



सत्यमेव जयते

**PROPOSAL FOR APPOINTMENT  
AS  
EXTERNAL AUDITOR  
OF THE  
WORLD HEALTH ORGANIZATION**

**FOR THE BIENNIA  
2004-2005 AND 2006-2007**

**SUBMITTED BY  
THE  
COMPTROLLER AND AUDITOR GENERAL  
OF INDIA**

**JANUARY 2003**

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**Introduction by the Comptroller and Auditor  
General of India**

I have the honour of presenting to the World Health Organization my formal proposal for the External Audit of the Organization. In this proposal I am providing the information requested by the World Health Organization of the United Nations vide its letter Ref: C.1 30. 2002 dated 4<sup>th</sup> September 2002 regarding the appointment of the External Auditor of WHO for the biennium 2004-2005 and 2006-2007. This proposal also covers the audit of International Agency for Research on Cancer (IARC) and the audit of Joint United Nations Programme on HIV/AIDS (UNAIDS).

I affirm my commitment to provide high quality, cost effective professional external audit services, if appointed the External Auditor. Our services will cover not only certification of financial accounts but also performance and management audits, focusing on the economy, efficiency and effectiveness of operations. I wish to highlight our special qualifications for the audit of WHO. India has been amongst the foremost beneficiaries of WHO's assistance programmes and projects in the health sector funded by WHO have been at the forefront of our efforts at social development. The WHO assisted projects in India are administered by both the Federal and the Provincial Governments. As sole auditors of both these agencies we have gained considerable experience in the audit of the health sector and possess familiarity with WHO operations. Our strong professional credentials and wide international audit experience as auditors of the UNO from 1993 to 1999 and currently as auditor of the FAO and IMO, as well as our membership of the Panel of External Auditors of the United Nations and its Specialised Agencies, offer WHO significant benefits in terms of effective and efficient external oversight. I would like to mention in conclusion that at its XVI Congress, held at Montevideo in November 1998, INTOSAI conferred its highest award i.e. the Jorg Kandutsch Award to my organization, in recognition of the professional expertise and contributions made by it.

I present this proposal to the World Health Organization of the United Nations for their favourable consideration.



**Vijayendra N. Kaul  
Comptroller and Auditor General of India**

**JANUARY 2003**

## **2. Curriculum Vitae of Mr. Vijayendra N. Kaul, Comptroller and Auditor General of India**

Mr. VIJAYENDRA N. KAUL (born 07.01.1943) has a Masters Degree in History, which he obtained in 1964 from St. Stephens' College, Delhi. He entered the Indian Administrative Service in 1965.

Mr. Kaul has wide experience of working in various capacities under both- the State Government of Madhya Pradesh (MP), as well as under the Government of India. His assignments under the State Government included stints as Secretary in the Departments of Commerce & Industry and Finance and also as Principal Secretary in the Home Department. His last assignment under the State Government was as Principal Secretary in the Department of Finance. He also held various charges in parastatal organizations under the State Government, including the charges of Chairman of the MP State Industries Development Corporation, MP State Export Corporation, MP State Finance Corporation and the MP State Electronics Development Corporation.

Mr. Kaul has held senior positions under the Government of India. These included two terms as Joint Secretary in the Ministry of Commerce. He has served on the Board of Governors of APEF and on the Board of Central Public Sector Companies. His main area of expertise is International Trade and Finance. As Secretary to Government of India, Mr. Kaul has served in the Ministries of Coal, Chemicals & Fertilizers and Petroleum & Natural Gas.

As an International Civil Servant, Mr. Kaul was seconded to the United Nations in 1991 and served for seven years as Advisor, Trade Policy for Asia-Pacific Region, UN-ESCAP at Bangkok with jurisdiction over the Asia-Pacific Region.

Mr. Kaul is also a fellow of the Economic Development Institute, World Bank and of the ODC University of Manchester, U.K. He has travelled widely and his hobbies include Bridge, Tennis and Golf.

