

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

1. The thirty-fourth meeting of the Programme, Budget and Administration Committee was held in Geneva from 19 to 21 May 2021 and was chaired by Dr Faical Ben Salah (Tunisia).¹ The Committee adopted its agenda² with the deletion of the following items: 3.5, Special arrangements for settlement of arrears; under item 4.2, the first bullet point on Proposals for WHO to host formal partnerships; item 4.4, Amendments to the Financial Regulations and Financial Rules; and item 4.6, Amendments to Staff Regulations and Staff Rules.

2. In his opening remarks, the Director-General said that the Committee was meeting prior to one of the most important Health Assemblies in the history of the Organization. The pandemic of coronavirus disease (COVID-19) had changed the world and had shown that the world needed a strong WHO more than ever. The Organization, while focusing on coordinating and supporting the response to the pandemic, had continued to execute most of its existing workplans, with a projected implementation rate of over 80% in respect of the Programme budget 2020–2021. However, as recognized by Member States, predictable and sustainable funding remained a pressing challenge, with only 16% of funds coming through assessed contributions. The financing structure was no longer fit for purpose, especially given increasing global expectations.

3. Sustainable and predictable funding was an area in which WHO had been working, through the transformation agenda, to become a more agile, impact-focused organization. The pandemic had been a stress-test for transformation. Through its reconfigured business operations, WHO had been successful in many areas, including the provision of guidance, the coordination and delivery of essential supplies, and the generation of data on therapeutics. The establishment of the Access to COVID-19 Tools (ACT) Accelerator was one example of measures put in place to combat the pandemic.

4. To avoid pre-empting the recommendations from multiple panels and review committees that would be submitted to the upcoming Health Assembly, a flexible Proposed programme budget for the biennium 2022–2023 had been developed that would be updated pending the outcome of discussions with Member States on those recommendations.

5. The Director-General reported that the independent commission on allegations of sexual exploitation and abuse in the Democratic Republic of the Congo during the response to the tenth Ebola outbreak had contracted an external firm through open tender to undertake fact-finding and investigate the allegations, and to report back to the commission. Decisive action would be taken on the commission's findings, and a number of measures had been introduced already for reporting and investigating allegations and protecting those served by WHO. The Organization was working towards

¹ The list of participants is available in document EBPBAC34/DIV./1.

² Document EBPBAC34/1.

a new model of transparency and accountability. In that connection, the new mid-term results report was designed to show progress against the Thirteenth General Programme of Work, 2019–2023.

Agenda item 2 Matters for information or action by the Committee

2.1 Independent Expert Oversight Advisory Committee: annual report (Document EBPBAC34/2)

6. The Chair of the Independent Expert Oversight Advisory Committee provided an overview of the Committee's report.

7. Among other elements, the Chair of the Independent Expert Oversight Advisory Committee highlighted the level of exhaustion among WHO staff and welcomed the Organization's decision to make 2021 the Year of the WHO Workforce, with an array of helpful measures. He also noted WHO's positive performance during 2020, including the strength of its internal controls, despite the Organization being faced with a large number of unplanned challenges due to the current pandemic. Additionally, the Chair voiced the Advisory Committee's concerns about the longer-term funding sustainability of the Organization, due to the decreasing percentage of the budget funded through assessed contributions. He also pointed to the need to revise the Independent Expert Oversight Advisory Committee's original terms of reference, in order to avoid overlaps and duplication of work in WHO's oversight structure.

8. Concerning WHO's Staff Health Insurance, the Advisory Committee took the view that Staff Health Insurance scheme was on a path towards being better funded and reducing its long-term liability. Further, the Advisory Committee noted that presentation of the year of likely full funding of the scheme is not appropriate, given that the future value of Staff Health Insurance's obligations is dependent on a number of assumptions that are subject to significant change and volatility. Thus, the Independent Expert Oversight Advisory Committee encouraged senior management to continue to focus on reasonable funding of the Staff Health Insurance scheme in the medium-term.

