



WORLD HEALTH ORGANIZATION

EXECUTIVE BOARD
113th Session
Provisional agenda item 7.6

EB113/28
27 November 2003

Governing body matters

Executive Board: committee system

Note by the Secretariat

1. At its 112th session, the Executive Board adopted resolution EB112.R1, by which it decided *inter alia*:

(3) to review at its 113th session in accordance with Rule 16 of its Rules of Procedure the mandate, operation, role and structure of the Administration, Budget and Finance Committee, the Programme Development Committee and the Audit Committee with a view to improving their efficiency and their relationship with Board sessions, including the possibility, among others, of merging two or more of these standing committees or increasing the frequency of joint meetings;

2. This note provides the background to, and sets out the terms of reference of, the current committees of the Executive Board, namely, the Programme Development Committee (PDC), the Administration, Budget and Finance Committee (ABFC), and the Audit Committee. It also covers for the information of the Board other committees and panels: WHO/UNICEF/UNFPA Coordinating Committee on Health (CCH), Standing Committee on Nongovernmental Organizations, and several foundation committees and selection panels. The Annex to this note summarizes the outcomes of PDC, ABFC and Audit Committee meetings over a period of two years and how these were dealt with by the Executive Board itself.

PROGRAMME DEVELOPMENT COMMITTEE

3. The Executive Board at its fifty-eighth session (1976) created a Programme Committee to advise the Director-General on the policy and strategy involved in responding to resolutions on technical cooperation and on programme budget policy, and to review the general programmes of work.¹ Between 1976 and 1988 various resolutions added a number of functions, dealing with programme management and development issues, including preparation of guidance for the programme budget and the review of its global and interregional components.

¹ Resolution EB58.R11.

4. In 1993, following its review of future directions for WHO's governing bodies, the Executive Board Working Group on the WHO Response to Global Change expressed concern that some of the activities of the Programme Committee might duplicate the work of the Board itself. In addition, it felt that in view of the various new mechanisms proposed, the time had come for the Board to reconsider the need for and terms of reference of the Programme Committee.¹ Accordingly, the Programme Committee considered at its eighteenth session (July 1993) a report by the Director-General on "Terms of reference of the Programme Committee of the Executive Board",² which provided detailed information on the composition of the Programme Committee and on its responsibilities. The Board decided in January 1994³ to change the Programme Committee into the Programme Development Committee, a decision confirmed by the Health Assembly.⁴

ADMINISTRATION, BUDGET AND FINANCE COMMITTEE

5. In its recommendation on the method of work of the Executive Board, the Working Group on the WHO Response to Global Change suggested that the Board should establish dedicated subgroups as appropriate, to advise the Executive Board on "cross-programme" issues such as administration and finance.¹ Moreover, resolution WHA46.35 requested the Director-General:

"... to submit to the ninety-third session of the Executive Board in January 1994, for its consideration within the framework of its study of the report of the Working Group on the WHO Response to Global Change, a proposal in conformity with the recommendation of the Joint Inspection Unit in its report JIU/REP/89/9 for the establishment of a budget and finance committee to assist the Board and, through it, the Health Assembly in their deliberations on budgetary questions;"

6. In the light of the Director-General's suggestions and the views of the Programme Committee,⁵ the Executive Board decided to establish a new Administration, Budget and Finance Committee.⁶ This body was to take over the administration, budget and finance functions of the former Programme Committee, and those of the former Committee of the Executive Board to Consider Certain Financial Matters prior to the Health Assembly.

AUDIT COMMITTEE

7. The Audit Committee was established by the Executive Board at its 103rd session (1999) in order to strengthen the Board's oversight role in financial matters.⁷

¹ See document EB92/1993/REC/1, Annex 1.

² Document EBPC18/WP/2.

³ Resolution EB93.R13.

⁴ Resolution WHA47.6.

⁵ See document EB93/1994/REC/1, Annex 1, Part 1, section VI.

⁶ Resolution EB93.R13, confirmed by resolution WHA47.7 (1994).

⁷ Resolution EB103.R8.