Mr. Kaul took over as the Comptroller and Auditor General of India on 15 March 2002.

His responsibilities in the international arena include membership of the UN Panel of External Auditors and the Governing Board of the International Organization of Supreme Audit Institutions (INTOSAI). He also has the responsibility of steering the INTOSAI Standing Committee on IT Audit as its Chairman. He is also the Secretary General of the Asian Organization of Supreme Audit Institutions (ASOSAI).

Mr. Kaul has been appointed External Auditor of International Agencies such as the World Tourism Organization, Madrid, the International Centre for Genetic Engineering and Biotechnology (ICGEB), Trieste and the Organization for Prohibition of Chemical Weapons (OPCW), The Hague.

Among the specialized agencies in the UN system, he is responsible for the External Audit of the International Maritime Organization (IMO), London. He has been appointed the External Auditor to the Food and Agriculture Organization (FAO), Rome.

### 3. Profile of Key Audit Personnel

The Senior Personnel in our organization possess strong professional credentials. These are: -

- Initial appointment by nation-wide competitive examinations.
- Two year post recruitment training in areas such as accountancy, auditing, fiscal administration, revenue laws, commercial laws, information technology and management.
- Professional examinations.
- Periodic in service training, both in India and abroad.
- Training abroad includes Fellowship Programs in General Accounting Office of USA and the OAG of Canada; Information Technology Audit Training in UK; Post Graduate studies in UK and Australia in areas such as Management, Economics & Finance; World Bank and Asian Development Bank Funded Training in specialised fields.
- More than 100 of our senior personnel have experience in the audit of international organizations such as UN Headquarters, ECLAC, ESCAP, ISBA, UNHCR, UNEP, Habitat, INSTRAW, UNU, OPCW, ICGEB, IMO, FAO and WTO.

We would like to present profiles of a few of our senior personnel.

#### **Dr. K. Subramanian, Advisor (IT)**

- *Educational/Professional Qualifications:* Ph.D (Automation); B.E., M.E. in Electronics & Communications Engineering, fellow of IETE, National Telematics Forum, Indian Science Association, Indian Institute of Standards Engineers and Senior Member of IEEE (USA). Doctor of the Faculty & Life visiting Professor at Commonwealth Open University (COU).
- Mr. Subramanian served as a Panel member in some UN Technological Committees, as well as National and International Working Groups.
- His current interests are IT & BPR, IT & Management, IT & Education, e-Commerce, e-Governance, e-Audit, e-Security, Software Engineering, IT for Socio-Economic Development, Databases, Networking and Communication Technologies.

#### **Mr. G. Srinivas, Deputy Director of Audit**

- *Educational/Professional Qualifications:* Chartered Accountant and ICWA (Cost and Management Accountancy), Bachelor of Commerce, Information System Analyst and Professional Government Auditor.

- Mr. Srinivas joined the organization in 1997 and has more than 5 years of experience in the audit of the government sector.

**Mr. S.K. Jaiswal, Director of Audit**

- *Educational/Professional Qualifications:* Chartered Accountant, Company Secretary and Bachelor of Commerce. Professional Government Auditor.
- Mr. Jaiswal joined the organization in 1993 and has about 10 years of experience in the audit of the government sector.

**Mr. A.M. Bajaj, Director of Audit**

- *Educational/Professional Qualifications:* Chartered Accountant, Bachelor of Commerce with Honours. Trained in IT Audit in UK. Professional Government Auditor.
- He joined service in 1990. His assignments have included direction of audit of Public Enterprises owned by the Provincial Governments.
- He has been Principal and Director of one of our training institutes.

**Ms. Reema Prakash, Director of Audit**

- *Educational/Professional Qualifications:* Certified Information System Analyst (CISA). B.A (Economics) and MBA from Swinburne University, Melbourne, Australia. Professional Government Auditor.
- She joined the organization in 1992 and has audit experience in the government sector of over 10 years.

