that it was important for it to be kept up to date on items that were not covered in other reports but that should be considered by the Committee. It was also highlighted that the title of the report should better reflect its content.

The Committee noted the report contained in document EBPBAC14/2

Agenda item 3.2 WHO publications policy: report on implementation
(Document EB129/4)

9. The Committee commended the report and noted that significant progress had been made in implementing the WHO publications policy since 2008. It welcomed the establishment of an electronic library, which would ensure equitable access to WHO's scientific information and promote greater recognition of its role as a source of technical information and support. It also welcomed the efforts made to improve systems for approving information products and asked whether there were any mechanisms for ensuring that information on cross-cutting issues was shared within the Organization and that its information products were evidence-based. The Committee also noted the more effective use of the WHO Intranet to guide the planning of information products.

10. The Secretariat recalled that the objectives of the policy were to improve the quality of WHO information products and to reduce their number and production costs. The Secretariat observed that the WHO electronic publishing process (ePub) application for approving planned products included information on planned information products originating from headquarters and regional offices. The resulting database of approved products was available on the WHO Intranet for consultation by all WHO staff. It had helped to reduce the number of publications, as it could be used to identify planned information products on specific subjects and thus avoid duplication. Another mechanism for ensuring that information on cross-cutting issues was shared was the peer-review process for the *Bulletin of the World Health Organization* and other information products published by the Organization, which involved staff from different clusters and offices. The Guidelines Review Committee and other WHO technical committees and the Publishing Policy Coordination Group were also composed of multidisciplinary teams. All WHO staff have access to evidence-based information in over 7000 biomedical and health journals in full text through the Global Information Full Text (GIFT) project, which contributes to improving the quality of WHO information products, especially guidelines.

The Committee recommended that the Board note the report contained in document EB129/4.

Agenda item 3.3 Method of work of the governing bodies (Document EB129/5)

11. The Committee deeply regretted that the report by the Secretariat had not been made available in advance. The Committee reviewed the report and discussed the proposed approaches to the three areas of concern addressed: extensive and in some cases perpetual reporting requirements; the need for fuller consideration of the administrative and financial implications of resolutions prior to their adoption; and the possible establishment of a deadline for the introduction of formal proposals at the Executive Board. Several members of the Committee emphasized the importance of considering other approaches to addressing the financial implications of resolutions as part of the reform processes led by the Director-General.

12. The Secretariat noted the expectation that the Sixty-fifth World Health Assembly to be held in May 2012 would consider recommendations for reform of WHO governance, including financial matters, based, *inter alia*, on discussions at the Sixty-fourth World Health Assembly, and the 129th and 130th sessions of the Executive Board. Regarding the establishment of a deadline for the introduction of formal proposals at the Executive Board, the Secretariat noted that the Board at its 129th session could, if it so desired, adopt a new rule in this regard. With respect to the question of terminating reporting requirements after a defined period of time, some Members noted the need for flexibility and the importance of a careful assessment of existing reporting mandates. The Committee agreed that the proposed measures are a first step in the implementation of changes to make the Executive Board and WHO as a whole more effective.

The Committee recommended that the Board note the report contained in document EB129/5.

Agenda item 3.4 Report of the Independent Expert Oversight Advisory Committee (Document EBPBAC14/3)

13. The Chairman of the Independent Expert Oversight Advisory Committee (IEOAC) introduced the second IEOAC report to the Programme, Budget and Administration Committee.

14. The IEOAC considered that reporting on its progress to each meeting of the Committee would provide a useful source of information for Member States; and would support productive, interactive dialogue.

15. The Chairman of the IEOAC highlighted the main observations and recommendations of the report, which covered issues on investment, cash and foreign exchange management, budgeting and budget control, enterprise risk management, external audit, financial reporting and the transition to International Public Sector Accounting Standards, internal oversight, the Global Management System, WHO's role and the Director-General's reform agenda; and internal control and accountability.

16. Regarding the selection of a new WHO External Auditor from 2012 to be decided at the Sixty-fourth World Health Assembly, the IEOAC noted that its advice had not been requested by the Committee. The IEOAC further noted that it would offer helpful advice for the Committee, the Executive Board and Member States on the considerations that WHO's members might wish to consider in deciding between the various candidatures. It would be appropriate in due course for the Committee and the Executive Board to consider amending the terms of reference of the IEOAC to include a role in providing expert professional advice on the selection process.

17. The Committee welcomed the informative and insightful report. It noted that the IEOAC had already been extremely useful during its relatively brief existence in focusing the attention of the WHO membership on matters of strategic importance. It also provided its accumulated experience and insights obtained from a wide spectrum of organizations. The quality and added value of the IEOAC's report was acknowledged. The Committee also agreed that, in future, IEOAC inputs to the selection process of the Organization's External Auditor would be welcome.

18. The Committee noted the report and requested for timely distribution of future reports prior to its meetings; and expressed its preference for taking up IEOAC reports earlier in the order of business, so that the reports could inform the subsequent debate on other financial and oversight matters of the Committee.

The Committee noted the report of the Independent External Oversight Advisory Committee contained in document EBPBAC14/3.

Agenda item 3.5 External and internal audit recommendations: progress on implementation (Document EBPBAC14/4)

19. The Comptroller introduced the Secretariat's report on progress in implementing external and internal audit recommendations, which provided an update on the Secretariat's responses to the audits and was complementary to the three other oversight reports that the Committee had dealt with previously, i.e. the report of the Internal Auditor; the interim report of the External Auditor; and the report of the Independent Expert Oversight Advisory Committee (IEOAC).

