

Report of the Internal Auditor

1. The Office of Internal Oversight Services transmits herewith its annual report for the calendar year 2015 for the information of the Health Assembly.
2. Rule XII of the Financial Rules – Internal Audit – establishes the mandate of the Office of Internal Oversight Services. Paragraph 112.3(e) of Rule XII requires the Office to submit a summary annual report to the Director-General on its activities, their orientation and scope, and on the implementation status of recommendations. It also states that this report shall be submitted to the Health Assembly, together with any comments deemed necessary.
3. The Office provides independent and objective assurance and advisory services, designed to add value to and improve the Organization's operations. Using a systematic and disciplined approach, it helps the Organization to accomplish its objectives by evaluating and improving the effectiveness of processes for risk management, control and governance. The Office is also responsible for conducting investigations of alleged wrongdoing.
4. The Office is authorized full, free and prompt access to all records, property, personnel, operations and functions within the Organization which, in its opinion, are relevant to the subject matter under review. No limitation was placed on the scope of the work of the Office during 2015.

OBJECTIVE AND SCOPE OF WORK

5. The Office views risk as the possibility of an event occurring that will influence the achievement of objectives. It assesses risk in terms of degree of impact and likelihood of occurrence. Methodical consideration of risk guides the Office's prioritization of activities and provides a basis for work planning.
6. The objective and scope of work of the Office is to evaluate whether the framework of processes for risk management, control and governance, as designed and implemented by the Organization's management, is adequate and functioning in a manner so as to achieve WHO's objectives. The Office assessed whether (a) risks were identified, analysed and mitigated; (b) financial, managerial and operating information was accurate, reliable and timely; (c) staff actions complied with WHO's regulations, rules, policies, standards and procedures; (d) resources were used efficiently and protected adequately; (e) programme objectives were achieved; and (f) the control process fostered quality and continuous improvement.
7. At the conclusion of each assignment, the Office prepared a detailed report and made recommendations to management designed to help to manage risk, maintain controls and implement effective governance within the Secretariat. Crucial issues identified during each assignment are summarized in this report. Annex 1 lists the reports issued by the Office under its 2015 plan of work, along with information on the status of implementation as at 8 March 2016.

8. In the Region of the Americas, the Office relies on the work performed by the Internal Evaluation Services of the Pan American Health Organization for the coverage of risk management, control and governance.

MANAGEMENT OF THE OFFICE

9. The Office, which reports directly to the Director-General, conducts its work in accordance with the International Standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors and adopted for use throughout the United Nations system.

10. In 2015, the Office has continued implementing plans designed to strengthen its capacity, in response to the concerns expressed by Member States, the External Auditor and the Independent Expert Oversight Advisory Committee. In this regard, one Information Technology Auditor and one Data Analyst Auditor joined the Office, respectively, in October and December 2015; an additional Investigator joined at the end of November 2015; and two technical officers from within the Organization were transferred to the Office in January 2016. Also, vacated posts (resulting from transfer, retirement and promotion of incumbents) have been advertised and selection of candidates is proceeding in order to complete the Office's team.

11. Available human resources are assigned in accordance with the priorities of the Office. High-risk situations developing unpredictably may divert human resources away from initial priorities. Accordingly, the Office prioritizes scheduled work and then adjusts the schedule in order to compensate for any unexpected assignments. During 2015, the Office also provided support to other entities and certain partnerships (e.g. the Joint United Nations Programme on HIV/AIDS (UNAIDS), the WHO Framework Convention on Tobacco Control, and the International Drug Purchase Facility (UNITAID)).

12. The budget of the Office is distributed between human resources, travel, consultancies and operating supplies, with a view to fulfilling the mandate of the Office. During the biennium 2014–2015, the Office covered all its expenses with the funding available. The Office continued to monitor its expenses closely, maintaining its efforts to reduce travel costs through efficiency measures and by conducting desk reviews from headquarters (using the information available in the Global Management System and the supporting documentation uploaded in the Enterprise Content Management system).

13. With a view to maximizing internal oversight coverage within available resources, the Office (a) continuously refines its risk assessment model so as to allocate its resources to the highest risk areas; (b) adapts its approaches to desk and operational audits; (c) uses short-form reports for operational compliance audits; and (d) has continued to develop the use of its audit software system to manage work papers electronically.

14. In relation to the initiatives to implement Organization-wide risk registers and internal control checklists, the Office recognizes that they were still works in process in 2015. The Office is, however, adapting its approach to report to stakeholders in line with the five components of the model issued by the Committee of Sponsoring Organizations of the Treadway Commission,¹ which has been adopted

¹ The model identifies the components as: the control environment; risk assessment; control activities; information and communication; and monitoring.

by WHO as the basis for its accountability framework. The use of this model will permit greater alignment in the reporting of assurance across the “three lines of defence”, from management’s assertions on internal control to internal audit findings. Regarding the risk assessment for 2016, it should be noted that the preparation of the Office’s plan of work for 2016 has been based on its assessment of the risks.

15. The Office maintains regular contact with the Organization’s External Auditor in order to coordinate audit work and avoid overlap in coverage. It provides the External Auditor with a copy of all internal audit reports. It also provides copies of internal audit reports to the Independent Expert Oversight Advisory Committee and participates in the Committee’s meetings in order to maintain an open dialogue with its members and implement their guidance and recommendations. The Office maintains a secure external web-based platform to facilitate remote access by Member States, which can view audit reports on request.

AUDITS

Integrated audits

16. The objective of integrated audits is to assess: the performance of WHO at the country level in achieving the expected results as stated in the country plans; the contribution of WHO towards improving health outcomes in the countries; and the operational capacity of the country offices to support the achievement of results.

17. **Containment of the 2014 Ebola virus disease in West Africa – operational support to affected countries.** The Office carried out a performance audit of WHO’s support to operations (i.e. the core services) to contain the outbreak of 2014 Ebola virus disease in the most affected countries. Overall, the audit found that the support related to the enabling functions initially was unsatisfactory, as the staff required were not reassigned in a timely and effective manner. The enabling functions team was not fully functional until January 2015. From September 2014 onwards, these functions were created and structured, and their efficiency and effectiveness gradually improved. On the one hand, the audit recognized the considerable progress made by the Secretariat in the handling of the response to the outbreak in increasing scaling-up the effectiveness of the core services supporting the operations and the institutional achievements when the Secretariat was confronted with the need to assume non-traditional supporting roles as the provider of last resort. The audit also acknowledged the multiple efforts undertaken to address governance and other issues in WHO’s work in emergencies to which the Secretariat committed itself at the 136th session of the Executive Board in January 2015. At the same time, the audit identified significant risks and compliance issues that needed resolving without delay, including operational improvements in the specific areas of budgeting and planning (needs assessment and work plan development), finance (Imprest and cash advances), travel (processing of travel claims), and logistics (fleet management). In this context, the development of adequate and dedicated standard operating procedures is crucial for WHO’s future work in emergencies.

18. The audit also found that the organizational structure lacked a clear delegation of authority and definition of roles and responsibilities for decision-making. Key information systems (sourcing, recruiting and deploying people) were also missing and the development of ad hoc systems has neither been economic nor resulted in sustainable solutions. These matters were reported with the view that they be taken forward in the wider context of WHO’s reform of its work in emergencies. The audit also identified broader managerial issues related to WHO’s work in emergencies, notably: in the adoption of

risk-based approaches to guide the political and strategic decisions of the Secretariat; reinforcement of the culture of zero tolerance to deviation in the application and compliance of WHO's rules and regulations; coordination of resource mobilization, planning and management across the three levels of WHO, and the systematic assessment of performance of staff and consultants; and analysis of mission reports to foster continuous improvement in operations and institutionalize best practices.

Operational audits

19. The objective of operational audits is to assess: the risk management and control processes in the finance and administration areas with respect to the integrity of financial and managerial information; efficiency and economy in the use of resources; compliance with WHO regulations, policies and procedures; and the safeguarding of assets.

Cross-cutting areas

20. **Agreements for Performance of Work at headquarters.** The objective of the audit was to assess the effectiveness of the governance, risk management and control processes for this modality for the engagement of external services. The overall conclusion, based on the audit work, is that controls over processes relating to Agreements for Performance of Work are partially satisfactory to mitigate key risks. To reduce areas of high residual risks, significant improvements are still needed to strengthen: the competitive bidding process and justifications for sole sourcing; Global Management System workflow-approval configuration for service purchase requisitions; requirements for compliance reviews (including responsibilities for such reviews) of service requisitions; monitoring of transactions and reporting on deficiencies; and external disclosure of key procurement information. The audit noted that management is in the process of implementing several initiatives designed to resolve the issues identified in previous procurement reviews, such as: the implementation of the new procurement strategy; the creation and filling of a new position of Chief, Procurement Policy and Strategic Direction, to be in charge of the global procurement policy setting at WHO; the reporting results and statistics on non-compliance by the Contract Review Committee at headquarters; a review of the guidance on non-staff contracts (consultants and Agreements for Performance of Work); and the granting of the Global Management System procurement requestor role only to qualifying staff.