**Dr. (Ms.) Keerti Tewari, Director of Audit**

- *Educational/Professional Qualifications:* Certified Information System Analyst (CISA). Bachelor of Medicine & Bachelor of Science (MBBS) and MBA from Swinburne University, Melbourne, Australia. Professional Government Auditor.
- She joined the organization in 1992 and has over 10 years experience in audit in the government sector.

**Mr. S.K. Bahri, Principal Director of Audit**

- *Educational/Professional Qualifications:* Certified Government Financial Manager of the Association of Government Accountants, USA; Post Graduate in Economics. Professional Government Auditor.
- Mr. Bahri joined the organization in 1980 and has over 22 years of experience in the audit of the government sector. For two years, he was responsible for the Audit of the Indian missions in the Americas.

- He has also acquired significant external audit experience of international organizations, having audited the United Nations on four occasions where he specialised in the audit of procurements.

**Mr. K.S. Subramanian, Director of Audit**

- *Educational/Professional Qualifications:* ICWA (Cost and Management Accountancy), Graduate in Commerce and Post graduate in Law. Trained in IT Audit in UK, IDI Instructor Training Diploma. Professional Government Auditor.
- He joined service in 1990 and has wide experience of training in the areas of Computers and Computer Auditing.
- He is an IDI (INTOSAI Development Initiative) Certified Trainer and has acted as instructor in a large number of ASOSAI workshops.

**Mr. M.S. Subrahmanyam, Director of Audit**

- *Educational/Professional Qualifications:* Bachelor of Commerce, Company Secretary (Finance), ICWA (Cost & Management Accountancy) and Bachelor of Law. Professional Government Auditor
- He joined the organization in 1994 and has over 8 years experience in audit in the government sector.

**Mr. A.K. Awasthi, Principal Director of Audit**

- *Educational/Professional Qualifications:* ICWA (Cost and Management Accountancy), M.Sc. (Finance/Development Studies), Bachelor of Law, M.Sc. (Maths). He has fluency in English and working knowledge of French and Spanish. Professional Government Auditor.
- Mr. Awasthi joined the organization in 1975 and now has about 28 years of experience in auditing the government sector.
- He has also conducted audit of the United Nations leading three audit teams to UNHCR, Geneva and IMO, London.
- Mr. Awasthi has participated in the International Seminar on Environment Audit, Beijing, China.

**Dr. Biju Jacob, Director of Audit**

- *Educational/Professional Qualification:* Master of Business Administration (Finance Management). Bachelor of Medicine & Bachelor of Science (MBBS). Professional Government Auditor.
- He joined the organization in 1993 and has about 10 years experience in the government sector.



## **4. National and International Activities of the Comptroller and Auditor General of India**

### **4.1 National Activities:**

The Comptroller and Auditor General of India is the head of the Indian Audit and Accounts Department and occupies a unique position as a common functionary for both the Federal and Provincial Governments in India.

The Comptroller and Auditor General of India holds office as provided for in the Indian Constitution, to see that diverse authorities act in regard to all financial matters in accordance with the Constitution and the laws and rules framed under it. The Constitution of India, and the laws made thereunder, fully secure his independent functioning.

Being the most important instrument of accountability, the Comptroller and Auditor General of India is responsible for auditing the accounts of:

- All the Federal and Provincial Government departments and offices including departmental commercial undertakings such as Indian Railways and Post and Telecommunications.
- About 1450 public commercial enterprises controlled by the Federal and Provincial Governments.
- Around 400 non-commercial autonomous bodies and authorities controlled by the Federal and Provincial Governments.
- Over 4400 authorities and bodies substantially financed from Federal and Provincial Governments.

While he has sole discretion in determining the scope and extent of audit, and in reporting on the results of audit, he has promulgated a set of Auditing Standards (which are in line with the Auditing Standards issued by INTOSAI). These standards lay down the basic principles and practices which government auditors are expected to follow in the course of audit.