20. He welcomed the strong interest shown by the Committee in oversight issues in general, which was helpful in bringing about the reforms required to achieve an optimal control framework. Following the last presentation of this item to the Committee in January 2011, it had been agreed with the IEOAC that henceforth the various oversight reports would be better aligned so as to allow the Committee to gain an overall view of all oversight issues. Rather than presenting the detailed follow-up table contained in the previous report to the Committee, it had also been agreed to submit it to the IEOAC. The IEOAC would analyse it and incorporate it into its own report to the Committee.

21. The Secretariat noted that while the document showed that some audit reports did remain open for a long time, there were frequently great complexities involved in implementing the recommendations. They required time to resolve, as for example in the case of the two insurance audits: on global insurance at headquarters and on Staff Health Insurance. The follow-up to these audits required numerous consultations with all stakeholders, resolution of many legal issues, and human resource policy changes.

The Committee noted the report contained in document EBPBAC14/4.

Agenda item 3.7 Amendments to the Staff Regulations and Staff Rules (Document EB129/9)

22. The Committee recognized the complexity and crucial importance of this issue. It welcomed the amendments proposed to the Staff Rules and noted the changes in relation to the granting of continuing appointments and in relation to fixed-term appointments. It was encouraged by the Secretariat's responsiveness to resolution EB128.R4.

23. The Committee noted that the Secretariat will develop the specific conditions with regard to the granting of continuing appointments in consultation with the Staff Association and other relevant parties, for implementation in 2012, and requested that the impact of the implementation of the changes be further monitored and analysed.

The Committee recommended that the Executive Board adopt the draft resolution contained in document EB129/9.

Agenda item 4 Adoption of report and closure of meeting

24. The Committee adopted its report.

ANNEX

LIST OF PARTICIPANTS

MEMBERS, ALTERNATES AND ADVISERS

Oman

Dr Ali Jaffer Mohamed (Chairman)

Brazil

Mr E.A. Cardoso (alternate to Dr P. Buss)

Ms B. De Souza E Silva (alternate)

Mr F. Nilson (alternate)

Burundi

Dr N. Biringanya

Mr B. Ntahiraja (alternate)

Canada

Dr P.R. Gully

Mr P. Blais (alternate)

Ms J. Hamilton (alternate)

Mr A. Hodhod (alternate)

Mr L. Jones (alternate)

Ms A. Paczkowski (alternate)

Ms C. Reissmann (alternate)

Mr D. Stevenson (alternate)

Dr G. Wiseman (alternate)

China

Dr Ren Minghui

Dr Feng Yong (alternate)

Mr Teng Fei (alternate)

Ms Zhang Xiaobo (alternate)

France

Mr S. Chatelus (alternate to Mr D. Houssin)

Mrs G. Chedeville-Murray (alternate)

Germany

Mr B. Kümmel (alternate to Dr E. Seeba)

Dr B. Gehrman (alternate)

Mr H. Herrmann (alternate)

Mr T. Ifland (alternate)

Mr S. Laumeyer (alternate)

Ms A. Peters (alternate)

India

Mr S. Prasad (alternate to Mr K. Chandramouli)

Japan

Dr T. Takei (alternate to Dr S. Omi)

Dr M. Iwata (alternate)

Mr Y. Otake (alternate)

Mr M. Sakata (alternate)

Morocco

Mr J. Hazim (alternate to Mrs Y. Baddou)

Mr O. Hilale (alternate)

Mr A. Samri (alternate)

Niger

Mr M. Kountche (alternate to Dr A. Djibo)

Timor-Leste

Ms M. Hanjam Soares

Dr A.G. Correia (alternate)

Ms G. dos Santos Maya (alternate)

Mr J. Da Fonseca (alternate)

Ms I.M. Gomes (alternate)

Mr B. Martins (alternate)

Ex officio members

Dr M. Kökény (Chairman of the Executive Board)

MEMBER STATES NOT MEMBERS OF THE COMMITTEE**Australia**

Ms A. Cernovs
Ms A. Creelman
Mr S. Commar
Mr P. Higgins

Burkina Faso

Ms G. Dabré

Denmark

Ms P.L. Kristensen

Finland

Mr F. Lahtinen
Mr S. Lehtinen
Mr R. Turtio

Haiti

Mr J.B. Alexandre

Hungary

Mr M. Zoltán

Iran (Islamic Republic of)

Mr A. Manenti

Iraq

Mr U. Ibrahim

Israel

Mr R. Adam

Italy

Ms G. Filippi

Mexico

Mr J.R. Lorenzo Dominguez
Mr M.A. Toscano Velasco

Netherlands

Mr E. Verschuren

Norway

Ms S. Honde-Steen
Mr T.E. Lindgren
Ms S. C. Moe
Mr H. Storbekkrønning

Poland

Mrs J. Chojecka
Mr W. Gwiazda

Qatar

Mr A. Al Shikaki

Russian Federation

Mr E.V. Kalugin
Dr M.S. Tseshkovskiy

Rwanda

Ms M. Ntashamaje

Switzerland

Mr M. Ammann
Mrs A. Ruppen

Ukraine

Mr O. Andrienko

United Kingdom of Great Britain and Northern Ireland

Mr A. Preston
Mr M. Rush
Mrs N. Shipton-Yates
Mr J. Thomson

United States of America

Ms A. Blackwood

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