SEVENTY-FIFTH WORLD HEALTH ASSEMBLY
Provisional agenda item 24.1

A75/35
16 May 2022

Report of the External Auditor

Report by the Director-General

The Director-General has the honour to transmit to the Seventy-fifth World Health Assembly the report of the External Auditor on the financial operations of the World Health Organization for the financial year ended 31 December 2021 (see Annex).

ANNEX

Office of the Comptroller and Auditor General of India

Our audit aims to provide independent assurance and to add value to the World Health Organization (WHO) by making constructive recommendations.

For further information please contact:

Mr K. Subramaniam
Director of External Audit –
WHO Office of the C&AG of India
Email: ksubramaniam@who.int

Audit of the World Health Organization (WHO) for the Financial Year ended 31 December 2021

Contents **Page**

SUMMARY

The report of External Auditor

1. The report of the External Auditor on the audit of the financial statements and operations of the World Health Organization (WHO) is issued pursuant to Regulation XIV of the Financial Regulations of WHO and is transmitted through the Executive Board to the Seventy-fifth World Health Assembly.

2. The general objective of the audit is to provide independent assurance to Member States, increase transparency and accountability as well as operational efficiency and effectiveness in the Organization, and to support the objectives of the Organization's work through the external audit process. We have detailed in this report the financial and governance matters that we believe should be brought to the attention of the World Health Assembly.

Overall result of the Audit

3. In line with our mandate, we audited the financial statements of WHO in accordance with the Financial Regulations and in conformity with the International Standards on Auditing (ISA) issued by the International Auditing and Assurance Standards Board (IAASB).

4. We concluded that the financial statements present fairly, in all material respects, the financial position of WHO for the financial year ended 31 December 2021, and its financial performance, the changes in net assets/equity, the cash flows, and the comparison of budget and actual amounts, in accordance with the International Public Sector Accounting Standards (IPSAS). Based on our conclusion, we issued an unqualified audit opinion on the Organization's financial statements for the financial year ended 31 December 2021.

5. We also concluded that the accounting policies were applied on a basis consistent with that of the preceding year, and the transactions of the WHO that have come to our notice during the audit or that have been tested as part of the audit of the financial statements were, in all significant respects, compliant with the Financial Regulations and legislative authority of the WHO.

6. In addition to the audit of financial statements at WHO headquarters, we also conducted audits of the WHO Regional Office for the Western Pacific (WPRO), Manila and the WHO country office (WCO) at Cambodia. To add value to WHO's financial management and governance, we conducted a performance audit of the WHO transformation. The results of the audit on these areas and offices were communicated to WHO management through management letters and are incorporated in this report.

7. The audits of WPRO, Manila and the country office, Cambodia and performance audit of WHO transformation were carried out through remote audits from India owing to travel and related restrictions following the coronavirus disease (COVID-19) outbreak. However the audit of the financial statements was carried out onsite at WHO headquarters office.

8. I wish to thank the Member States for giving me the opportunity of serving as the External Auditor of WHO.

Audit opinion

9. We have issued an unqualified audit opinion on the financial statements for the period under review.

Key Audit findings

Performance Audit of WHO Transformation

(a) Adoption of a results framework (output-outcome-impact model) for performance management was a much needed and important reform. The credibility of the results framework depends on the quality of data which is used to calculate the performance indicators. We noted certain gaps and shortcomings in the data used for this purpose. Collecting quality data required for the key indicators is vital for the credibility of the performance measurement system.

(b) Reforms in human resource management are given high importance in WHO's transformation and initiatives (career pathways, flexible working arrangements, global geographic mobility) have been undertaken in this functional area. We noted slow progress and inability to achieve some of the intended targets in the initial phase. Many of these initiatives are inter-linked and also dependent on the roll-out of the new enterprise resource planning (ERP) system (Business Management System, or BMS), which may impact the progress.

(c) Various reform initiatives undertaken to enhance resource mobilization, besides their slow progress, indicate that significant increase in flexible, predictable and sustainable funding would remain a challenge at least in the near future.

(d) Digital transformation is an important element of transformation which aims to provide digital workplace tools and automation of the workflow (e-workflow). Managing multiple platforms for e-workflows across the Organization and integrating them with the new ERP system is a challenging task. Given that the new system will be rolled out only by 2023, the digital transformation will take some time to fructify.

Regional and country office – The Regional Office for the Western Pacific, Manila and WHO country office, Cambodia

(e) WHO prepares a country cooperation strategy (CCS) for each country that serves as the strategic plan to guide WHO's work in the country. We noted that in respect of 28 countries under WPRO, the CCSs were not yet aligned with the Thirteenth General Programme of Work, 2019-2023 (GPW 13) as they were not revised according to the 2020 WHO guidelines.