9. The Programme, Budget and Administration Committee welcomed the report, noting the proposals therein to integrate anti-fraud actions within programme delivery and to consider linking assessed contributions to the gross domestic product of Member States in order to ensure a stable contribution to WHO in real terms.

The Committee welcomed the report of the Independent Expert Oversight Advisory Committee; it further proposed as guidance for the Secretariat's implementation of existing mandates, that the Secretariat should:

- (a) continue monitoring staff well-being and provide the necessary support to reduce staff fatigue;**
- (b) continue working towards timely implementation of the recommendations of the Independent Expert Oversight Advisory Committee;**
- (c) continue efforts to ensure that the WHO transformation agenda is fully reflected at country level and that Member States are updated on how lessons learned are applied;**

- (d) ensure both that it has the authority to conduct necessary audits of the WHO Foundation and that the WHO Office of Internal Oversight conduct a review of the WHO Foundation in its workplan in the next 24 months;**
- (e) seek to ensure zero tolerance of procurement fraud, in emergency situations;**
- (f) take prompt action to prevent sexual exploitation and abuse;**
- (g) continue working towards implementation of the new enterprise resource planning system, with a view to enhancing the internal processes;**
- (h) request the Independent Expert Oversight Advisory Committee to conduct benchmarking of budgetary levels of enabling functions as a proportion of the overall budget across the United Nations system; and**
- (i) provide further updates on previous recommendations of the Programme Budget and Administration Committee and their implementation.**

The Committee welcomed the intention of the Independent Expert Oversight Advisory Committee to consult members of the Programme, Budget and Administration Committee and the Secretariat informally before proposing revisions to its terms of reference to the 35th meeting of the Programme, Budget and Administration Committee in January 2022 and requested that the consultation by the Independent Expert Oversight Advisory Committee be extended to all Member States and that more time be given for feedback.

2.2 Accountability overview (Document EBPBAC34/3)

10. The Secretariat presented an update on the progress made in advancing institutional accountability, highlighting the efforts made to strengthen WHO's business integrity functions and build best-in-class organizational accountability standards and approaches across the three levels of the Organization.

11. The Committee welcomed the Secretariat's efforts to systematically review all of WHO's business integrity functions and to develop an enhanced risk management approach. It supported the recommendations relating to risk management and compliance made by the Independent Expert Oversight Advisory Committee, including the importance of dealing with the backlog of internal oversight investigations. In that regard, the Committee welcomed the allocation of additional resources to the WHO Office of Internal Oversight Services to increase its capacity to address the backlog of old cases and efficiently manage new ones.

12. In the light of the ongoing COVID-19 pandemic, the Committee emphasized the importance of focusing on internal control systems to mitigate the risks associated with contractual services, particularly with respect to the procurement of medical supplies and materials. Joint procurement processes with other United Nations organizations had an important role to play in anti-fraud detection and response.

13. While welcoming the implementation of the new WHO policy to prevent and deal with abusive conduct and the overall efforts made to strengthen the prevention of sexual exploitation and abuse across the Organization, the Committee expressed disappointment that Member States had not been given the opportunity to comment on the provisions of that policy.

14. In response to questions about building a corporate culture that was risk-aware rather than risk-averse, the Secretariat indicated that the Global Risk Management Committee had made the work on risk appetite and risk tolerance its top priority for 2021. The work would reflect the varying nature of different business functions in WHO. Several risk training modules were being rolled out across the three levels of the Organization, and a further risk training programme was being designed with the WHO Academy.

The Committee noted the report; it further proposed, as guidance for the Secretariat's implementation of existing mandates, that the Secretariat should:

- (a) clearly define the role of and resources assigned to all accountability functions;**
- (b) strengthen and adopt a proactive and forward-looking approach to coordination and cooperation across all accountability functions;**
- (c) regularly update, and when appropriate, seek comment from Member States on, any plans to implement additional accountability policies and procedures, including in the areas of procurement, risk management and tackling abusive behaviour;**
- (d) strengthen ongoing training across a range of accountability functions for all relevant WHO personnel.**

2.3 Compliance, risk management and ethics: annual report (Document EBPBAC34/4)

15. The Committee received a report from the Secretariat on compliance, risk management and ethics, in which a steep increase in requests for ethics advice was noted, indicating increased awareness among staff of the importance of that issue. The complaints system was being automated to enable the greater volume to be dealt with.