CURRENT TERMS OF REFERENCE OF THE PROGRAMME DEVELOPMENT COMMITTEE, ADMINISTRATION, BUDGET AND FINANCE COMMITTEE AND AUDIT COMMITTEE

8. The Executive Board at its 106th session (2000) considered revised terms of reference for PDC, ABFC and Audit Committee as proposed by the Chairmen of the three committees and the Chairman of the Executive Board.¹ It adopted on a provisional basis the new terms of reference for the three committees.²

WHO/UNICEF/UNFPA COORDINATING COMMITTEE ON HEALTH (CCH)

9. The Executive Board at its ninety-ninth session (January 1997) approved the proposal that the UNDP/UNFPA Executive Board should be invited to join the UNICEF/WHO Joint Committee on Health Policy, which had been established pursuant to resolution WHA1.120 of the First World Health Assembly in July 1948.³ At its first meeting in July 1998, the enlarged committee considered, *inter alia*, draft terms of reference. Revised terms of reference were adopted after discussion by the three Executive Boards.⁴

10. The fourth meeting of the WHO/UNICEF/UNFPA Coordinating Committee on Health was to have taken place in November 2003. One of the items on the agenda was evaluation of the work and impact of the Committee. The report of the Evaluation Units of WHO, UNICEF and UNFPA was finalized for release to members of the three Executive Boards in October 2003.⁵ In the interest of making work more effective and efficient, the Executive Boards of UNICEF and UNFPA, meeting in October 2003, wished to review the evaluation report before deciding on the timing of the fourth CCH meeting and designation of members. The meeting is therefore likely to be postponed to early 2004, unless the Boards decide otherwise. WHO members of CCH⁶ have been advised accordingly. The report will be considered by the Programme Development Committee at its tenth meeting.⁷

STANDING COMMITTEE ON NONGOVERNMENTAL ORGANIZATIONS

11. Pursuant to resolution WHA1.130, the Executive Board established the Standing Committee on Non-Governmental Organizations in July 1948.⁸ Its main function is to review the joint work of

¹ The first meeting of the Audit Committee (January 2000) had focused on a review of its terms of reference.

² See resolution EB106.R1, Annex.

³ Resolution EB99.R23.

⁴ See resolution EB103.R17, Annex.

⁵ Review of the WHO/UNICEF/UNFPA Coordinating Committee on Health (CCH). Report of the Evaluation Units of WHO, UNICEF and UNFPA. 29 September 2003.

⁶ Dr D. Peña Pentón (Cuba), Dr Y. Kassama (Gambia), Professor Y. Kulzhanov (Kazakhstan), Dr M. Al-Jarallah (Kuwait), Professor Kyaw Myint (Myanmar), Professor Dang Duc Trach (Viet Nam).

⁷ Document EBPDC10/5.

⁸ Resolution EB1.R25.

nongovernmental organizations in official relations with WHO and plans for future collaboration, and new proposals for admission of such organizations into official relations.¹

12. The review by both the Executive Board and Health Assembly of WHO's policy on relations with nongovernmental organizations will, to a large extent, determine any change to the role of the Standing Committee on Nongovernmental Organizations.

FOUNDATION COMMITTEES AND SELECTION PANELS

13. The Executive Board considers nominations for a number of awards and prizes. To assist it in its work the Board has established a number of small committees to assess the submissions received and to make recommendations. There is no single document setting out the specific terms of reference for members of these committees and selection panels, but their membership, functions and tasks are described in the statutes or regulations of each foundation, which differ slightly from one another. Generally speaking, the members of these committees and selection panels are expected to meet once a year (or at longer intervals), usually during the January session of the Board, to propose the name of the person(s) to whom the prize or fellowship should be awarded and in some cases the amount of the award to be made.

14. Several options could be considered to improve the effectiveness of PDC, ABFC and Audit Committee.

(a) The three standing committees could be consolidated into one single standing committee on programme and administrative matters (similar to ILO). This would conform with recommendation 2(a)(ii) contained in the report of the Joint Inspection Unit on governance oversight, namely, "For the organizations with more than one committee ... Establish a single standing committee as subsidiary to the 'executive' legislative organ by consolidating the existing committees (option 2);"² The membership of the Committee could be set at 12: two members from each region. The Committee could meet for two days before the January session of the Board, and for one day before the Health Assembly.

(b) Alternatively, the joint meeting of ABFC and PDC could be strengthened, with an agenda beyond the proposed programme budget, to include items such as the External Auditor's report, which have programmatic as well as administrative implications.

(c) Since items under discussion in the Audit Committee are subsequently taken up in ABFC, for example, the interim report of the External Auditor, there is a strong argument for subsuming the functions of the Audit Committee into ABFC. The Audit Committee could then be disestablished. This would be in keeping with recommendation 2(a)(i) of the JIU report referred to above, namely, "For the organizations with more than one committee ... consolidate (or convert) the existing committees basically into two; i.e. programme and administrative/budget/finance committees (option 1);"³

¹ See Principles governing relations between the World Health Organization and nongovernmental organizations, paragraphs 4.2 and 4.6. *Basic documents*, 44th ed. Geneva, World Health Organization, 2003.

² Enhancing governance oversight role. Structure, working methods and practices on handling oversight reports. Document JIU/REP/2001/4, page 6.

³ *Op. cit.*

ACTION BY THE EXECUTIVE BOARD

15. The Executive Board is invited to consider the options set out above, or other options, for improving the effectiveness of PDC, ABFC and Audit Committee.