(f) We observed that some of the procurement practices followed by the regional and country offices were not in consonance with the principles of public procurement. These included the use of brand names and specifications and non-competitive procurements.

Significant recommendations

(a) WHO may continue the refinement of the results framework, especially the output scorecard, to make it more objective, measurable, simple and user friendly.

(b) WHO may take steps to provide staffing and funding requirements and prioritize the implementation of initiatives interlinked with the career pathway initiative and address the challenges identified in achieving the intended benefits.

(c) The Information Management and Technology Steering Committee (IMTSC) may ensure that the tools (e-Workflow and eSignature) are utilized across all the offices and regions.

(d) WPRO may develop a plan for updating the Country Cooperation Strategy for all countries in the Region, considering national processes and align them to the extent possible with GPW 13.

(e) WPRO may avoid the use of exemplar specifications or brand names for selection of a product or service in a competitive tendering process. If there is a strong justification for procuring a particular brand of a product, single source procurement may be adopted with due diligence.

A. INTRODUCTION: MANDATE, SCOPE AND METHODOLOGY

1. The Seventy-second World Health Assembly through resolution WHA72.11 (2019) appointed the Comptroller and Auditor General of India as the External Auditor of WHO for the four-year period 2020–2023. Regulations XIV of the Financial Regulations of WHO and the Appendix elaborate on the terms of reference governing the external audit. The regulations require that the External Auditor report to the World Health Assembly on the audit of the annual financial statements and on other information that should be brought to its attention with regards to Regulation 14.3 and the Additional Terms of Reference.

2. Our audit is an independent examination of the evidence supporting the amounts and disclosures in the financial statements. It also includes an assessment of WHO's compliance with Financial Regulations and legislative authority.

3. We also carried out a review of WHO operations consistent with Financial Regulation 14.3, which requires the External Auditor to make observations with respect to the efficiency of the financial procedures, accounting system, internal financial controls, and in general, the administration and management of WHO operations.

4. Likewise, we conducted an audit on the financial statements and operations of the five WHO hosted entities, namely, the International Agency for Research on Cancer (IARC); the United Nations International Computing Centre (ICC); the Staff Health Insurance (SHI) Fund; and the Joint United Nations Programme on HIV/AIDS (UNAIDS) and Unitaid. A separate report is issued to the governing body of these entities.

5. Overall, the audit intends to provide independent assurance to Member States, increase transparency and accountability as well as operational efficiency and effectiveness in the Organization, and support the objectives of the Organization's work through the external audit process.

6. With respect to the review of WHO operations based on our risk assessment, we focused on the assessment of risk controls in the operational and functional processes in the audited areas and offices. We also reviewed the governance arrangements, implementation of risk management including the internal control systems and processes to determine their effectiveness.

7. During the financial year 2021, aside from the audit of the financial statements at headquarters, we audited the Regional Office for the Western Pacific, Manila and country office, Cambodia as well as conducted a performance audit of WHO transformation. The audit of financial statements was carried out onsite at WHO headquarters and remaining audits were carried out through remote audits from India owing to travel and related restrictions following the coronavirus disease (COVID-19) outbreak.

8. This report does not include any comments on the financial statements of the Pan American Health Organization (PAHO), the Regional Office for the Americas, which are being audited by the National Audit Office (NAO) of the United Kingdom. We placed reliance on their audit based on the Comfort Letter dated 18 March 2022. The National Audit Office of the United Kingdom informed us their audit of 2021, thus far, has not detected any material errors, misstatements or any other matters that would adversely affect the audit opinion on the PAHO financial statements.

9. We coordinated with the Office of Internal Oversight Services (IOS) on the planned audit areas to avoid unnecessary duplication of efforts. We also collaborated with the Independent Expert Oversight Advisory Committee (IEOAC) to further enhance our audit work.

10. We continued to report the audit results to WHO management through audit observation memoranda and management letters containing detailed observations and recommendations. We issued 10 audit management letters to the WHO heads of offices and hosted entities during the financial year 2021. The practice provides a continuing dialogue with WHO management.

B. FINANCIAL AUDIT: FINDINGS AND RECOMMENDATIONS

1. Status of implementation of previous External Audit recommendations

11. There were 68 recommendations outstanding up to the period ending 31 December 2020, out of which 23 recommendations have been implemented and others were either pending or under implementation (status of pending recommendations is at **Appendix 1**).