16. There had been increased efforts to raise awareness with the roll-out of courses for awareness-raising and training on the policy on abusive conduct for members of the WHO workforce at the three levels of the Organization.

17. The Committee welcomed the continued efforts of the Secretariat to prevent abusive behaviour, as well as the adoption of the new policy to prevent and address abusive conduct, and requested the Secretariat to update Member States on its implementation. The Committee further welcomed the review that was being undertaken of risk management approaches throughout the Organization and noted that there would also be a review of the complaints procedure.

18. The Committee emphasized the importance for the Secretariat to maintain strong and up-to-date internal controls and systems against fraud and corruption at all levels of the Organization (including at programme level) in order to achieve health impact at country level. Committee members requested that the functions of compliance, risk management and ethics should be fully resourced at all levels of the Organization.

19. Concern was voiced over recent media reports on allegations of sexual exploitation and abuse involving WHO.

20. WHO's Regional Director for Africa referred to the absolute determination of the WHO offices in the African Region to address all cases of harassment and abuse, reporting that the Region had appointed focal points on sexual exploitation and abuse and sexual harassment. However, those efforts needed fuller resourcing at all levels.

The Committee noted the report; it further proposed, as guidance for the Secretariat's implementation of existing mandates, that the Secretariat should:

(a) dedicate efforts not only to improving policies but also to the implementation of such policies, including through adequate staff training, with an appropriate risk appetite framework to be developed and shared with Member States as a matter of priority;

(b) keep Member States updated on implementation of the policy to prevent abusive conduct;

(c) ensure that the compliance, risk management and ethics function was adequately capacitated and resourced across the three levels of the Organization in line with decision EB148(4), using innovative methods.

2.4 Reports of the Joint Inspection Unit (Document EBPBAC34/5)

21. The Committee received a report on WHO's response to reports of the Joint Inspection Unit of the United Nations, including the rates of acceptance and implementation by the Organization of recommendations by the Unit. The report showed that between 2016 and 2019, WHO's acceptance of the Joint Inspection Unit's recommendations stood at 88% and its implementation of those accepted recommendations was 70%.

22. The Vice-Chair of the Joint Inspection Unit introduced the document and noted the importance for United Nations organizations and their legislative bodies to accept and implement relevant recommendations of the Unit. She welcomed the cooperation of WHO staff and commended WHO's high rates of acceptance and implementation at a time when rates within United Nations organizations had been falling, and noted the strong collaboration between the Joint Inspection Unit and WHO.

23. The Committee welcomed the report and expressed appreciation for the improved implementation rates in respect of the Joint Inspection Unit's recommendations. It obtained additional information from the Secretariat on three Joint Inspection Unit reports from 2019–2020, namely: review of staff exchange and similar inter-agency mobility measures in the United Nations (document JIU/REP/2019/8, recommendations 4, 6 and 7); review of contemporary practices in the external outsourcing of services to commercial service providers (document JIU/REP/2019/9, recommendation 3); and review of the state of the investigation function: progress made in the United Nations system in strengthening the investigation function (document JIU/REP/2020/1, including recommendation 7).