16. The Board may also wish to consider the recommendations of PDC subsequent to its review of the work and impact of CCH.

ANNEX

**OUTCOMES OF MEETINGS OF PDC, ABFC AND
AUDIT COMMITTEE OVER A PERIOD OF TWO YEARS**

PROGRAMME DEVELOPMENT COMMITTEE

Ninth meeting (16 January 2003): conclusions and decisions¹

- *WHO programmes 2000-2001.* The Committee agreed *inter alia* that a quantitative approach was a better way to measure WHO's performance and the effectiveness of its governance.
- *Reporting to the Health Assembly and the Executive Board on implementation of resolutions.* PDC agreed with the proposal for consolidated reporting, preferably in nonbudget years, and with inclusion in draft resolutions of specific dates for reporting requirements.
- *Streamlining of procedures for proposed resolutions.* A report on practices in governing bodies in other parts of the United Nations system should be prepared for the tenth meeting of PDC.

Outcome at the Executive Board²

- Two Board members made constructive suggestions for reporting on WHO programmes 2002-2003.
- The Board made no comment on PDC's conclusions on reporting to the governing bodies on implementation of resolutions.
- The Board requested PDC to keep before it the matter of streamlining of procedures for proposed resolutions.

Eighth meeting (11 January 2002): conclusions and decisions³

- *Thematic evaluations in 2001.* The Committee endorsed the evaluations of eradication of poliomyelitis and of WHO's strategic budgeting and planning process. However, more work was needed on the latter to enhance the integration of the budget, in terms of regular budget and extrabudgetary resources, training staff in the principles of results-based budgeting, and strengthening the evaluation phase of the budget cycle. Ways should be found to increase country participation.

¹ See document EBPDC9/3.

² See document EB111/2003/REC/2, summary records of the eighth meeting, section 5, ninth meeting, section 1, and tenth meeting, section 2.

³ See document EBPDC8/5.

- *Reporting requirements.* The Committee asked the Secretariat to prepare proposals on reporting requirements, for consideration at its ninth meeting.

Outcome at the Executive Board¹

- The Board noted the Committee's report.

ADMINISTRATION, BUDGET AND FINANCE COMMITTEE

Nineteenth meeting (15 May 2003): conclusions and decisions²

- *Interim financial report.* The Committee recommended that the Fifty-sixth World Health Assembly should accept the Director-General's unaudited interim financial report on the accounts of WHO for 2002.
- *Interim report of the External Auditor.* It emphasized the need for continuous review of, for example, integrated planning and resource allocation for all sources of funds, and the importance of standardized reporting on the achievement of expected results.
- *Settlement of arrears.* It recommended a draft resolution for consideration by the Fifty-sixth World Health Assembly on the settlement of arrears.
- *Real Estate.* It recommended that the Director-General should be authorized to proceed with the construction of new offices and conference facilities in the Regional Office for Africa.

Outcome at the Health Assembly³

- The Health Assembly adopted resolution WHA56.9 on the unaudited interim financial report on the accounts of WHO for 2002.
- It took note of the Committee's report on the interim report of the External Auditor.
- It adopted resolution WHA56.10 on Members in arrears in the payment of their contributions.
- It adopted resolution WHA56.14 on construction work at the Regional Office for Africa.

Eighteenth meeting (16 to 17 January 2003): conclusions and decisions⁴

- *Assessments for 2004-2005.* Since members expressed reservations on the use of miscellaneous income to compensate for a shortfall in assessments, due to ad hoc adjustments, the Committee recommended to the Executive Board adoption of paragraph 1

¹ See document EB109/2002/REC/2, summary record of the tenth meeting, section 3.

² See documents A56/47, A56/49, A56/32, A56/50.

³ Document WHA56/2003/REC/3, summary record of the third meeting of Committee B.

⁴ Document EBABFC18/2.

only of the draft resolution relating to the assessment for 2002 and 2003 for Timor-Leste. Paragraphs 2, 3 and 4 were left to the decision of the Executive Board.

- *Miscellaneous income.* The Committee requested that a progress report should in future be provided to the Executive Board on the financial implementation of the regular budget at the end of the first year of the biennium.
- *Human resources.* Under the subitem on amendments to Staff Rules, the Committee recommended to the Executive Board the adoption of three draft resolutions, with a minor additional amendment to Staff Rule 320.1.

Outcome at the Executive Board¹

- The Board decided to transmit the matter of assessments for 2004-2005 to the Fifty-sixth World Health Assembly for review.
- It noted the request of the Committee for a progress report on the financial implementation of the regular budget.
- It adopted resolution EB111.R8 confirming amendments to the Staff Rules.