In order to ensure uniformity in government accounting, the Constitution stipulates that the accounts of both the Federal and Provincial Governments be kept in a form prescribed by the President of India on the advice of the Comptroller and Auditor General of India. By an act of Parliament, Comptroller and Auditor General of India is also authorised to prescribe general principles of government accounting, and broad principles of auditing receipts and expenditure. His deputy heads the Government Accounting Standards Board of India, which is composed of 13 members from various agencies of the Government of India and has a mandate to formulate and propose standards that improve the usefulness of financial reports based on the needs of the financial report users and keep the standards current. He is also represented on the Governing Council of the Institute of Chartered Accountants of India (ICAI), which is the leading professional body of auditors in the private sector in India.

The scope of audit conducted by the Comptroller and Auditor General of India covers:

- Financial and compliance audit, which includes audit against appropriations, and assessing compliance with applicable laws, rules and regulations;
- Propriety audit, which extends beyond scrutinising the mere formality of expenditure to its wisdom and economy and highlights cases of improper expenditure or waste of public money; and
- Efficiency-cum-Performance Audit, with a view to assessing whether Government programmes, projects and schemes have achieved the desired objectives at the lowest cost and given the intended benefits, covering the aspects of economy, efficiency and effectiveness.

The enormous expenditure incurred by the Federal and Provincial Governments relating to economic development and social welfare activities is audited by his organization. In the health sector alone, we audit expenditure, spanning a wide variety of schemes and projects, to the tune of US \$ 2 billion annually. The change in the character of the government and the complex nature of its activities have made it necessary for audit to evolve from a system of mere accounting and regularity checks to the complete evaluation of systems and end results of operations of the Government. We have thus developed substantial skills in the area of Performance Auditing in the health sector.

#### **4.2 International Activities:**

The Comptroller and Auditor General of India has wide spread experience in conducting international audits and plays a prominent role in the auditing profession, both at the regional level in Asia and at the international level.

##### **4.2.1 United Nations Board of Auditors and the Panel of External Auditors**

The Comptroller and Auditor General of India was a member of the Board of Auditors of the United Nations for six years from July 1993 to June 1999. As a member of the Board, the Comptroller and Auditor General of India was primarily responsible for the audit of:

- the United Nations Headquarters
- the United Nations High Commissioner for Refugees
- the United Nations Environment Programme
- the United Nations Habitat and Human Settlements Foundation
- Economic Commission of Asia and Pacific

- Economic Commission of Latin America and the Caribbean
- Peace keeping missions
- Iraq Oil Pool Account
- United Nations University

The reports of the Board, to which India had made significant contributions, received wide appreciation. In addition to the above, we conducted special studies of the following:

- Integrated Management Information System(IMIS)
- International Civil Service Commission System (ICSCS)
- The preparedness of UN for the year 2000 problem

By virtue of being external auditors of IMO and FAO, we are also members of the Panel of External Auditors of the United Nations and its Specialised Agencies and have contributed significantly to their deliberations and activities.

#### **4.2.2. Food and Agriculture Organization (FAO)**

The Comptroller and Auditor General of India has also been appointed as external auditor of FAO for a period of four years from year 2001 accounts to year 2004 accounts.

#### **4.2.3. International Maritime Organization (IMO)**

The Comptroller and Auditor General of India was elected as the external auditor for a period of four years with effect from year 2000 accounts to year 2003 accounts. By virtue of being the external auditor of the IMO, the Comptroller and Auditor General of India is the external auditor for the World Maritime University and the International Maritime Law Institute as well.

#### **4.2.4. International Centre for Genetic Engineering and Biotechnology (ICGEB)**

The ICGEB is an international organization of 47 countries, established as a two component Centre at Trieste (Italy) and New Delhi (India). The Comptroller and Auditor General of India was elected the external auditor of ICGEB for a three year term from 1996 to 1998 and was re-appointed for a further two terms of three years each from 1999 to 2001 and 2002-2004.

