

## **Independent Expert Oversight Advisory Committee: terms of reference**

1. The Director-General has the honour to transmit to the Executive Board, for consideration at its 150th session, the revised terms of reference of the Independent Expert Oversight Advisory Committee (see Annex).
2. The Independent Expert Oversight Advisory Committee was established in accordance with resolution EB125.R1 (2009) and its current terms of reference date back to January 2013.<sup>1</sup>
3. The Programme, Budget and Administration Committee of the Executive Board, at its thirty-fourth meeting, welcomed the intention of the Independent Expert Oversight Advisory Committee to informally consult members of the Programme, Budget and Administration Committee and the Secretariat before proposing revisions to its terms of reference to the thirty-fifth meeting of the Committee in January 2022. It further requested that the consultation to be conducted by the Independent Expert Oversight Advisory Committee should be extended to all Member States.<sup>2</sup>
4. Informal consultations with Member States were held between July and August 2021 during which Member States were invited to submit written comments on the draft revised terms of reference, and to participate in a virtual informal consultation meeting in September 2021. All comments received were shared with Member States ahead of the virtual meeting.

### **ACTION BY THE EXECUTIVE BOARD**

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

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<sup>1</sup> See resolution EB132.R12.

<sup>2</sup> See document EB149/2.

## ANNEX

### **REVISED TERMS OF REFERENCE OF THE INDEPENDENT EXPERT OVERSIGHT ADVISORY COMMITTEE**

#### **PURPOSE OF THE COMMITTEE**

1. The Independent Expert Oversight Advisory Committee (“the Committee”) serves in an expert advisory capacity providing independent expert advice to the Executive Board, through its Programme, Budget and Administration Committee, on fulfilling its governance responsibilities, including ensuring the integrity of WHO’s financial reporting and the effectiveness of its internal control systems, risk management, accountability functions and governance processes.
2. The Committee aims to add value by strengthening accountability and governance within WHO.
3. The Committee shall advise the Director-General, the Executive Board and the Programme, Budget and Administration Committee of the Executive Board, upon request, on issues within its mandate.

#### **FUNCTIONS**

4. The specific responsibilities of the Committee include, reviewing the following matters for WHO as a whole, and providing advice on them to the Executive Board through the Programme, Budget and Administration Committee.
  - (a) Internal audit: staffing, resources and performance of the internal audit function and the appropriateness of its independence, including: providing advice on the selection and performance of the Head of the Office of Internal Oversight Services to the Director-General; reviewing and approving the oversight workplan of the Office of Internal Oversight Services and ensuring its coordination with the plans of other oversight entities; and monitoring the timely, effective and appropriate implementation of all audit findings and recommendations.
  - (b) Evaluation: the staffing, resources and performance of the evaluation function, including providing advice to the Director-General on the selection and performance of the Head of the Evaluation Unit, and on the biennial workplan for evaluation activities; and monitoring the timely, effective and appropriate implementation of all evaluation recommendations.
  - (c) Enterprise risk management, internal controls and compliance: the effectiveness of WHO’s internal control, compliance and enterprise risk management systems, including: (i) related internal governance practices, resources and staffing; (ii) reviewing management’s assessment of key organizational risk exposures; (iii) reviewing the overall Statement of Internal Control in the financial statements; and (iv) identifying material weaknesses and related compliance issues, as well as corrective action plans.
  - (d) Anti-fraud and anti-corruption: the effectiveness of WHO’s established systems and of the measures taken by the Organization to prevent, detect and respond to fraud and corruption.

- (e) Financial statements: the integrity of WHO's audited financial statements, including social health insurance, and transmitting reports by the External Auditor to WHO management and the Executive Board, after having discussed with them the draft audited financial statements.
- (f) Accounting: the appropriateness of accounting policies, standards and disclosure practices, and any changes and risks in those policies; and changes to the Financial Regulations and Financial Rules.
- (g) External audit: the External Auditor's workplan and reports, including any comments for consideration by the External Auditor in the independent determination of the workplan and reports, and their coordination with the audit plan of the Office of Internal Oversight Services. The Committee may, upon request, provide advice to the World Health Assembly on the appointment of the External Auditor, covering, for example, the cost and scope of the services to be provided, External Auditor's fees, and extension of the audit work or additional work required of the External Auditor. The Committee may also monitor the timely, effective and appropriate implementation of all audit findings and recommendations of the External Auditor.
- (h) Values and ethics: the systems established by WHO to maintain and promote international civil service values and ethical principles, adherence to high standards of integrity and ethical conduct, and specifically, processes to manage individual conflicts of interest and retaliation.
- (i) Allegations of inappropriate activity: the process for handling and investigating significant allegations, including allegations against the Director-General.
- (j) Restrictions on the scope of oversight activities: any difficulties encountered by the External Auditor and the Office of Internal Oversight Services in the course of their oversight activities, such as restrictions on the scope of their work, access to required information or insufficient resources to fully carry out the work.
- (k) To conduct an annual self-assessment of its performance and report thereon through the Programme, Budget and Administration Committee to the Executive Board.
- (l) To prepare a report on its activities, conclusions and recommendations for submission by the Chair of the Committee through the Programme, Budget and Administration Committee to the Executive Board and World Health Assembly.

## **AUTHORITY**

5. The Committee shall have all the necessary authority to fulfil its responsibilities, including access to information, records, facilities and staff. The Committee shall receive the same access to privileged and confidential information as is afforded to the External Auditor under the Financial Regulations of the World Health Organization. Management shall provide updates to the Committee in a timely manner.
6. The Head of the Office of Internal Oversight Services, the Head of the Evaluation Unit, the Head of the Office of Compliance, Risk Management and Ethics and the External Auditor shall have unrestricted and confidential access to the Committee.
7. The Executive Board, the Director-General and the Committee shall take the necessary actions to ensure a periodic review of these terms of reference. Any proposed amendment shall be submitted through the Programme, Budget and Administration Committee to the Executive Board for approval.