Seventeenth meeting (10 May 2002): conclusions and decisions²

- *Financial report on the accounts of WHO for 2000-2001; report of the External Auditor.* The Committee recommended that the Health Assembly should accept the financial report and the report of the External Auditor.
- *Status of collection of assessed contributions.* The Committee put forward three draft resolutions for consideration by the Health Assembly.

Outcome at the Health Assembly³

- The Health Assembly adopted resolution WHA55.3 on the financial report for 2000-2001 and the report of the External Auditor.
- It adopted resolution WHA55.4 on Members in arrears in the payment of their contributions, and resolutions WHA55.5 and WHA55.6 on arrears in payments of contributions of Azerbaijan and the Dominican Republic.

¹ See document EB111/2003/REC/2, summary records of the eighth meeting, section 3, and ninth meeting, section 2.

² See documents A55/38 and A55/26.

³ See document WHA55/2002/REC/3, summary records of the second meeting of Committee B, section 2, and of the third meeting of Committee B, section 1.

Sixteenth meeting (10 to 11 January 2002): conclusions and decisions¹

- *Transitional arrangements for the Financial Incentive Scheme.* The Committee recommended that the Board should adopt the draft resolution.
- *Status of collection of assessed contributions.* It agreed to prepare a resolution on Members in arrears at its seventeenth meeting.
- *Revolving and other long-term funds.* It proposed an amendment to the draft resolution concerning possible overrun of the estimated cost of construction of a new building at headquarters. It recommended that the Board should adopt the draft resolution on the Revolving Sales Fund. It proposed a draft decision on the Security Fund.
- *Staff regulations.* It recommended that the Board adopt the draft resolutions on the salary scale for professional staff and on the salary of staff in ungraded posts and of the Director-General, and requested the Director-General to consider an amendment to Staff Regulation 4.5.

Outcome at the Executive Board²

- The Board adopted resolution EB109.R19 on transitional arrangements for the Financial Incentive Scheme.
- It noted that the Committee would prepare a resolution at its seventeenth meeting.
- It adopted resolution EB109.R20 on the Real Estate Fund as amended by the Committee, resolution EB109.R21 on the Revolving Sales Fund, and decision EB109(8) proposed by the Committee on the Security Fund.
- It adopted resolutions EB109.R12 on the salary scale for professional staff, EB109.R13 on the salaries of staff in ungraded posts and of the Director-General, and EB109.R15 on the amendment to Staff Regulation 4.5.

JOINT MEETINGS OF PDC AND ABFC³

Joint meeting (17 January 2003): conclusions and decisions⁴

- *Real Estate Fund.* The joint meeting made amendments to the relevant draft resolution, removing reference to the Information Technology Fund, and adding wording on the need for authorization from the Health Assembly if WHO's share of costs for the new headquarters' building were to exceed more than 5% of the agreed cost.

¹ See document EBABFC16/3.

² See document EB109/2002/REC/2, summary record of the tenth meeting, section 1.

³ PDC meets jointly with ABFC every two years to review the proposed programme budget. This gives both committees an opportunity to have a preliminary discussion before meeting formally in the Board.

⁴ See document EBPDC9/3, Annex 2.

- *Proposed programme budget.* It considered that it would be useful to have a mid-biennium report on the financial implementation of extrabudgetary resources.¹

Outcome at the Executive Board²

- The Board adopted resolution EB111.R3 as amended by the joint meeting.
- It did not comment on the proposal to have a mid-biennium report on the financial implementation of extrabudgetary resources.

AUDIT COMMITTEE³

Seventh meeting (15 to 16 January 2003): conclusions and decisions⁴

- *Adoption of the agenda.* The Committee requested that a study be prepared on the production and distribution of documents for governing bodies meetings.

This matter will be taken up by the Audit Committee at its ninth meeting in January 2004. However, it could be argued that it could have been taken up by ABFC or the Board itself, and does not necessarily fall under the purview of the Audit Committee.

Fifth meeting (11 January 2002): conclusions⁵

- *Reports of the Joint Inspection Unit: Review of management and administration in the World Health Organization.* The Committee urged the Organization to move faster regarding the recommendation on management support units; streamlining of administrative functions was a must in order to improve efficiency.

Outcome at the Executive Board⁶

- The Board noted the Committee's report without comment.

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¹ This proposal is linked to the request made by ABFC at its eighteenth meeting requesting a progress report to be provided to the Executive Board on the financial implementation of the regular budget at the end of the first year of the biennium.

² See document EBPDC9/3, Annex. 2.

³ Information provided refers only to suggestions for improved efficiency.

⁴ See document EBAC7/5.

⁵ See document EBAC5/5.

⁶ See document EB109/2002/REC/2, summary record of the tenth meeting, section 3.