2. Financial overview

12. WHO's revenue in 2021 remains at almost the same level as in 2020 (small decrease of 5%, i.e. US$ 233 million). Assessed contributions increased from being 10.8% of the revenue in 2020 to 13.5% of the revenue in 2021, mainly due to exchange rate movement. On the other hand, voluntary contributions saw a slight reduction from 86% of the revenue in 2020 to 83% of the revenue in 2021.

13. Total expenses as a percentage of revenue increased from 83% in 2020 to 91% in 2021. Contractual services was the highest expense category in 2021 with total spend of US$ 1330 million (32.71% of total revenue) an increase of 35% compared to 2020. Staff costs was the second highest expense category, its proportion slightly decreased from 32% of the total revenue in 2020 to 29% of the total revenue in 2021, mainly due to favourable actuarial results.

14. As on 31 December 2021, the total assets of WHO were US$ 7.21 billion, an increase of US$ 77.5 million as compared to 31 December 2020. The increase was mainly due to the increase in short-term investments which increased by US$ 683 million. Cash and cash equivalents proportion reduced significantly from 13% of total assets in 2020 to 5% of total assets in 2021.

15. Non-current accrued staff benefits of US$ 1386 million, the largest liability, reduced by US$ 473.6 million from 2020. This was primarily due to actuarial gains relating to the valuation of the staff health benefits.

16. We analysed the liquidity position of WHO to assess its ability to meet its short-term commitments or operating needs and observed that it has been sound in the last four years. The quick ratio and current ratios for the four years indicate that it had more than two times current assets and cash and cash equivalents to meet its current liabilities (Table 1).

Table 1

	2021	2020	2019	2018
Quick ratio (quick assets/current liabilities)	3.32	2.93	2.75	2.81
Current ratio (current assets/ current liabilities)	3.48	3.05	2.82	2.85

17. The contribution receivable ratio for the last four years is shown below (Table 2):

Table 2

	2021	2020	2019	2018
Contribution received[1] (US$ million)	3 914.52	4 170.17	2 982.11	2 791.67
Average contribution receivables (current)	1 264.60	1 244.88	1 153.89	1 188.51
Contribution receivable ratio (1/2)	3.09	3.35	2.58	2.36
Number of days taken to encash receivables	118	109	141	155

18. We noted a decrease in contribution receivable ratio for 2021 as compared to 2020, which indicates that the time taken to realize the receivables was more this year as compared to previous years. The average time taken to realize the receivables was 118 days in 2021 compared to 109 in 2020.

19. Inventory turnover ratio and days in inventory for the last four years are shown below (Table 3). Expenditure on medical supplies and materials saw a decrease in 2021 as compared to the previous years. However, as a percentage of total revenue it was more or less at the same level as in 2020 (12%). Average inventory held by WHO as on 31 December 2021 was about US$ 66 million higher than 2020. We noted that the turnover of inventory was much slower in 2021 as compared to 2020. The average number of days for which the materials were in inventory was 123 days in 2021 as compared to 71 days in 2020 indicating a slower movement of materials. This was primarily because of delay in delivery of supplies (inventory also includes goods in transit).

Table 3

Item/Head	2021	2020	2019	2018
Procurement of materials (US$ million)	497.30	523.59	259.39	176.69
Average inventory (US$ million)	167.37	101.75	48.33	40.56
Inventory turnover ratio	2.97	5.15	5.37	4.36
Days in inventory (days)	**123**	**71**	**68**	**84**

3. Changes made in the financial statements at the instance of Audit

20. Based on our observations and recommendations necessary amendments were made in the financial statements by WHO. These include:

(i) misclassification of expense of US$ 11.73 million on procurement of oxygen concentrators;

(ii) overstatement of liability by US$ 11.03 million due to the application of incorrect exchange rate on a travel-related payable; and

(iii) an error of Swedish Kroner (SEK) 90.9 million (approximately US$ 10 million) in the disclosure of value of a financial instrument.

[1] Excluding voluntary contributions in-kind and in-service.

4. Treasury management – hedging

21. We noted that WHO policy and guidelines on hedging was formulated in 2013. These guidelines do not fully reflect the current practices of using foreign exchange hedging transactions to minimize the foreign exchange risk for the Organization, rather than establishing an exchange rate facility to absorb foreign exchange gains and losses.

22. WHO replied that updates to the Financial Regulations & Rules have been drafted for presentation to the Programme, Budget and Administration Committee. The Executive Board and Health Assembly have been informed of this change to the management of the foreign exchange risks.

23. Since 2019, WHO, in addition to the hedging of US$ term deposits, has also been hedging non-US$ term deposits to improve the yield of the portfolio. The existing Standard Operating Procedures (SOP) for hedging of term deposits (FIN.SOP. X.061) does not include the process for hedging of non-US$ term deposits. Therefore, the SOP needs to be updated to cater for the hedging of non-US$ term deposits.