21. In the context of the implementation of the new internal control framework, the audit highlights the need to further harmonize practices across the Organization (headquarters and regional offices) in relation with checklists covering the steps taken before entering data into the Global Management System, approval workflows, quality assurance procedures, and monitoring reports. At most regional offices, compliance unit staff carry out a review or test function for Agreements for Performance of Work on a sample and/or analytical basis, providing a second line of defence; however, at headquarters, this function has not been assigned to a specific unit or role. The Office is concerned that the weaknesses identified in this audit are pervasive, and therefore timely progress on the planned management initiatives is necessary if a satisfactory internal control environment over the processing of Agreements for Performance of Work is to be achieved.

22. **eImprest system.** The objective of the audit was to assess the risk management and control processes of WHO's eImprest system, with respect to the effectiveness of the operating procedures; compliance with WHO's regulations, rules, policies and procedures; and integrity and reliability of accounting records and information. Based on the audit work performed, the risk management and controls regarding the operation of the WHO eImprest system were found to be partially satisfactory, requiring improvements to mitigate high residual risks of inaccurate bank reconciliations and inadequate reporting of reconciling items in order to provide reasonable assurance for the safeguarding

of monetary assets in eImprest bank accounts. Specifically, there were inherent systems limitations in the areas of the access rights to enable the segregation of duties between recording eImprest transactions and preparing bank reconciliations, and the detection of inaccurate bank reconciliations. Other areas reviewed provided reasonable assurance that they were operating effectively as they had moderate levels of residual risk. Nevertheless, the Office commends the headquarters Department of Finance, Directors of Administration and Finance at regional offices and the Global Service Centre for their control and monitoring efforts in mitigating the inherent risks of the complex interfaces of the eImprest system with the other modules in the Global Management System environment.

On-site audits

23. **Regional Office for Europe.** The objective of the audit was to assess the effectiveness of the governance, risk management and control processes of the Regional Office's Division of Administration and Finance. Overall, the audit found that the controls implemented to mitigate the key risks were satisfactory. The main issues identified for which improvement in the control environment was required were: (a) for procurement of services, although the Regional Office was performing ex-ante checks, there was no procedure in place to review the completeness and adequacy of deliverables – in addition, the compliance procedures in place did not include checks for contracts that were overlapping or fragmented (in order to circumvent delegation of authority); (b) for procurement of goods, the criteria for the evaluation of bids were neither adequately established in advance and nor adhered to during contract selection. In relation to monitoring activities, the creation of the compliance function in 2011 significantly improved the assurance provided by the "second line of defence". Although the mandate and terms of reference of the Regional Office's compliance function were established in 2011, the reporting line to, as well as coordination with, the Global Service Centre, headquarters and/or other regional compliance units on its role as the second line of defence would benefit from clarity of workplans and work performed, in order to ensure a harmonized approach. The audit also identified several good practices that the Office considers would be beneficial to share with other regions: (a) the Regional Office for Europe publishes monthly reports for the executive management committee, with detailed information on the achievement of results, budget, resources (including the salary-financing situation), award management and compliance; and (b) the Regional Office's Finance, Compliance and Procurement Unit has introduced a communication structure with focal points in each technical unit as well as country offices and holds regular meetings with the group. This mechanism has a positive impact as a systemic feedback channel on the compliance issues identified.

24. **Regional Office for Africa.** The objective of the audit was to assess the effectiveness of the governance, risk management and control processes of the Regional Office's General Management Cluster. Overall, the audit observed improvements in controls when comparing the current state to that of the previous audit conducted in 2011, however it found that the controls to mitigate the key risks were unsatisfactory. Significant improvements were noted in the areas of eImprest reconciliations, follow-up and monitoring of direct financial cooperation and direct implementation activities. The main issue identified in relation to the control environment was that the roles and responsibilities between the units in the General Management Cluster, the management service units and the intercountry support units were not clearly established, creating gaps and duplication of controls. In relation to control activities, the following issues were noted: (a) there were major weaknesses in the controls over goods procurement, resulting in a significant risk of fraud, and failure to demonstrate that procurement represents good value for money; (b) regarding procurement of services, compliance with WHO's rules, regulations and procedures was not consistently observed in relation to requests for bids and sealed procedures for high-value procurement; (c) the Regional Office did not formally review and document, on a sample basis, the direct implementation activity reports accounted for by country offices as received, which increases the risk of undetected misuse of funds; (d) assurance

activities of direct financial cooperation were not consistently performed and there were contractual partners with overdue technical and financial reports, which can lead to a loss of funds or to irregularities not being detected on time; (e) there were significant weaknesses in the controls over the management of fixed assets, leading to a high risk of theft or loss. The audit found that many of the issues resulted from an incomplete or ineffective supervisory monitoring or review of transactions initiated by the Regional Office's technical units or country office staff. Strengthening the culture of effective quality assurance functions at the Regional Office should help to identify deficiencies and errors in documentation supporting the transactions processed and reinforce responsibility for compliance with WHO's rules, regulations and procedures at the source of the process (e.g. procurement transactions). Finally, the audit noted that the Regional Office had not fully implemented seven of the recommendations contained in the 2011 audit report and recurring weaknesses were found to exist in the areas of procurement, fixed assets and awards. However, feedback received on the audit report suggested that the Regional Office was actively in the process of implementing, or had already implemented, recommendations in most of the areas.

25. Regional Office for the Western Pacific. The objective of the audit was to assess the effectiveness of the governance, risk management and control processes of the Regional Office's Division of Administration and Finance. Overall, the audit found that the controls implemented to mitigate the key risks were satisfactory. The main issues identified in the control environment were related to (a) procurement of services, for which there was no procedure in place to ensure the systematic review of the completeness and adequacy of contract deliverables – in addition, the compliance procedures did not include periodic checks for overlapping or “split” contracts (to circumvent the limits of the delegation of authority); (b) procurement of goods – approval from the Director of Administration and Finance was absent for reimbursable procurements, and there was no mechanism to track the delivery of goods received by country offices; (c) the registered assets report in the Global Management System did not include all the assets in use at the Regional Office and information relating to existing assets was not complete. In relation to the monitoring environment, the audit commented that a compliance function was created in November 2015 with terms of reference that include both administration/finance and programme implementation, enabling a close cooperation with the Director of Administration and Finance and the Director of Programme Management. However, it was recommended that coordination with the Global Service Centre, the headquarters Office of Compliance, Risk Management and Ethics, and/or regional compliance units on its role as a second line of defence, needed to be strengthened to ensure a harmonized approach that focuses on the highest risk areas. The existing inventory management system did not include expiry date information and there was no periodic review of the condition of the inventories. On the other hand, the audit also identified several good practices that the Office considers would be beneficial to share with other regions: (a) the establishment of two regional networks for programme management officers and programme and administrative officers, which allow information sharing and ensure a consistent application of best practices; and (b) the Regional Office's travel unit reviews all ticket quotes for quality control of international travel.

26. Country Office, Manila, Philippines. The objective of the audit was to assess the risk management and control processes in the administration and finance areas. In addition to the standard audit methodology used for country offices, the audit reviewed the Country Office's emergency operating procedures for administrative and logistical support. The audit rated the overall effectiveness of risk management and control processes in the administration and finance areas as satisfactory. Improvements were noted in internal controls when comparing the post-emergency state to that of the situation during and immediately after the emergency phase of Typhoon Haiyan. In relation to emergency procedures, the Office found that, because of the difficulty in fully implementing the existing Emergency Response Framework and the Emergency Standard Operating Procedures, new systems were created in parallel to existing corporate structures rather than building on them.

Specifically, at the beginning of the emergency phase, it was noticed that the Country Office was overwhelmed with the scale of administrative and logistical support required and was only able to catch up gradually after significant additional human resources as well as local information systems to track and follow up were in place. However, the audit noted that these information systems required a parallel manual input of data and follow-up, as integration to existing corporate systems (such as the Global Management System) and automation were minimal. It was also noted that resources from the Country Office as well as from the Regional Office for the Western Pacific were subsequently dedicated to the clean-up of the consequences of the weaknesses in administrative procedures in the first instance. These post facto efforts alleviated many of the weaknesses identified when testing transactions processed during the emergency phase. However, the Office was concerned that the level of maturity achieved might not be sustainable if the revised practices are not properly documented and sufficient resources not made available on a continuing basis. Therefore, preparedness needs to be reinforced with the establishment of clear plans for scale-up and scale-down of administrative and logistic support in case of new emergencies. For example, mobility and subsequent change of international staff at the Country Office could cause the accumulated knowledge for emergency response in the Philippines context to be lost.

27. **Country Office, Abuja, Nigeria.** The objective of the audit was to assess the risk and control processes in place at the Country Office in the area of administration and finance. The Country Office operates in a complex context; for example, the security situation in the main areas concerned by the polio eradication programme is challenging. The audit concluded that the controls implemented to mitigate key risks were partially satisfactory. The current management of the Country Office has taken considerable actions to improve internal controls since 2013, and the main expenditure item (the direct disbursement mechanism used for implementation of the polio eradication campaign) is considered to be adequately controlled. However, there were other significant areas with high residual risk, such as fixed assets, inventory, eImprest, direct implementation (other than direct disbursements) and physical security, which required immediate attention.