#### **4.2.5 Organization for Prohibition of Chemical Weapons (OPCW)**

The Comptroller and Auditor General of India was appointed in June 1997 as the first external auditor for the OPCW for a three year period. With re-appointment, this period was extended to a total of six years. The OPCW is

headquartered at The Hague and is mandated to supervise the convention on chemical weapons.

#### **4.2.6 International Organization of Supreme Audit Institutions (INTOSAI)**

The Comptroller and Auditor General of India has been an active member of INTOSAI. He is a member of the Governing Board of INTOSAI, and chairs INTOSAI's Standing Committee on IT Audit, which supports SAls in developing their knowledge and skills in the use and audit of information technology. He is a member of the various International Committees, Projects/Working Groups viz. INTOSAI Working Groups on Privatization, Environmental Auditing; International Institutions and Audit Frauds. He has made significant contributions to the INTOSAI Development Initiative (IDI).

#### **4.2.7 Asian Organisation of Supreme Audit Institutions (ASOSAI)**

The Comptroller and Auditor General of India occupies a pre-eminent position in the field of auditing in the Asian Region. He is a charter member of ASOSAI and hosted its first Assembly at New Delhi in May 1979 as well as its 6th Assembly in November 1994. He was Chairman of ASOSAI upto 1997 and is currently its Secretary General. He is also responsible for the Asian Journal of Government Audit published on behalf of ASOSAI since its inception in 1983.

The Comptroller and Auditor General of India has played a vital role in all the five research projects undertaken so far by ASOSAI. For the 6<sup>th</sup> Project, his office is again a member of the research team alongwith 3 other Supreme Audit Institutions. The CAG of India is also in the core group on the Audit of Fraud & Corruption which is a special ASOSAI project financed by ADB.

The Comptroller and Auditor General of India has hosted various training programmes sponsored by ASOSAI.

#### **4.2.8 Conferences of the Commonwealth Auditors' General**

The Comptroller and Auditor General of India has been participating actively in the triennial Conferences of Commonwealth Auditors' General by preparing and presenting lead and other country papers.

#### **4.2.9 International Training**

The Office of the Comptroller and Auditor General of India conducts International Training Programmes on a variety of auditing themes, for the benefit of Supreme Audit Institutions (SAI) from the Asian, African and Pacific regions. Since 1979, fifty five such programmes have been held, in which 1413 staff members from different countries have participated. It has provided faculty and speakers for various international and regional Seminars, Workshops and Training programmes.

### **4.3 Our Range of Expertise**

Our specialties that would be of considerable benefit to WHO therefore include the following:-

- An independent auditing authority with wide-ranging audit jurisdiction nationally.
- Considerable national experience of audit in the health sector.
- Proven ability both in Financial and Performance Audits.
- Abundant skills in frontier areas of auditing such as Computer auditing.
- Availability of a strong pool of audit professionals.
- Wide experience of auditing International Bodies such as United Nations, IMO, OPCW and ICGEB.
- Prominent player in the auditing profession both at the Regional level in Asia and at International level.
- Significant contribution to International Training and Research relating to auditing.

## **5. Audit Approach, Procedures and Standards**

### **5.1 Overall Audit Approach**

Audit fieldwork will be conducted at the Headquarters of WHO (Geneva) as well as its field offices. It is tentatively planned that we would cover WHO's Regional Offices at Copenhagen (Denmark), Manila (Philippines), New Delhi (India), Alexandria (Egypt), Washington (USA) and Harare (Zimbabwe). In addition we will conduct the audit of Joint United Nations Programme on UNAIDS, the International Agency for Research on Cancer (IARC) at Lyons and Onchocerciasis Control Programme (OCP) at Ouagadougou, Burkina Faso.

Audit resources will be devoted mainly to financial and compliance audits and performance and management audit with emphasis on Value for Money (VFM) audit in compliance with the requirements under Financial Regulation 12.3.