24. With respect to the outsourcing report of the Joint Inspection Unit, the Committee was referred to the recently published WHO procurement report responding to a request of the Committee in 2020. In reference to recommendation 7 of the Joint Inspection Unit's report on investigation function and recommendation 1 of the 2018 report on whistleblower policy, the Secretariat noted that further development of a policy for investigating complaints of misconduct by heads of agencies will require involvement by the agencies' governing bodies. The Secretariat informed the Committee that it will raise the topic of investigations concerning executive heads with the United Nations High-Level Committee on Management. It is also currently revising its investigations policy and will include

considerations relevant to a number of recent initiatives from the United Nations, as well as recent policy developments in WHO, such as the policy to prevent and address abusive conduct and eventual recommendations arising from the findings of the independent commission on allegations of sexual exploitation and abuse in the Democratic Republic of the Congo. The Secretariat's approach regarding situations in which staff have left WHO or moved to other agencies during an ongoing investigation would be considered on a case-by-case basis in line with the stage of the investigation concerned.

25. The Secretariat noted that the Organization annually posts a document on its Evaluation web page, containing implementation updates for all open recommendations from reports of the Joint Inspection Unit issued in the past five years. Moreover, the Secretariat actively links recommendations from the Joint Inspection Unit with those issued by other accountability functions as part of the organizational learning process. The Secretariat noted that it would continue to ensure timely implementation, and to update the status of open recommendations twice a year.

The Committee noted the report; it further proposed, as guidance for the Secretariat's implementation of existing mandates that the Secretariat should:

- (a) work within the high-level committee on management to respond to recommendations of the Joint Inspection Unit related to interagency mobility, including those on misconduct and rehiring;**
- (b) pay special attention to implement the recommendations of reports of the Joint Inspection Unit, including but not limited to, those on investigative functions and enterprise risk management, and ensure that progress is made and reported by the next meeting of the Programme, Budget and Administration Committee of the Executive Board;**
- (c) facilitate any necessary governing body action to ensure that the Organization is on-track to implement recommendation 7 of document JIU/REP/2020/1 regarding development and adoption of appropriate formal procedures for the investigation of complaints of misconduct by executive heads within the timeframe requested by the Joint Inspection Unit.**

Agenda item 4. Matters for review by, and/or recommendation to the Executive Board

4.1 Evaluation: annual report (Documents EB149/5 and EB149/5 Add.1)

26. The Secretariat introduced the two reports, stressing that the transformation evaluation was formative and forward-looking in nature, to help inform and guide future implementation of WHO transformation. The Independent Expert Oversight Advisory Committee had worked closely with the Evaluation Office in shaping the transformation evaluation. The annual report provided an update on the implementation of the biennial evaluation workplan and also contained some significant examples of how lessons learned from evaluations had influenced policy and decision making.

27. The Committee expressed its appreciation of both reports and voiced support for organizational learning and the work of the Organization in corporate as well as decentralized evaluations. It noted that the COVID-19 pandemic had complicated and delayed evaluations with a country level focus and urged those to be undertaken as soon as the situation had improved. It requested further information and details on the follow-up to the initial evaluation of the Framework of Engagement with Non-State Actors. It looked forward to the outcome of future evaluations, especially the evaluation of the integration of

gender, equity and human rights in the work of the Organization. That particular evaluation must provide robust and effective recommendations.

28. In response to questions by the Committee, the Secretariat noted that any evaluation of WHO's COVID-19 response would be guided by the discussions at the Health Assembly on the review processes already under way. With regard to the implementation of the recommendations of the initial evaluation of the Framework of Engagement with Non-State Actors, the Committee was referred to the management response on the web page of the Evaluation Office, which also provided comprehensive information on completed evaluations.¹

The Committee recommended that the Executive Board should note the reports contained in documents EB149/5 and EB149/5 Add.1; it further proposed, as guidance for the Secretariat's implementation of existing mandates, that the Secretariat should:

- (a) implement the recommendations of the evaluation of WHO transformation, particularly regarding the establishment of outcome-level milestones for the remainder of the transformation;**
- (b) engage more closely with Member States in pursuing future implementation of transformation and ensure that the requisite resources and capacity were available for WHO's work at country-level in the next phase of transformation;**
- (c) provide regular updates on progress made in the implementation of transformation at all levels of the Organization and especially at country level;**
- (d) provide a mission briefing on the evaluation of WHO transformation;**
- (e) consider using cross-regional focus group discussions for future evaluations;**
- (f) update Member States on the evaluation of the WHO response to the COVID-19 pandemic in the Organization's workplan at the next meeting of the Programme, Budget and Administration Committee.**