28. **Country Office, Nairobi, Kenya.** The objective of the audit was to assess the effectiveness of the governance, risk management and control processes applied in the administration and finance. Overall, the audit observed improvements in internal controls compared to the situation during the previous audit conducted in 2011 and the review by the Compliance Team of the Regional Office for Africa in 2014. This current audit found that the controls implemented to mitigate the key risks that existed during the period under review were partially satisfactory. Improvements were noted in the areas of procurement, fixed assets, and monitoring of direct financial cooperation and direct implementation activities. Issues with high residual risk related to assurance activities on direct financial cooperation (representing 72% of the non-staff expenditures) which were not consistently performed and documented, and could lead to loss of funds or irregularities not being detected in a timely manner. In mid-2015, the Country Office strengthened reviews of supporting documentation for direct financial cooperation agreements; however, the results of the review were not documented and no details were available regarding the sampling approach, nature, extent, timing and documentation of the review, nor on the process for providing feedback and improvement action plans. The audit also found contractual partners with overdue technical and financial reports. Finally, new implementing partners were not assessed before direct financial cooperation funds were transferred to them. It was proposed that the Regional Office's Compliance Team should provide assistance to implement some of the audit recommendations, in particular relating to direct financial cooperation. On the other hand, the audit also identified several good practices, including the local Contract Review Committee and the local Selection Committee, both of which were operating effectively; the United Nations training on procurement undertaken by staff members in the Country Office involved in procurement; the implementation of the "M-Pesa" payment system, which allows

payments to be made directly to meeting participants through their mobile phones; and the successful mobilization of resources at the local level. The feedback received on the draft audit report suggested that the Country Office was actively involved in the process of implementing, or had already implemented, recommendations in most of the areas.

29. **Country Office, Dhaka, Bangladesh.** The audit found that the overall operational effectiveness of internal controls in the administration and finance areas at the Country Office was partially satisfactory. There were three main areas with a high level of residual risk. The lack of competition in the procurement of goods and services may prevent the Organization from obtaining best value for money. For some employees, no secondment agreement has been signed between the Country Office, the Government and the staff members concerned. The Office is concerned about the potential conflicts of interests that this situation could involve. The audit also found that assurance activities were not consistently performed for direct financial cooperation activities, which increases the risk of funds not being used for the intended purpose, leading to increased risk of programmatic objectives not being met.

30. **Technical Service Agreements of the Special Programme of Research, Development and Research Training in Human Reproduction.** The purpose of the audit was to review the compliance with WHO's procedures and with the terms and conditions of this type of agreement; the reliability and integrity of the financial information; and the adequacy of the supporting documentation. Overall, the Special Programme complies with WHO's procedures on the issuance of Technical Services Agreements and, for the selected contractors, systems and structures are in place and were found to be satisfactory to ensure institutional accountability. The assessment of the extent of reliance that can be placed on the institutional systems and structures that are conducive to institutional accountability did not give rise to any specific concerns. However, a review of the expenditure incurred under the various agreements revealed that some improvements were needed for certain Technical Services Agreements regarding the eligibility of certain indirect overhead expenses charged under the agreement.

Desk reviews

31. Operational audits were also performed in the form of desk reviews carried out from headquarters (not involving travel on site), using data available from the Global Management System and supporting documentation uploaded in the Records Management System and the Enterprise Content Management system.

32. **Office of the WHO Representative for the South Pacific and Division of Pacific Technical Support in Suva, Fiji.** The Office of the WHO Representative for the South Pacific administers, oversees and supports WHO's programmatic activities directly in nine Pacific Island countries while the Division of Pacific Technical Support coordinates intercountry support programmes and ensures that necessary technical support can be provided wherever needed within the geographical Pacific region. The objective of the audit was to assess the risk and control processes in the administration and finance areas. The overall operational effectiveness of controls was found to be partially satisfactory, mainly on account of weaknesses in direct financial cooperation and procurement activities. In relation to direct financial cooperation, the ineffective monitoring of timely receipt and review of technical and financial reports resulted in the inability to withhold new payments to beneficiaries having overdue reports. Weaknesses in procurement related to compliance issues regarding the approval of proposals supporting purchase requisitions. The Office of the WHO Representative for the South Pacific has demonstrated that suitable actions have been taken to implement all the recommendations and the audit was closed in early January 2016.

33. **Country Office, Amman, Jordan.** The objective of the audit was to assess the risk management and control processes in the administration and finance areas. The audit concluded that the overall effectiveness of risk management and control processes was partially satisfactory. Critical issues with a high level of residual risk requiring the attention of the Country Office management related to weaknesses in monitoring service contract deliverables, implementing direct financial cooperation, and approving eImprest payments. Specifically, the audit noted that (a) financial and technical reports and contractual deliverables for service contracts were not consistently received and/or reviewed to ensure compliance with contractual terms; (b) there were retroactive direct financial cooperation transactions for which WHO reimbursed the Government of Jordan for the programmes initiated without pre-established agreements, and some direct financial cooperation agreements were not supported by proposals from the Government; (c) payments in excess of US\$ 2500 and payments to third parties were processed without the exceptional approval from the Director of Administration and Finance. During the audit period, the Country Office took action on several issues and made noticeable improvements, and had progressed with the implementation of recommendations in most cases.

34. **Country Office, Khartoum, Sudan.** The objective of the audit was to assess the risk management, governance and control processes applied in the administration and finance areas. The audit recognized that the operating environment in Sudan was difficult, but nevertheless rated the overall effectiveness of internal controls in the areas of security, human resources and Special Services Agreements, programme implementation and awards, as unsatisfactory. Minimum Operating Security Standards assessments were not available for 17 locations in Sudan and the recommendations highlighted for the two remaining locations had not been implemented. Recruitments did not comply with WHO's selection procedures, and Special Service Agreement holders had not been selected through a competitive process. In the area of programme implementation, the approval of the Regional Director for the Eastern Mediterranean had not been obtained for 28% of the sampled direct financial cooperation agreements, which had been signed with institutions that had overdue reports. The audit noted one purchase order issued to an institution with overdue reports, despite the Regional Director having instructed the Country Office not to do so. Furthermore, the audit found many deliverables receipted in the Global Management System after the contractual date of the Direct Financial Cooperation Agreement, the Letter of Agreement or the Agreement for Performance of Work. Finally, Letters of Agreement were granted without a review mechanism. With respect to awards, the audit noted one instance where the signed agreement was not available. In addition, the audit noted five cases where approval of the Legal Counsel had not been obtained for non-standard agreements; and six donor agreements for which approval from the Director of Administration and Finance could not be evidenced. However, with a new WHO Representative and Administrative Officer recently appointed, and in view of the express commitment made by the Regional Director for the Eastern Mediterranean to improve the control environment, it is expected that significant improvements in internal control will materialize in the near future.

35. **Country Office, Johannesburg, South Africa.** The objective of the audit was to assess the risk management and control processes in the administration and finance areas. The audit concluded that the overall effectiveness of risk management and control processes was satisfactory. Control deficiencies, requiring timely attention by management, were as follows: (a) lack of comprehensive documentation of procurement decisions in the adjudication report; (b) lack of segregation of duties in the eImprest process; (c) lack of documentation of justification for the use of direct implementation; (d) delay in the receipt of final service deliverables and final payments were made to contractors before the reports were finalized; (e) delayed initiation and approval of Performance Management and Development System reports for temporary staff members; (f) reference check documents for recruitments not available; and (g) the country office location did not comply with Minimum Operating Security Standards.

36. **Country Office in Iraq.** The objective of the audit was to assess the risk and control processes in place in the area of administration and finance. The audit rated the overall effectiveness of internal controls in this area as partially satisfactory. This was notably attributable to the difficult operating environment in the country, which causes daily challenges for the operations of the Country Office. The main weaknesses with a high level of residual risk were as follows: (a) there were no formal agreements in place for direct financial cooperation and, when the activities were executed, the agreements were signed by the parties post facto; (b) the Country Office did not have file servers and had no backups of the its data; (c) no physical verification of fixed assets was performed in Baghdad and four field offices and, consequently, the fixed assets register was not up to date; (d) disposals were made during the audit period and it could not be ascertained from the records what fixed assets had been disposed of, and no copy of the Property Survey Committee approval for the disposals had been received; (e) donor reporting requirements were not completely complied with and requests for amendments of agreements were submitted late; and (f) supporting documentation in the Enterprise Content Management system was incomplete for direct financial cooperation, purchase orders for goods, eImprest, and travel claims as judged from a review of selected samples.

INVESTIGATIONS

37. The number of reports of concern of suspected wrongdoing officially reported in 2014 increased by 50% over the average volume for the previous biennium. Furthermore, 2015 saw an increase of 66% in the demands for investigation of suspected wrongdoing, with the number of reported concerns increasing to 83, compared to 50 in 2014. This situation, despite the best efforts to engage temporary external consultants and the recruitment of a fixed-term P4 investigator, has resulted in a backlog of cases at 31 December 2015: 31 cases were in progress and 54 were awaiting consideration. Therefore, additional temporary resources are in the process of being recruited for 2016 in order to provide a surge capacity in the short term to strengthen capacity to deal with the backlog as soon as possible. Processing of reports of concern of suspected wrongdoing within six months from the date of receipt was achieved for 90% and 95% of the matters in 2014 and 2015, respectively. The Table provides figures on the reports of concerns reported in 2014 and 2015, and the following paragraphs summarize the investigation reports issued for the period.