### **5.2 The Audit Teams**

The Comptroller and Auditor General of India would place one staff member, of the level of Senior Audit Director, designated as Director of External Audit (WHO) on a regular basis at Geneva. Audit teams to assist him would be sent from India for interim audits during the biennium and at the biennium end for final audits of UNAIDS, IARC and all the regional offices of WHO. UNAIDS will be audited at least once in the biennium by audit teams sent from India. The audit teams deployed for the audit of WHO Headquarters as well as its field offices would be supervised by the Director of External Audit (WHO) and would consist of a Senior Audit Director as team leader assisted by two members per team.

The efforts of the core teams as indicated above, will be supplemented, wherever necessary, with specialist resources in areas like audit of information systems and use of Computer Assisted Audit Techniques (CAATs) etc.

The Director of External Audit (WHO) would report directly to the Comptroller and Auditor General of India.

### **5.3 Audit Standards**

The Comptroller and Auditor General of India would perform the audit of WHO in full compliance with the WHO Financial Regulations and the Additional Terms of Reference governing the audit of WHO. He will take complete cognizance of the Organization's accounting principles and practices, and the United Nations System Accounting Standards.

For the audit of WHO, we would also take into account: -

- the Common Auditing Standards;
- the Auditing Standards of the International Organisation of Supreme Audit Institutions; and

- the Auditing Standards of the International Federation of Accountants;

## **5.4 Audit Methodology**

Audits will be carried out within a framework consisting of the stages of planning, conduct of audit in the field and reporting. As stated before, audit work will be closely supervised and managed by the Comptroller and Auditor General of India through the Director of External Audit.

### **5.4.1 Audit Planning**

The planning process for the audit would involve: -

- prioritisation of audit areas with reference to outlays, topical relevance as well as any specific areas indicated by the Executive Board and the Health Assembly in terms of Financial Regulation 12.5;
- evaluating the internal control environment, including internal audit and oversight services and deciding the extent of reliance thereon;
- based on the above, determining the nature and extent of substantive audit testing both at Headquarters and in Regional Offices; and
- Audit of country offices will be taken up on selective basis in consultation with Internal audit.

Each audit team will draw up an audit plan outlining the scope and objectives of the particular audit assignment, the areas of concern to audit, time frames for various activities and the exact job specification of each member of the audit team. Progress against the plan will be monitored in each case to ensure that the audit task is completed in an efficient and cost effective manner.

### **5.4.2 Audit Fieldwork**

Audit fieldwork will be performed with a view to obtaining assurance regarding the accuracy of the financial statements, compliance with rules, regulations and the intentions of the Governing Bodies, the adequacy of internal financial controls, and in general, the economy, efficiency and effectiveness of the administration and management of the Organisation. VFM studies will be taken on selective basis. This would involve collection of evidence through vouching of financial records both manual and computerised and examination of supporting documentation, analysis of trends and variations, interviews with key auditee staff etc.

The teams performing audit in the field will be provided specialist support for short periods through briefing sessions, workshops, seminars, training courses, and written guidance. Support in the use of IT audit methods and statistical techniques will also be provided by our core team of experts in these areas.

### **5.4.3 Audit Reporting**

While reporting the results of audit we will comply with all the requirements as stated in Financial Regulations 12.8 and 12.9 and in paras 5-10 of the Additional Terms of Reference governing the External Audit of the WHO.

The principal steps in the reporting stage would be:

- Preliminary audit findings will be brought to the notice of the WHO Director General for comments and observations;
- After taking into consideration the responses received from the Director General, as appropriate, the report of the external auditor will be transmitted through the Executive Board to World Health Assembly.

We will, while communicating audit findings, make constructive recommendations wherever appropriate. The issue of reports will be preceded by comprehensive discussions with senior management and adequate opportunity will be afforded to the management to respond to matters under observation.