8. The Committee, as an advisory body, has no management decision-making responsibility, executive authority or other operational responsibilities.
9. The Committee shall provide an open avenue of communication between it, the External Auditor, the Office of Internal Oversight Services, the Office of Compliance, Risk Management and Ethics, the Evaluation Unit and management, and shall meet separately with these parties at least annually.

## COMPOSITION AND SELECTION

10. 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 competencies and experience in senior positions in the areas covered by these terms of reference.
  - (b) Membership of the Committee shall be balanced, as far as is practicable, in terms of the presence of nationals of developed and developing countries, and members' public and private sector experience and gender. Due regard shall be paid to equitable geographical representation. There shall be no more than one member from any WHO Member State.
  - (c) 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. Members should have recent and relevant financial experience.
  - (d) The process for selection of members of the Committee shall involve a selection panel. A sitting member selected by the Committee shall advise the panel as necessary.
  - (e) 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.
  - (f) Since the role of the Committee is to provide objective advice, members shall remain independent of the Secretariat and the Executive Board, and shall be free of any real or perceived conflict of interest.
  - (g) Members of the Committee shall:
    - (i) not hold positions with companies that maintain a business relationship with WHO or otherwise engage in activities that might impair, or appear to impair, their independence in carrying out their functions as members of the Committee;
    - (ii) not currently be, or have been within the five years prior to appointment on the Committee, employed or engaged in any capacity by WHO or a WHO Executive Board delegation, or have an immediate family member working for, or having a contractual relationship with, WHO or a WHO Executive Board delegation;
    - (iii) not be eligible for any employment with WHO for at least five years immediately following the last day of his or her tenure on the Committee.

- (h) Committee members shall serve in their personal capacity and shall not seek or accept instructions in regard to their work on the Committee from any government or other authority internal or external to WHO.
- (i) All members will be required to sign a declaration of interest and a confidentiality agreement in accordance with WHO practice in this respect.
- (j) To undertake their role effectively, members of the Committee should collectively possess recent and relevant knowledge, skills and senior level experience in the following areas:
- (i) finance and financial reporting;
  - (ii) auditing, investigations and evaluation;
  - (iii) organization governance and accountability structures;
  - (iv) enterprise risk management and anti-fraud/anti-corruption;
  - (v) senior level management experience; and
  - (vi) the organization, structure and functioning of the United Nations system and/or other intergovernmental organization.
- (k) Members shall have or acquire an understanding of the objectives of WHO, its mission, governance and accountability structure and the rules governing it.

## **TERM OF OFFICE**

11. Members of the Committee shall be appointed for a term of three years, renewable for a second and final term of three years.
12. The Chair of the Committee shall be selected by its members for a period of two years. If the Chair is unable to attend the meeting, the members present shall elect an acting Chair.
13. A member of the Committee may resign his or her membership by giving notice in writing to the Executive Board and the Director-General.

## **ADMINISTRATIVE ARRANGEMENTS**

14. The following arrangements shall apply:
- (a) Members of the Committee will provide their services pro bono.
  - (b) Members of the Committee shall receive a daily subsistence allowance and shall be entitled to reimbursement of travel expenses to attend sessions in accordance with the WHO procedures applying to members of the Executive Board. Members of the Committee residing in the Canton of Geneva or neighbouring France shall be reimbursed reasonable costs for meals and other expenses while attending meetings.

- (c) The Committee shall meet at least three times per year. The exact number of meetings per year will depend on the agreed workload and the most appropriate timing for consideration of specific matters to be determined by the Committee. It may meet by videoconference or teleconference.
- (d) The Committee shall establish an annual workplan to ensure that its responsibilities and stated objectives for the period are effectively addressed. The workplan for the year shall be shared with the WHO Secretariat, and, through the Programme, Budget and Administration Committee, with the Executive Board.
- (e) The quorum for the Committee is three members. Generally, the Committee shall work on the basis of consensus. Where consensus cannot be reached, decisions shall be arrived at by a majority of the members taking part in a meeting.
- (f) The Director-General, the Chef de Cabinet, the Head of the Office of Internal Oversight Services, the Head of the Evaluation Unit, the Assistant Director-General for Business Operations, the Comptroller, the Head of the Office of Compliance, Risk Management and Ethics, or their representatives, shall attend meetings when invited by the Committee. Other WHO officials with functions relevant to the items on the agenda may likewise be invited. The External Auditor may also attend the meetings when invited by the Committee.
- (g) All confidential documents and information submitted to, or obtained by, the Committee shall remain confidential unless otherwise determined. Members of the Committee shall acknowledge this obligation in writing at the time of their appointment.
- (h) 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.
- (i) The Committee may obtain independent counsel or have recourse to other outside experts; related expenditures not covered by the Committee's budget shall be subject to the appropriate approval, through established procedures.
- (j) The Chair of the Committee may inform the Executive Board at any time of any serious governance issue which, in his or her view, requires attention.
- (k) Members of the Committee shall be held harmless in providing independent advice and will be indemnified from actions taken against them as a result of activities performed in the course of exercising their responsibilities as members of the Committee, as long as such activities are performed in good faith and with due diligence.
- (l) The WHO Secretariat shall provide Secretariat support to the Committee.
- (m) As part of onboarding activities, incoming members shall receive a comprehensive induction into WHO, similar to that arranged for new Executive Board Members prior to their first meeting.

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