Table. Summary of reports of concern, by type, for the period 2014–2015

Types of reports of concerns	2014	2015
Fraud	20	24
Harassment	17	22
Failure to comply with professional standards	6	15
Recruitment irregularity	0	7
Corruption	3	8
Retaliation	1	2
Sexual harassment	1	2
Other	2	3
Total	50	83

38. The Office issued 11 reports and memoranda and closed 19 cases by other means in 2015. The following paragraphs provide slightly-redacted details of the investigation reports issued by the Office

since its previous annual report, in 2015.¹ Even though the Office may have completed its investigation, any disciplinary (or other) necessary measures may still be under consideration by the responsible departments/offices.

39. **At headquarters.** In January 2014, the Office received a complaint of alleged travel fraud at headquarters. Specifically, it was alleged that the travel of a medical officer had been approved by her supervisor and reimbursed by the Organization through a travel claim, although the trip was of a personal nature. It was further alleged that the supervisor had accompanied the medical officer for this personal trip, also at the expense of the Organization. The Office reviewed relevant travel documents and conducted interviews and found no evidence to support the allegation of fraud regarding this travel, and accordingly closed the matter.

40. **At headquarters.** In May 2015, the Office received a complaint containing several allegations of wrongdoing in a department at headquarters. It was alleged, *inter alia*, that the department contracted a company under an Agreement for Performance of Work and the company was allegedly owned and founded by a recently hired temporary staff member working in the same department, thereby representing a potential failure to disclose an outside activity. Although the allegations were not substantiated, it was concluded that the department's Director should have been more circumspect with regard to the appointment of staff and consultants and the award of contracts. The Office recommended that the investigative findings be reviewed to determine the appropriate administrative action to be taken.

41. **At headquarters.** In May 2015, the Office received a complaint of sexual harassment from an employee of a WHO implementing partner against a staff member, who was the direct supervisor. Specifically, the complainant alleged that, while working as a consultant at WHO headquarters, the external employee was sexually harassed by the supervisor through behaviour, text messages and words, on several occasions and in various locations. The Office carried out an investigation of the allegations and found that, although certain events in the complainant's statement did take place, in the absence of independent witnesses and/or documentary evidence, the investigation could only reasonably conclude that there was no independent evidence corroborating that the complainant had been sexually harassed by the WHO staff member.

42. During the course of the investigation, an additional allegation was made by the same employee of the WHO implementing partner against the WHO staff member, relating to breach of confidentiality. It was alleged that the staff member communicated with another employee of the implementing partner, enquiring about the allegations made, just after the staff member was interviewed by the Office in September 2015. The Office found evidence that the staff member indeed contacted a colleague of the complainant and initiated a discussion of the allegations raised against the staff member. However, the staff member claimed that the name of the complainant was not specifically mentioned. The Office concluded that the available evidence supported the fact that the staff member breached the provisions of the undertaking of confidentiality which was signed during the investigation and that the staff member could be considered as having failed to discharge their functions and regulate their conduct with the interests of WHO only in view. The Office recommended that the investigative report be reviewed to determine whether administrative and/or disciplinary action should be taken.

¹ Document A68/42.

43. **At a country office.** In December 2014, the Office received from the headquarters Board of Appeal a memorandum transmitting the harassment aspects of the appeal filed by a former staff member of a Country Office against a WHO Representative and two other staff members. The harassment complaint included the following allegations: (a) irregularity in recruitment for a post for which the complainant applied, by alteration of the selection interview results and subsequent abolition of the complainant's post; (b) unauthorized monitoring of email and telephone communications; and (c) refusal to complete the complainant's annual Performance Management and Development System report. The Office carried out an investigation and concluded that the three allegations were unsubstantiated.

44. **At a country office.** The Office was informed of allegations published in the international media that a WHO Representative was mistreating a domestic worker. The investigation showed that the Representative: (a) did not have adequate documentation with respect to the payment of salary and terms and conditions of employment of the domestic worker and was therefore not able to ensure compliance with local laws, and (b) did not take sufficient action to protect the Organization's reputation as neither the Regional Office nor the Office of the Legal Counsel was informed in a timely manner about the allegations made against the WHO Representative who, in doing so, exposed the Organization to a significant reputational risk. The Office recommended that the investigative findings be reviewed to determine the appropriate administrative and/or disciplinary action to be taken. The Office has been informed that disciplinary action was taken against the WHO Representative.¹

45. **At a country office.** In April 2015, the Office was informed of allegations of misconduct involving a WHO Representative, including abuse of authority and mismanagement of WHO resources. It was found that the WHO Representative arranged for the son of a friend to be on WHO premises, ostensibly as an intern, even though the WHO Representative had requested but had not obtained exceptional approval from the Regional Director. This individual was not of the required age or did not have the experience to comply with WHO's internship requirements and was without a contract. The WHO Representative was also found to have misused WHO resources by: (a) using an official WHO car and driver to run personal errands for the WHO Representative, family members and other persons; (b) requesting WHO staff members to make personal flight and hotel reservations for the WHO Representative and family members; (c) including a personal acquaintance on the shortlist for a WHO post when the Selection Committee did not consider the individual to be qualified for the position. The Office recommended that the investigative findings be reviewed to determine the appropriate administrative and/or disciplinary action to be taken. The Office has been informed that disciplinary action was taken against the WHO Representative.

46. **At a country office.** In May 2014, the Office received a complaint from a consultant reassigned from an implementing partner to a WHO country office. The consultant alleged that the team leader (medical officer) at the country office terminated his contract because of ill health, without prior notification. He further alleged that during the discussion regarding the termination of his consultancy, the team leader had shouted at him and threatened him, and that, consequent to the termination of his consultancy with WHO and the negative feedback provided to the implementing partner, his career had been severely sabotaged. These allegations of wrongful termination of consultancy and the negative consequences for future employment were subject to a review by the WHO Ombudsman and the Human Resources Department. The Office carried out an investigation to

¹ The national authorities ultimately stated that, following their enquiries, it was decided not to prosecute the WHO Representative concerning this matter.

establish the facts and present the evidence gathered. The investigation showed that the consultant became sick a few days after his deployment and his assignment was ended on medical grounds. There was no independent testimonial or documentary evidence available to support the allegation that the consultant had been shouted at or threatened. Also, there was no evidence to support the claim that the information relayed to the implementing partner by WHO hampered the consultant's future assignments and/or employment with the implementing partner or with WHO.

47. **At a country office.** The Office reviewed an investigation report prepared by another United Nations entity regarding alleged misconduct by a Field Security Officer at a WHO country office. More specifically, it was alleged that the Field Security Officer was intoxicated, and insulted and assaulted his fiancée at a hotel in September 2015. The Office was also provided with the statements resulting from the witness interviews conducted in relation to the matter. The Office found that the initial investigation conducted by the United Nations entity contained several weaknesses (such as, key witnesses alleging inappropriate behaviour not being asked to submit a written statement or to sign their statement). Given such weaknesses and the contradictory information provided in the witness interviews, the Office concluded that the allegations of inappropriate conduct by the Field Security Officer were unsubstantiated.

48. **At a liaison office.** In February 2014, the Office received a complaint of sexual harassment from a former Special Services Agreement holder against a WHO staff member during a training conference which took place at a regional office. The Office investigated the matter and, in the absence of independent witness testimony and/or documentary evidence, concluded that the allegation of sexual harassment was unsubstantiated.

49. **At a country office.** In May 2014, the Office received a complaint of harassment from a former consultant assigned by a WHO implementing partner to a WHO country office. The complaint contained allegations against a staff member and a former staff member, who were the then team leader and the focal point with the implementing partner respectively. The complainant alleged that: (a) their consultancy with WHO was wrongly and prematurely terminated by the team leader without prior notification, and that this occurred following a period of ill health; (b) the team leader formed a bias against the complainant before the latter's deployment to the country office; (c) during a discussion relating to the termination of the consultancy with WHO in the office of the focal point, the latter shouted at and threatened the complainant; (d) consequent to the termination of the consultancy and the negative feedback to the implementing partner regarding the circumstances of the complainant's termination, the complainant's career was severely sabotaged, preventing the complainant from being considered for future employment with the implementing partner or WHO. The investigation concluded that the explanations for the termination of the consultant appeared to fall within the assignment agreement and therefore the allegation of wrongful termination of the assignment was unsubstantiated, and that the Organization took reasonable measures to ensure the well-being of the consultant. Furthermore, no evidence was found to support the allegation either of not being offered medical assistance or the negative impact on the future employment of the consultant. Regarding the allegation of shouting and threatening behaviour, in the absence of corroborating evidence, the matter was considered inconclusive. The investigation report was addressed to the Regional Director for review and appropriate action. Since none of the allegations was found to be substantiated, the Office recommended that the case be closed.