## **6. Estimate of Auditor Work Months**

After a study of the Proposed Budget of WHO for the Financial Period 2004-2005 we have assessed the audit effort that would be required for auditing operations at Headquarters, including UNAIDS, IARC and OCP, the regional offices and country offices. As mentioned earlier in this proposal we propose to have a full-time Director of External Audit at WHO Headquarters. The audit at headquarters will be periodically supplemented by interim audits and final audits. The audit of Regional Offices, UNAIDS, IARC and OCP will be conducted at least once during the biennium. Based on this, we estimate that 87 auditor work months will be spent in conducting the audit of WHO every biennium.

## **7. Audit Fee**

We have assessed WHO's level of operations at Headquarters, including the audits of UNAIDS, IARC & the OCP and at its Regional Offices/ country office. Based on this we have computed an audit fee of US\$790,000 for the biennium 2004-2005 and US\$ 829,500 for the biennium 2006-2007. This fee covers our proposed audit operations at the levels mentions in the section related to the estimation of Auditor Work Months.

The fee quoted is based on the full recovery of costs incurred on audit and includes all travelling, secretarial and other ancillary costs as well as living expenses/per diem of the Audit Staff sent for audit work. No separate audit fee is charged. We understand that WHO will provide facilities such as office accommodation, telecommunications, photocopying and office supplies free of cost to the auditors and hence these have not been built into our costs.

## **8. Requests for information, access to audit working papers etc**

In making such requests, we will fully comply with para 3 of the Additional Terms of Reference Governing the External Audit of World Health Organization and Auditing Standard 14 of the Common Auditing Standards of the Panel of External Auditors of the UN and Specialised Agencies. The Auditing Standard states that:

*"Working papers will be prepared by the External Auditor in the course of Audit Examination which shall contain sufficient relevant audit evidence to support the conclusion, and include reference to the objective of audit, procedures followed tests performed, information obtained and conclusions reached. These working papers are the property of the auditor and are normally confidential to the audit staff. In the event of an audit assignment being transferred to another, the Auditor should provide sufficient information to facilitate a smooth handover to successor".*

We expect that if we are appointed the External Auditors, the outgoing auditor would comply with this Standard. We assure compliance on our part on completion of our tenure.

## **9. Information on our Special Strengths**

In this section of our proposal we would like to bring out our additional strengths that place us in an advantageous position with regard to the audit of WHO.

### **9.1 Well Trained Audit Professionals**

Our organization is staffed with a large pool of qualified personnel with professional degrees in accountancy like Chartered Accountancy (CA), Cost and Works Accountancy (ICWA), Certified Financial Analyst (CFA) etc. Audit personnel working in the organisation are given rigorous training on induction and their skills are continuously upgraded through higher level professional training and periodic tests and evaluations. This is achieved through a network of training institutes across the country which offer refresher and specialist courses. Audit staff are kept abreast, with the latest in the field of finance and audit through updated guides and manuals, audit bulletins and other journals. At the managerial level, we have officers who belong to one of the premier civil services of the country namely the "Indian Audit and Accounts Service". These officers receive professional training in areas such as accounts, audit, financial management, cost and management accountancy, management, quantitative techniques and IT. A significant number of our auditors are now equipped with the skills required for using IT Audit techniques and statistical techniques. During their service period, their knowledge and skills are regularly enhanced through specially designed training courses, workshops and seminars, held both within and outside the country.

### **9.2 Expertise in the Audit of Computerised Systems**

Besides a number of personnel with professional qualifications like CISA, we also have full time in-house computer expertise available to advise us on matters related to IT policy and software development.

The Comptroller and Auditor General of India is the Chairman of the IT Audit Committee of INTOSAI which is the apex organisation of Auditors General worldwide. The Chairmanship has been entrusted to India in view of its demonstrated proficiency in such audits.

In the national area, we have conducted several audits of computerised systems both in government departments and government enterprises.