24. WHO replied that the SOP on hedging of term deposits will be updated to ensure that it is fully up to date on all details.

Recommendation 1: WHO may update the SOP to cover the hedging of all time deposits, and conduct such operations in keeping with the SOP.

C. PERFORMANCE AUDIT OF WHO TRANSFORMATION: FINDINGS AND RECOMMENDATIONS

25. The World Health Organization (WHO) in 2017 embarked on a major organizational transformation process to change the way it functioned and aimed at increasing its impact at country level and to be fit-for-purpose organization to meet emerging challenges. The transformation was to be an integrated process to bring change across the 3 levels of the Organization i.e. headquarters, regional and country offices level through a set of 40 major initiatives organized under seven workstreams.

26. The transformation goal of WHO is reflected in three strategic objectives:

- The first objective aligns with the Thirteenth General Programme of Work 2019–2023 (GPW 13), to focus WHO's work on driving impact at country level and embed its mission and strategy in day-to-day work and organizational culture.

- The second objective aims to establish a fit-for-purpose organization to deliver WHO's mission and strategy, anchored in new ways of working that are enabled by "best-in-class" processes and operationalized through an aligned, 3-level operating model.

- The third objective seeks to leverage WHO's partners and the global community to drive health outcomes and includes new partnership and resource mobilization initiatives.

27. The three strategic objectives are reflected in the seven major streams of work with 40 initiatives, as below:

- Establishing and operationalizing an impact-focused, data-driven strategy-5 initiatives

- Establishing “best-in-class” technical, external relations and business processes – 12 initiatives
- A new, aligned, 3-level operating model – 3 initiatives
- A new approach to partnerships – 4 initiatives
- New results-focused, collaborative and agile culture – 3 initiatives
- Ensuring the predictable and sustainable financing of WHO – 3 initiatives
- Building a motivated and fit-for-purpose workforce – 10 initiatives

28. Two years after the reforms were started, the outbreak of the COVID-19 pandemic impacted some of the transformation initiatives. WHO had to garner all its efforts in responding to the pandemic and though WHO also kept the reforms going, the progress was nevertheless impeded in some areas.

29. We conducted this performance audit of the transformation process to assess the progress of the various transformation initiatives and to examine if the implementation was in the right direction (as designed) and yielding the desired results. While we appreciate the efforts made by the WHO transformation team and the staff and also the multiple challenges faced in implementation, we have identified certain gaps in the transformation process which we hope the management will use as lessons learned and undertake suitable course correction.

5. Assessment of transformation workstreams and initiatives

30. The transformation goal of WHO has been divided into three main strategic objectives. There are seven major streams of work in the transformation agenda which reflect three strategic objectives. Achievement of these workstreams is crucial in order to attain the transformation goal. We noted that shortage of staff, funding and roll-out of IT systems were the three main constraints impacting these workstreams and thus the transformation process. Many of these initiatives were interlinked and the progress of one was dependent on the progress of the other initiative. Further, the IT support platforms of these activities are to be finally interfaced with the new enterprise resource planning software, Business Management System (BMS), which will be rolled out in a phased manner by 2023–2024.

31. To achieve the strategic objectives of the transformation it is important that the initiatives under the seven workstreams are successfully rolled out in time. We observed the reform initiatives to be largely in the direction as envisaged but the progress needs to be expedited. WHO needs to continue its efforts to enhance staff buy in and change in culture as gaps still exist. The human resource management function has seen the largest number of reform initiatives, which are facing challenges in meeting the timelines. WHO needs to review and reprioritize the activities which are facing constraints. As and when the reforms are established, they would need continuous refinement and fine tuning and the effectiveness of the initiatives in terms of their outcome and impact will take some time to be evident. The status and constraints of each of these workstreams and initiatives are discussed below.

Workstream 1: Establishing and operationalizing an impact-focused, data-driven strategy

32. The major objective of this workstream is to ensure WHO’s day-to-day work is fully aligned with its mission and strategy. This includes: ensuring that the strategic shifts reflected in GPW 13 are fully operationalized in WHO’s work plans; linking its day-to-day activities with specific GPW 13 outputs;

and developing and rolling out mechanisms to monitor and manage for results. Making a measurable impact on people's health is a core objective of WHO transformation.

(a) Establishing and operationalizing an impact-focused, data-driven strategy

33. The most important element of WHO's transformation project is instituting a performance management system supported by well-defined key performance measurement indicators. Being a multilateral public organization, WHO adopted an input–output–outcome model (results framework) of performance management which seeks to fully align WHO's day-to-day work with its mission and strategy. This model was rolled out as workstream 1 and was called "Establishing an impact-focused, data-driven strategy" and WHO's GPW 13 for the period 2019–2023 was supported by this results framework. The GPW 13 results framework was piloted in 34 country offices.