50. **At a regional office.** In October 2014, the Office issued an investigation report in which it was determined that a former WHO staff member had a private/personal relationship with the owners of two companies, registered as WHO suppliers, from which equipment was bought for more than US\$ 2.1 million. The investigation also determined that the individual involved had influenced

bidding procedures and violated WHO's procurement rules to direct business to the two favoured companies. The spouse of the former staff member (hereafter known as Ms X) was also employed by the regional office and had resigned in 2014. The Office issued an investigation report in November 2015 which concluded that Mr X forwarded to his spouse correspondence relating to purchases made by the regional office from one of the two favoured companies and that Ms X was found to have commented on this correspondence, even though it was not related to Ms X's official responsibilities. It was also found that Ms X prepared documents relating to the business relationship between the regional office and the favoured company, that these documents were then sent to third parties without any modification by Mr X, and that Ms X had intervened directly in the registration of the favoured company in the WHO global supplier database. Furthermore, for the purchase of promotional material to be used during a meeting organized by Ms X's department, Ms X selected the favoured company despite another company having made an offer that was about US\$ 2800 lower. Ms X did not declare her conflict of interest for this purchase, which amounted to US\$ 19 557. Given that Ms X had resigned from WHO, the Office recommended that the Regional Director examine whether appropriate action could be taken against Ms X.

IMPLEMENTATION OF AUDIT RECOMMENDATIONS

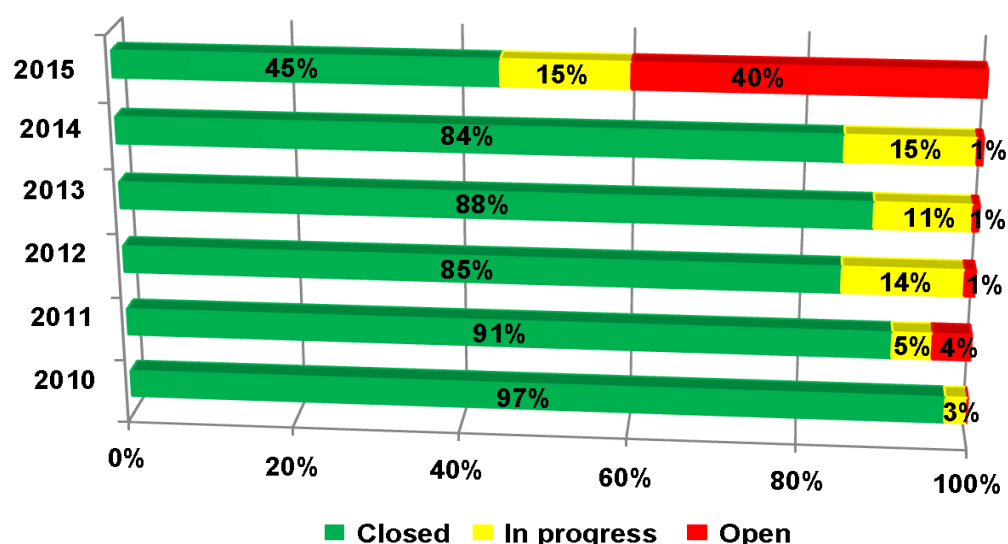
51. On a periodic basis, the Office follows up with management on the implementation status of internal audit recommendations. The Office then reports on the status of open audit recommendations and on the progress made since the prior reporting period. For the purposes of reporting to Member States, the Office prepares cumulative implementation statistics for all its open recommendations since the date of the Office's last report to the Health Assembly (see Annex 1). It should be noted that the Office has modified its method of reporting on the status of outstanding recommendations; it now uses the agreed expected date of implementation for each recommendation rather than relying on the time elapsed from the initial date of the report. This more accurate approach suggests that progress on implementing audit recommendations has continued to improve with only 3.6% of outstanding open recommendations being considered as "past due", compared with 8% in the previous year.

52. The Office has categorized the audit recommendations made in 2015 by audit risk category and significance (see Annex 2). In addition, attention has been focused on monitoring the progress of implementation of high-priority recommendations for most open audits, that is, those considered as being highly significant and that require a relatively low level of effort to implement (see Annex 1).

53. Since the previous Health Assembly in May 2015, the Office has received updates on the progress of implementation of its recommendations. After review of the effectiveness of the progress reported, the Office was able to close several audits (see Annex 3A). At the same time, certain other audits for which an initial response was due but had not yet been provided at the time of drafting this report, are also reported (see Annex 3B).

54. Figure 1 highlights the cumulative annual and overall implementation rates as at 8 March 2016 for all reports issued since 1 January 2010.

Figure 1. Overall audit recommendation implementation rates, as at 8 March 2016

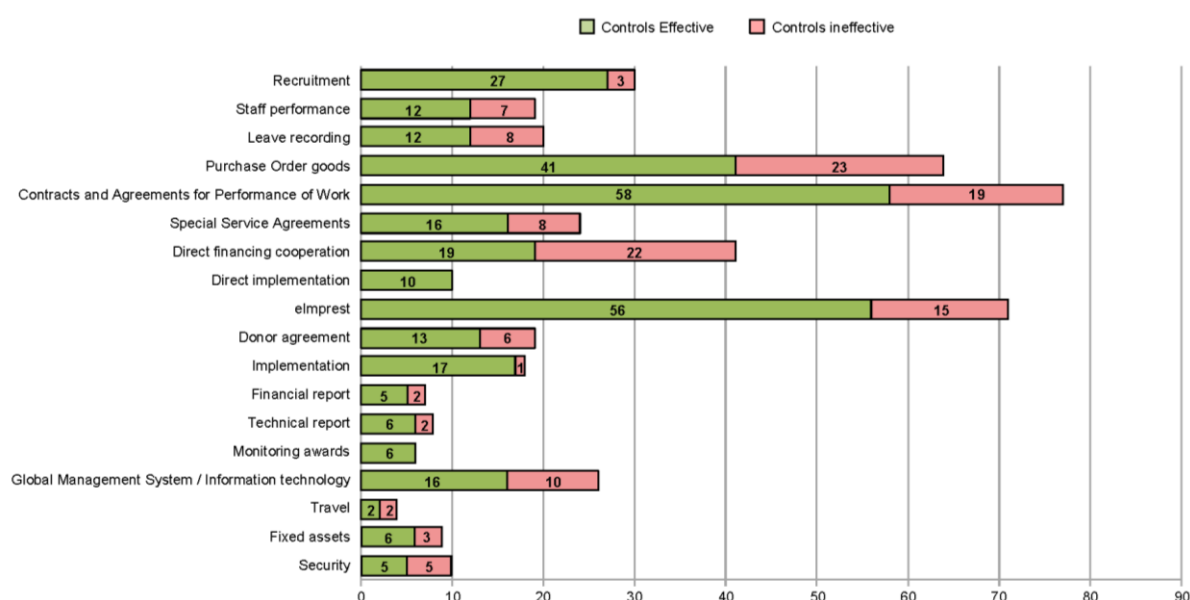


55. In order to achieve continuity in perspective on specific areas of concern arising from its audit work at country level, the Office updated the meta-analysis of the results obtained from the country audits conducted in the period 2012--2015, in order: (a) to demonstrate the trend in compliance with WHO's rules and regulations (see Annex 4); and (b) to highlight the process areas¹ that represent the greatest challenges. In relation to (b), Figure 2 provides a proxy indicator suggesting that the disparities in compliance effectiveness in the major process areas mean that further progress is required, as reflected in the high level of "control ineffectiveness"² and that important weaknesses in the internal control environment persist, for example, procurement of goods and services, and direct financial cooperation.

¹ For the main testing exercise, internal controls have been grouped under process areas: awards; human resources; Global Management System/information technology; security; contracts; eImprest; goods; direct financial cooperation; fixed assets; travel; and Special Services Agreements.

² The internal control framework identifies control objectives and control activities which, if implemented and operated effectively, could address the high-level risk considerations identified.

**Figure 2. Operating effectiveness of internal controls in country audits, by sub-process
(results of desk audits performed in 2015, *n*=number of tests performed)**



56. Annexes 4A and 4B provide a more detailed picture of the audit findings by process area. The results of the work done under the 2015 workplan continue to demonstrate that, although there is a wide range of compliance effectiveness with WHO's rules and regulations, overall most of the process areas indicated an improved level of operating effectiveness of the controls, except for Special Services Agreements, Global Management System/Information Technology and Security.

57. Additionally, these results suggest that the trend in the overall conclusions on the operating effectiveness of internal controls at the country offices with satisfactory or partially satisfactory ratings were found to have marginally improved during 2015 at 75% (compared with 70% in 2014). However, the conclusions on the operating effectiveness of internal controls at regional offices and global cross-cutting areas regressed marginally, with satisfactory or partially satisfactory ratings achieved for only 50% of the audit missions in 2015 (60% in 2014). This suggests that the initiatives to improve accountability and compliance across the Organization are yet to be reflected in a positive trend at all levels. It is expected that work being carried out to strengthen risk management, the completion of the new internal control self-assessment checklists in 2016 and the strengthened monitoring by the compliance functions should significantly enhance awareness of internal controls and help to focus the Organization-wide efforts to improve accountability in 2016 and, in doing so, form the basis for management's assertions on the overall internal control environment. However, in the context of the decentralized internal control activities and self-assessment, it is imperative that these various initiatives interface with each other in a harmonized manner and are monitored for effectiveness so that they jointly contribute to mitigating risks and enhance control effectiveness to a satisfactory level across the Organization.