In the international arena, we have audited the Integrated Management Information Systems of the United Nations on three occasions. Audit of UNHCR, with its own computerised "Financial Management and Information System," has been conducted by our audit teams.

Officers, both at the managerial and the supervisory level, have been trained in IT Audit techniques in the National Audit Office of the UK. Several officers have subsequently been trained in replicated courses in India. Consequently,

we have now a well trained pool of IT Audit practitioners. The Comptroller and Auditor General of India also conducts an International Training course on IT Audit, each year, for the staff of Supreme Audit Institutions of Africa, Asia and the Pacific Region.

### **9.3 Jorg Kandutsch Award**

At the XVI INCOSAI, the triennial congress of INTOSAI, the Comptroller and Auditor General of India was awarded the Jorg Kandutsch Award. The award has been instituted to recognise important achievements and contributions in the areas of:

- Organizational structure, development and implementation of new methods of work;
- Positive results achieved upon the introduction of well designed systems for auditing public revenues and expenditure; and
- Contributions or assistance rendered to other member states of INTOSAI.

This award symbolizes the recognition of professional expertise and contributions made by Comptroller and Auditor General of India.

### **9.4 Our Appreciation of WHO's Programme of Change and Renewal**

Our study of relevant documents and literature have helped us to gain an appreciation of WHO, its plans and its goals. WHO is engaged in activities, worldwide, with the ultimate objective of providing all peoples "the highest possible level of health". Over the years however, the challenges in the form of diseases such as HIV/AIDS, eradication of a wide variety of communicable diseases and the increasing cost of providing health care have placed considerable pressure on the resources of WHO. There is, therefore an urgent need to achieve efficiencies in operations and reorient budgetary allocations to reflect new priorities.

It is in this context of establishing and reinforcing accountability and efficiencies in WHO activities that we, if appointed as External Auditors, expect to provide critical assistance.

### **9.5 Special Capabilities for Audit of the Health Sector**

As a developing country, India has made significant investments in promoting healthcare, both through direct investment as well as investments in medical education and associated research. The State in India, both at the level of the Federal Government and the Provincial Governments plays a major role in provision of health care to the vast Indian population. In 2000-2001 (one financial year) the expenditure of the Federal Government on healthcare was US \$ 1.53 billion and that of Provincial Governments over US \$1.25 billion. As a sole auditor of these Governments, our organization has exclusive experience of and thorough insight into the management and issues involved in the provision of health care and the prevention and control of diseases. We also have an equal proficiency in the audit of associated organisations providing Medical Education and various centres and institutes carrying on

medical research and studies. Besides certifying accounts of the Health and Family Welfare Departments of both the Federal and the Provincial Governments, as part of the certification process of government accounts, and also of autonomous bodies financed by the governments, we regularly conduct performance audits on various Health and Family Welfare Schemes and programmes. Most of these audits are conducted on an all India basis.

Some examples of Performance Reviews conducted by us are as follows:

- Review of the "National Malaria Eradication Programme".
- Review of the "Family Welfare Programme".
- Review of the "National Cancer Control Programme".
- Review of the "National Disease Control Programme".

India has been a principal recipient of aid and assistance from the WHO. Most of this is devoted to health care programmes and schemes in the government sector. As sole auditors of the government, we have developed substantial expertise in the audit of the health sector and a strong understanding of WHO programmes and schemes.

#### **9.6 Expertise in Performance Auditing**

The Comptroller and Auditor General of India has been one of the earliest practitioners of performance auditing, dating back to the late 1950s. We have developed specialist expertise in performance auditing of several sectors, including agriculture, rural development, as well as scientific institutions. Our professional expertise in the areas listed above would be highly advantageous in the course of audit of WHO.

## **10. Conclusion**

The World Health Organization is an organization in pursuit of change and renewal, even as it braves the multiple challenges that face it. We believe that by providing efficient and cost effective services as external auditors, we will prove to be a partner and an ally of WHO.