4.2 Hosted partnerships

- Report on hosted partnerships (Document EB149/6)**
- Review of hosted partnerships (Document EB149/7)**

29. The Committee received reports on WHO's hosted partnerships, including a review of the Alliance for Health Policy and Systems Research, established in 1999, which was governed by a Board of key stakeholders, supported by the Alliance's Scientific and Technical Advisory Committee, and administered by a secretariat hosted by WHO headquarters.

30. The Committee noted that the lessons learned from COVID-19 revealed a clear need for mechanisms for sharing experiences in respect of COVID-19 and to strengthen global preparedness and response. The importance of multistakeholder partnerships had become more obvious during the pandemic, and the work that WHO and its hosted partnerships had achieved showed that partnerships

¹ WHO Evaluation Office (<https://www.who.int/about/what-we-do/evaluation>, accessed 22 May 2021).

made substantial contributions to health outcomes. It was suggested that consideration be given to the possibility of establishing two additional partnerships – one on digital health and the other on pandemic management.

31. The Secretariat noted that there are several ways for WHO to engage with partners – including individual engagements through the Framework of Engagement with Non-State Actors, WHO networks, alliances, partnerships and hosted partnerships. The Secretariat proposed to continue informal discussions on the most appropriate mechanisms to advance the work on digital health and on pandemic management.

The Committee recommended that the Executive Board should note the reports contained in documents EB149/6 and EB149/7.

4.3 Membership of the Independent Expert Oversight Advisory Committee (Documents EB149/9 and EB149/9 Add.1)

32. The Secretariat presented the information contained in the reports for the appointment of four candidates. It noted that one of the candidates would be appointed with immediate effect to fill the position currently vacant. Two other candidates would be appointed to start on 1 January 2022 and the remaining candidate would start on 1 January 2023.

The Committee recommended that the Executive Board should note the reports contained in documents EB149/9 and EB149/9 Add.1 and appoint four new members to the Independent Expert Oversight Advisory Committee, according to the proposed calendar.

4.5 Statement by the representative of the WHO staff associations (Document EB149/INF./1)

33. The representative of the WHO staff associations introduced the report, highlighting the need to: extend monthly staff–management meetings to all WHO regions; consult staff on new and existing WHO policies directly affecting them; reactivate the Staff Health, Safety and Well-being Committee; strengthen the WHO internal justice system to minimize delays, particularly with respect to investigations; appoint an Ombudsman in all major offices; and implement the recommendations of the task force on flexible working arrangements.

34. The staff associations welcomed the launch of the new task force on mental health and looked forward to the establishment of a comprehensive and fair 360-degree performance management system.

35. The staff associations further welcomed the establishment of the independent commission to investigate allegations of sexual exploitation and abuse in the Democratic Republic of the Congo and called for swift and transparent action to be taken in that regard. The naming by the media of WHO staff and the publication without consent of their comments on the subject were matters for concern.

36. The Committee welcomed the engagement of the staff associations and their good working relations with senior management. It praised the measures taken to improve Staff Health Insurance services and to protect and promote the health of staff, particularly during the COVID-19 pandemic, and specifically in terms of flexible working arrangements.

37. The Secretariat confirmed that it would continue to work closely with the staff associations to address the issues raised, including to swiftly implement the recommendations of the task force on

flexible working arrangements and to reactivate the Staff Health, Safety and Well-being Committee. It also highlighted several initiatives under way to review internal justice in the United Nations context, including a review of WHO internal justice mechanisms following the reforms in 2016, and participating in the Joint Investigation Unit's review of pre-tribunal appeal mechanisms.

Agenda item 5. Adoption of the report and closure of the meeting

38. The Committee adopted its report.

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