REGION OF THE AMERICAS

58. With regard to the situation in the Region of the Americas, the Inspector-General of the Office of Internal Oversight and Evaluation Services, has confirmed in his report for 2015 to the

Pan American Sanitary Bureau that “Based on the findings of its internal audits and its other internal oversight activities in 2015 (and in previous years), and taking into account the findings of other sources of assurance, the overall opinion of the Office of Internal Oversight and Evaluation Services is that Pan American Sanitary Bureau’s internal control environment continues to provide reasonable assurance for the safeguarding of assets; the accuracy and timely recording of transactions; and the mitigation of risks to the achievement of the Organization’s objectives.” The Office of Internal Oversight and Evaluation Services also reports that, in order to further strengthen the internal control environment of the Pan American Sanitary Bureau, the linking of risks to Organizational objectives and to risk-mitigating internal controls needs to be clearer. The Inspector-General in his report also notes that: “Management in the Region is currently working on a more clearly-defined Internal Control Framework and, in parallel, a more focused Enterprise Risk Management process that prioritizes key risks and their mitigating measures. In this way, the connections between the Organization’s objectives, risks, and risk-mitigating internal controls are becoming gradually clearer.”

ACTION BY THE HEALTH ASSEMBLY

59. The Health Assembly is invited to note the report.

ANNEX 1

STATUS OF OPEN AUDIT RECOMMENDATIONS AS AT 8 MARCH 2016

							Status as at 9 March 2015			Current status as at 8 March 2016										
		Responsible manager	Date of final report	No. of years since report issue	Latest response from auditee*	No. of months since last response of report issuance	Number of recommendations	Open	In progress	Closed	Number of recommendations	Implementation not yet expected	Overdue open	Overdue in progress	Closed	Implementation rate	Implementation overdue **	High significance overdue not closed***	High priority overdue not closed***	Comments on changes since previous status report
Audit No.	Audit title																			
Audit reports of workplans between 2008 and 2011																				
08/779	Global Insurance Coverage at Headquarters	ADG/GMG	2008/11	7.3	2016/02	0	45	0	20	25	45	0	0	15	30	67%	33%	4	0	All recommendations in progress
10/847	Employee Payables and Receivables (Personal Accounts)	ADG/GMG	2011/07	N/A	N/A	N/A	32	0	4	28	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
11/852	Performance audit of the Department of Food Safety and Zoonoses at headquarters	ADG/HSE	2011/05	N/A	N/A	N/A	32	0	1	31	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
11/867	Pre-Implementation review of the General Management Cluster Standard Operating Procedures (SOPs)	ADG/GMG	2011/12	N/A	N/A	N/A	15	0	2	13	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
11/872	Integrated audit of WHO in Angola	RD/AFRO	2012/02	4.0	2014/10	17	32	0	9	23	32	0	0	9	23	72%	28%	3	1	All recommendations in progress
11/874	Regional Office for Africa Post-GSM Implementation	RD/AFRO	2012/03	N/A	N/A	N/A	46	0	12	34	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
11/879	Roll Back Malaria Partnership Secretariat	ADG/HTM	2012/02	N/A	N/A	N/A	26	6	0	20	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
11/882	Intercountry Support for West Africa, Ouagadougou, Burkina Faso	RD/AFRO	2013/01	3.2	2015/01	14	9	0	9	0	9	0	0	9	0	0%	100%	7	0	All recommendations in progress
Audit reports of 2012 workplan																				
12/884	Review of Declarations of Interests	Director/CRE	2012/06	3.7	2013/10	29	21	0	15	6	21	0	0	15	6	29%	71%	10	0	All recommendations in progress
12/885	Payroll at the Global Service Centre	ADG/GMG	2012/09	3.5	2016/03	0	25	0	8	17	25	0	0	2	23	92%	8%	1	0	All recommendations in progress
12/891	WHO Country Office, Bangui, Central African Republic	RD/AFRO	2012/07	N/A	N/A	N/A	53	0	34	19	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
12/893	Internal control environment at the Regional Office for the Eastern Mediterranean post-GSM go live	RD/EMRO	2012/09	N/A	N/A	N/A	20	0	1	19	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
12/897	WHO Liaison Office for Somalia (located in Nairobi, Kenya)	RD/EMRO	2012/09	N/A	N/A	N/A	64	0	7	57	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report

Audit No.	Audit title	Responsible manager	Date of final report	No. of years since report issue	Latest response from auditee*	No. of months since last response of report issuance	Number of recommendations	Status as at 9 March 2015			Current status as at 8 March 2016									Comments on changes since previous status report
								Open	In progress	Closed	Number of recommendations	Implementation not yet expected	Overdue open	Overdue in progress	Closed	Implementation rate	Implementation overdue **	High significance overdue not closed***	High priority overdue not closed***	
12/900	Global Human Resources at the Global Service Centre	Director/GSC	2013/06	N/A	N/A	N/A	24	0	2	22	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
12/905	WHO Country Office, Pyongyang, Democratic People's Republic of Korea	RD/SEARO	2013/09	2.5	2016/02	0	23	0	9	14	23	0	0	1	22	96%	4%	0	0	All recommendations in progress
12/906	Performance audit of the Department of Governing Bodies and External Relations	Director/GBS	2013/04	2.9	2014/03	23	30	4	11	15	30	0	4	11	15	50%	50%	8	2	No progress for open recommendations
12/907	WHO Country Office, Kabul, Afghanistan	RD/EMRO	2013/01	N/A	N/A	N/A	27	0	3	24	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
Audit reports of 2013 workplan																				
13/916	WHO Country Office, Minsk, Belarus	RD/EURO	2013/06	N/A	N/A	N/A	17	0	3	14	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
13/924	WHO Country Office, Addis Ababa, Ethiopia	RD/AFRO	2013/09	2.4	2015/11	3	68	0	23	45	68	0	0	3	65	96%	4%	0	0	All recommendations in progress
13/926	Procurement at the Global Service Centre	ADG/GMG	2013/12	2.2	2016/02	0	18	0	15	3	18	0	0	14	4	22%	78%	7	0	All recommendations in progress
13/927	WHO Country Office, Islamabad, Pakistan	RD/EMRO	2013/10	2.4	2015/12	3	62	3	16	43	62	0	0	3	59	95%	5%	3	1	All previously open recommendations in progress
13/928	WHO Country Office, Antananarivo, Madagascar	RD/AFRO	2013/10	2.4	2015/10	4	43	0	17	26	43	0	0	10	33	77%	23%	9	6	All recommendations in progress
13/931	WHO Country Office, N'Djamena, Chad	RD/AFRO	2013/12	N/A	N/A	N/A	65	1	21	43	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
13/932	WHO Country Office, Cotonou, Benin	RD/AFRO	2013/12	N/A	N/A	N/A	29	0	7	22	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
13/937	Accounts Payable at the Global Service Centre	Director/GSC	2014/01	2.1	2016/01	1	14	3	7	4	14	0	0	2	12	86%	14%	0	0	All previously open recommendations in progress
13/939	WHO Country Office, Colombo, Sri Lanka	RD/SEARO	2014/06	1.7	2014/12	15	23	0	2	21	23	0	0	2	21	91%	9%	1	1	All recommendations in progress
13/940	Regional Office for South-East Asia (SEARO)	RD/SEARO	2014/04	N/A	N/A	N/A	40	0	18	22	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
13/935	Integrated audit of WHO in Nepal	RD/SEARO	2014/11	1.3	2016/01	1	42	42	0	0	42	0	0	8	34	81%	19%	4	0	All previously open recommendations in progress

							Status as at 9 March 2015			Current status as at 8 March 2016										
		Responsible manager	Date of final report	No. of years since report issue	Latest response from auditee*	No. of months since last response of report issuance	Number of recommendations	Open	In progress	Closed	Number of recommendations	Implementation not yet expected	Overdue open	Overdue in progress	Closed	Implementation rate	Implementation overdue **	High significance overdue not closed***	High priority overdue not closed**	Comments on changes since previous status report
Audit No.	Audit title																			
Audit reports of 2014 workplan																				
14/943	WHO Country Office, Kinshasa, Democratic Republic of the Congo	RD/AFRO	2014/09	1.5	2015/07	8	54	54	0	0	54	0	0	17	37	69%	31%	15	3	All previously open recommendations in progress
14/944	Direct Financial Cooperation Activities at WHO	Comptroller	2014/09	1.5	2016/01	1	33	33	0	0	33	3	2	10	18	55%	36%	7	2	Action taken for 31 of previously 33 open recommendations
14/946	WHO Country Office in Abuja, Nigeria	RD/AFRO	2015/06	0.7	2016/03	0	N/A	N/A	N/A	N/A	47	0	6	24	17	36%	64%	25	0	All open recommendations in progress
14/947	Regional Office for the Eastern Mediterranean (EMRO)	RD/EMRO	2015/03	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit report issued and closed since last status report
14/950	WHO Country Office, Cairo, Egypt	RD/EMRO	2014/10	N/A	N/A	N/A	28	7	3	18	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
14/954	WHO Country Office, Sana'a, Yemen	RD/EMRO	2014/07	N/A	N/A	N/A	40	4	7	29	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
14/957	Centre Support Office at the Global Service Centre	ADG/GMG	2015/04	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit report issued and closed since last status report
14/958	Global Audit of Travel	ADG/GMG	2015/04	0.9	2016/02	0	N/A	N/A	N/A	N/A	23	15	0	7	1	4%	30%	6	2	All previously open recommendations in progress
14/959	WHO Country Office, Honiara, Solomon Islands	RD/WPRO	2015/05	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit report issued and closed since last status report
14/960	WHO Country Office South Pacific and the Division of Pacific Technical Support, Suva, Fiji	RD/WPRO	2015/09	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit report issued and closed since last status report
14/961	WHO Country Office, Thimphu, Bhutan	RD/SEARO	2015/05	0.9	2016/01	1	N/A	N/A	N/A	N/A	32	0	0	2	30	94%	6%	2	0	All previously open recommendations in progress
14/962	WHO Country Office, Podgorica, Montenegro	RD/EURO	2015/04	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit closed since previous status report
14/963	WHO Country Office, Windhoek, Namibia	RD/AFRO	2015/05	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100%	0%	0	0	Audit report issued and closed since last status report
14/973	Regional Office for Europe (EURO)	RD/EURO	2015/08	0.6	Not due yet	6	N/A	N/A	N/A	N/A	16	6	10	0	0	0%	63%	2	1	Not due yet
Audit reports of 2015 workplan																				
15/981	WHO Regional Office for Africa (AFRO)	RD/AFRO	2015/06	0.7	2015/10	4	N/A	N/A	N/A	N/A	57	1	4	18	34	60%	39%	16	2	All open recommendations in progress
15/983	WHO Country Office, Amman, Jordan	RD/EMRO	2016/02	0.1	Not due yet	1	N/A	N/A	N/A	N/A	25	25	0	0	0	N/A	N/A	N/A	N/A	Not due yet

							Status as at 9 March 2015				Current status as at 8 March 2016									
Audit No.	Audit title	Responsible manager	Date of final report	No. of years since report issue	Latest response from auditee*	No. of months since last response of report issuance	Number of recommendations	Open	In progress	Closed	Number of recommendations	Implementation not yet expected	Overdue open	Overdue in progress	Closed	Implementation rate	Implementation overdue **	High significance overdue not closed***	High priority overdue not closed***	Comments on changes since previous status report
15/985	Agreements for Performance of Work at Headquarters	ADG/GMG	2016/01	0.1	Not due yet	1	N/A	N/A	N/A	N/A	29	29	0	0	0	N/A	N/A	N/A	N/A	Not due yet
15/986	WHO Country Office, Nairobi, Kenya	RD/AFRO	2016/02	0.1	Not due yet	0	N/A	N/A	N/A	N/A	31	31	0	0	0	N/A	N/A	N/A	N/A	Not due yet
15/987	WHO Country Office, Dhaka, Bangladesh	RD/SEARO	2015/12	0.2	Not due yet	2	N/A	N/A	N/A	N/A	22	22	0	0	0	N/A	N/A	N/A	N/A	Not due yet
15/991	WHO Country Office, Bagdad, Iraq	RD/EMRO	2016/03	0.0	Not due yet	0	N/A	N/A	N/A	N/A	17	17	0	0	0	N/A	N/A	N/A	N/A	Not due yet
15/992	WHO Country Office, Pretoria, South Africa	RD/AFRO	2016/01	0.1	Not due yet	1	N/A	N/A	N/A	N/A	9	9	0	0	0	N/A	N/A	N/A	N/A	Not due yet
15/993	WHO Country Office, Manilla, Philippines	RD/WPRO	2016/02	0.1	Not due yet	0	N/A	N/A	N/A	N/A	7	7	0	0	0	N/A	N/A	N/A	N/A	Not due yet
15/994	WHO Regional Office for the Western Pacific (WPRO)	RD/WPRO	2016/02	0.1	Not due yet	0	N/A	N/A	N/A	N/A	21	21	0	0	0	N/A	N/A	N/A	N/A	Not due yet
15/995	WHO elmprest System	ADG/GMG	2016/03	0.0	Not due yet	0	N/A	N/A	N/A	N/A	15	15	0	0	0	N/A	N/A	N/A	N/A	Not due yet
15/996	Containment of the 2014 Ebola Virus Disease - Operational Support to Affected Countries	EXD/DGO	2015/10	0.4	Not due yet	4	N/A	N/A	N/A	N/A	89	89	0	0	0	N/A	N/A	N/A	N/A	Not due yet
15/1000	WHO Country Office, Khartoum, Sudan	RD/EMRO	2016/03	0.0	Not due yet	0	N/A	N/A	N/A	N/A	37	37	0	0	0	N/A	N/A	N/A	N/A	Not due yet
15/1025	Technical Service Agreements of the Special Programme of Research, Development and Research Training in Human Reproduction	ADG/FWC	2016/03	0.0	Not due yet	0	N/A	N/A	N/A	N/A	3	3	0	0	0	N/A	N/A	N/A	N/A	Not due yet

TOTAL

1100	157	286	657	1022	330	26	182	484
	14.3%	26.0%	59.7%		32.3	2.5%	17.8%	47.4%

Excluding "Not yet due"

1025	82	286	657	717	25	26	182	484
	8.0%	27.9%	64.1%		3.5%	3.6%	25.4%	67.5%

* Response currently under consideration by IOS

** Only valid to 2014 and 2015 audits (previous audits considered as being overdue beyond average implementation period (1.3 years) after final report date)

*** Not closed = either open or in progress

**** High priority = High significance and low implementation effort

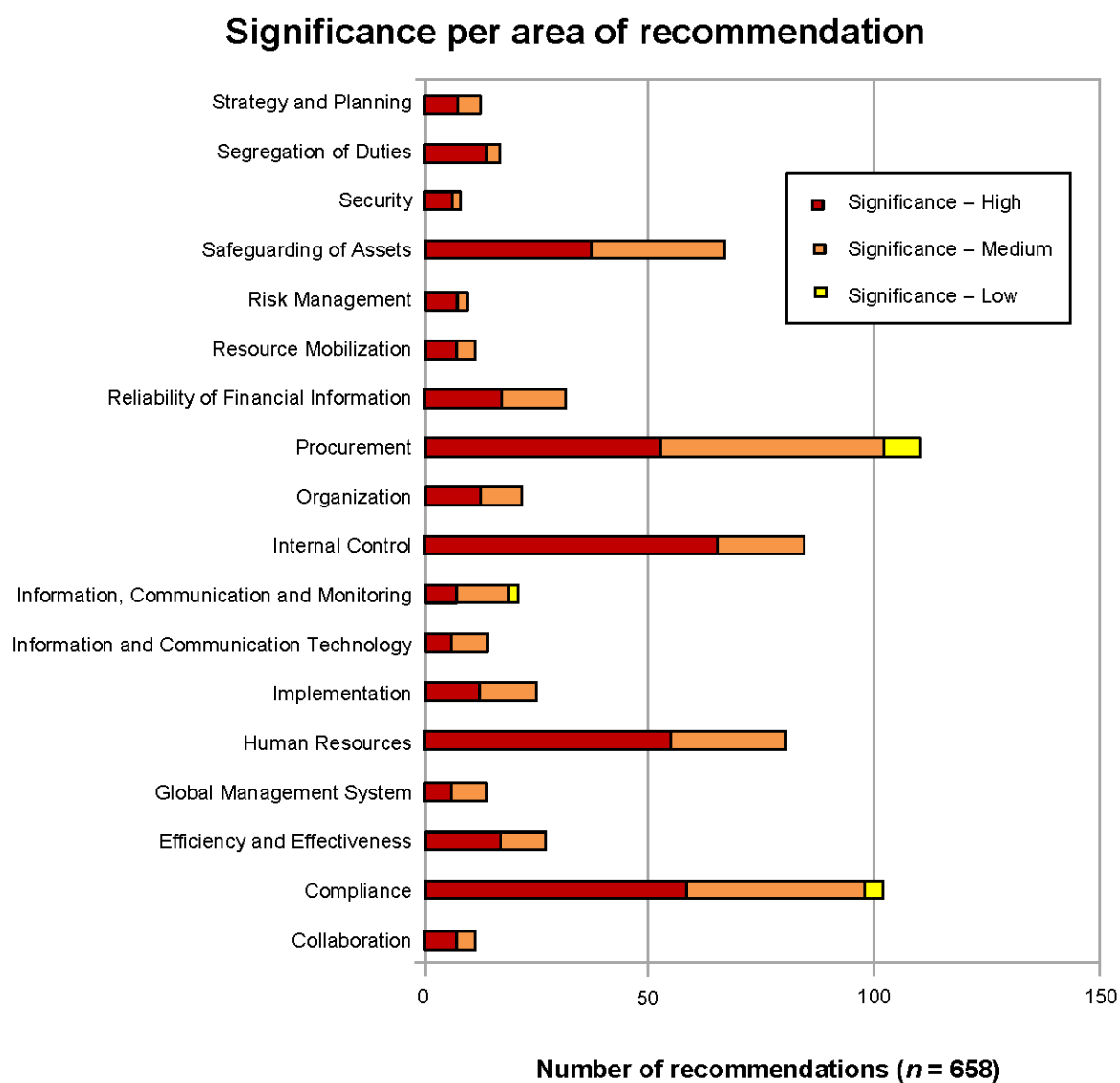
See legend for explanations of colour coded conditional formatting

Legend: Explanations of conditional formatting

Number of years since report issue: criteria	
0.8	Final report issued less than one year ago
1.1	Final report issued between 1 and 1.3 years ago (1.3 years corresponds to the current average closing time for an IOS audit)
1.3	Final report issued more than 1.3 years ago (i.e. > than the current average closing time for an IOS audit)
Number of months since last response or report issuance: criteria	
4	Latest response received from auditee or final report issued less than or equal to six months ago
9	Latest response received from auditee or final report issued between six and twelve months ago
15	Latest response received from auditee or final report issued more than twelve months ago
Implementation rate: criteria	
90%	Implementation rate more than 85%
60%	Implementation rate between 50% and 85%
15%	Implementation rate less than 50%
Percentage of overdue implementation**: criteria	
50%	More than 50% overdue
15%	Between 15% and 50% overdue
1%	Less than 15% overdue
High significance overdue not closed: criteria	
N/A	Response from auditee not due yet
1	One or more recommendations of high significance overdue
0	All recommendations of high significance closed
High priority overdue not closed: criteria	
N/A	Response from auditee not due yet
1	One or more recommendations of high significance and low implementation effort overdue
0	All recommendations of high significance and low implementation effort closed

ANNEX 2

**BREAKDOWN OF THE AUDIT RECOMMENDATIONS MADE IN 2015
BY AUDIT RISK CATEGORY AND SIGNIFICANCE (*n* = 658)**



ANNEX 3A

LIST OF AUDITS CLOSED SINCE MARCH 2015, AS AT 8 MARCH 2016

Audit no.	Audit title	Date of final report	Closing date
11/852	Performance audit of the Department of Food Safety and Zoonoses at headquarters	05/2011	01/2016
11/867	Pre-Implementation review of the General Management Cluster Standard Operating Procedures (SOPs)	07/2011	02/2016
11/874	Regional Office for Africa Post-GSM Implementation	03/2012	01/2016
11/879	Roll Back Malaria Partnership Secretariat	02/2012	05/2015
12/891	WHO Country Office, Bangui, Central African Republic	07/2012	02/2016
12/893	Internal control environment at the Regional Office for the Eastern Mediterranean post-GSM go live	09/2012	01/2016
12/897	WHO Liaison Office for Somalia (located in Nairobi, Kenya)	09/2012	05/2015
12/900	Global Human Resources at the Global Service Centre	06/2013	03/2016
12/907	WHO Country Office, Afghanistan	01/2013	01/2016
13/916	WHO Country Office, Minsk, Belarus	06/2013	09/2015
13/931	WHO Country Office, N'Djamena, Chad	12/2013	12/2015
13/932	WHO Country Office, Cotonou, Benin	12/2013	04/2015
13/940	Regional Office for South-East Asia	04/2014	11/2015
14/947	Regional Office for the Eastern Mediterranean (EMRO)	03/2015	01/2016
14/950	WHO Country Office, Cairo, Egypt	10/2014	04/2015
14/954	WHO Country Office, Sana'a, Yemen	07/2014	12/2015
14/957	Centre Support Office at the Global Service Centre	04/2015	10/2015
14/959	WHO Country Office, Honiara, Solomon Islands	05/2015	01/2016
14/960	Audit of the WR, South Pacific and the Division of Pacific Technical Support, Suva, Fiji	09/2015	01/2016
14/962	WHO Country Office, Podgorica, Montenegro	04/2015	02/2016
14/963	WHO Country Office, Windhoek, Namibia	05/2015	12/2015

ANNEX 3B

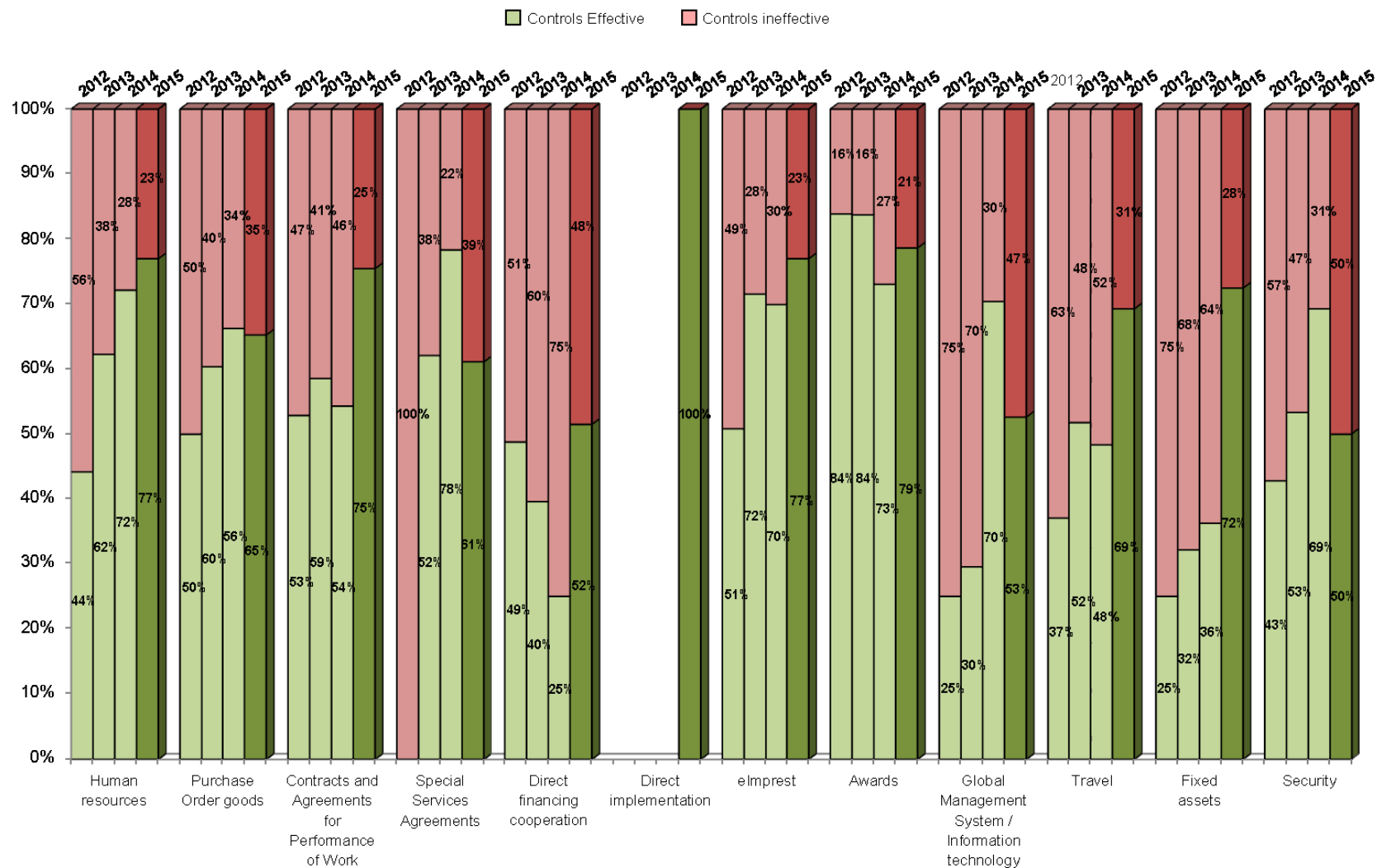
LIST OF AUDITS FOR WHICH A RESPONSE IS DUE, AS AT 8 MARCH 2016:

Audits for which the initial response or update is due and has not yet been received by the Office of Internal Oversight Services

Audit no.	Audit title	Responsible manager	Date of final report	Latest implementation status updates	Number of months since last response or report issuance	Number of recommendations	Open	In progress	Closed	Comments on changes since previous status report
11/872	Integrated audit of WHO in Angola	RD/AFRO	2012/02	2014/01	49	32	0	9	23	No new response received from the auditee during the period
11/882	Intercountry Support for West Africa, Ouagadougou, Burkina Faso	RD/AFRO	2013/01	2015/01	39	9	0	9	0	No new response received from the auditee during the period
12/884	Review of Declarations of Interests	Director/CRE	2012/06	2013/10	46	21	0	15	6	No new response received from the auditee during the period
12/906	Performance audit of the Department of Governing Bodies and External Relations	Director/GBS	2013/04	2014/03	35	30	4	11	15	No new response received from the auditee during the period
13/939	WHO Country Office, Colombo, Sri Lanka	RD/SEARO	2014/06	2014/12	22	23	0	2	21	No new response received from the auditee during the period

ANNEX 4A

TRENDS IN OPERATING EFFECTIVENESS OF INTERNAL CONTROLS IN COUNTRY AUDITS, OVER TIME, CONDUCTED BETWEEN 2012–2015



ANNEX 4B

TRENDS IN OPERATING EFFECTIVENESS OF INTERNAL CONTROLS IN COUNTRY AUDITS, OVER TIME, CONDUCTED BETWEEN 2012–2015