34. The system is built on 64 performance indicators, most of which are derived from Sustainable Development Goal (SDG) indicators and a few were developed at the instance of the Health Assembly. The three primary goals of WHO (the triple billion targets) constitute the Impact, which is linked to10 outcome and 42 output indicators. These are tracked through the triple billion dashboard, launched in November 2020, which displays country- and region-wise data on all indicators over the years. WHO captures the data for the triple billion dashboard and performance indicators from the data published by the Global SDG Indicators Database of the United Nations Statistics Division. Data are also sourced from WHO Global Health Observatory.

35. The biennial programme budget forms the input of this results framework. A pictorial depiction of the process is at **Appendix 2**, for ease of reference.

36. Designing of the performance management system had unique challenges as the standard results framework had to be customized to the WHO context. The outcome and impact of the triple billion targets[1] could not be exclusively attributed to the inputs of WHO as it also includes the resources and efforts contributed by Member States and partners. The outcome and impact indicators reflect the performance of both WHO as well as Member States. Performance measurement, exclusively of WHO, was therefore derived from the output indicators which was linked to an output scorecard. For each of the 42 outputs indicators of the results framework, WHO has developed an output scorecard for assessing the performance of each output delivery team of WHO. Performance is assessed under two categories, technical role and enabling role, and constitutes an all-around assessment like the balance scorecard. Each of the two categories are assessed using six dimensions (parameters) wherein each dimension is awarded scores on a scale of 4 using a scoring key. This is a self and team assessment process wherein members of a team or unit working on a particular output (health area) come together to discusses their performance and award scores to their team or unit.

37. The output scorecard with six dimensions was rolled out and feedback of the staff is being assessed for further improvement if any. The feedback shows that many of the staff feel that the assessment in the present form is complex and subjective and depends on the perception and interpretation of staff while scoring for the attribute/dimension.

38. The credibility of the results framework depends on the quality of data which is used to calculate the performance indicators. We noted certain gaps and shortcomings in the data used for this purpose.

[1] The triple billion targets are an ambitious initiative to improve the health of billions of people by 2023. They are the foundation of WHO's Thirteenth General Programme of Work, 2019–2023 (GPW 13), acting as both a measurement and a policy strategy.

Data were not available for 14 indicators out of the 64 indicators, some of them being key health indicators as well as indicators identified by the Health Assembly.

39. Further, we noted that data for several indicators shown in the dashboard were not up to date. During a test check of six country offices, we noted that for the years 2020 and 2021 on average, up-to-date data were available only for five indicators. For about 16 indicators data were available only up to 2019. For 19 indicators the data were prior to 2019, i.e. from 2015 to 2018. Due to data gaps, WHO has to depend on old data or imputed/projected data taking 2018 as the baseline year. We observe that absence of data and lack of complete/current data for the indicators carries a risk of incorrect measurement of the intended outcomes and impact.

40. WHO replied that data updates on the dashboard are dependent on how quickly countries update their data, followed by the speed with which technical programmes process this incoming data. It was further stated that WHO was coordinating with Member States to ensure that country health information systems are further strengthened (e.g. through WHO's SCORE for Health Data technical package), and that all updated data will be made available on the World Health Data Hub.

41. We are of the view that the adoption of the results framework is a step in the right direction and the impact-focused, data-driven strategy would facilitate uniformity of purpose and a focused approach for the effective functioning of WHO, in addressing global health concerns and fulfilling its normative roles. WHO should continue to fine tune the results framework to make it more objective, measurable and simpler.

Recommendation 2: WHO in consultations with each of the Member States, may identify the specific bottlenecks in data collection and persuade the Member States to provide updated data.

Recommendation 3: WHO may continue the refinement of the results framework, especially the output scorecard, to make it more objective, measurable, simpler and user friendly.

Workstream 2: Establishing "best-in-class" technical, external relations and business practices

42. The major objective of this workstream is to prioritize, optimize and harmonize – across all WHO major offices – the key processes that are essential to achieving GPW 13's strategic shifts.

43. Business process reengineering is one of the key components of transformation. WHO undertook process reform of some of the important activities under its various functions to achieve process excellence by adopting best in class processes. The aim is to develop leaner, simpler and better quality assured processes to enhance organizational effectiveness and efficiency. Our assessment of the process reengineering is discussed below. We noted that most of these business process reengineering initiatives are coordinated with the modifications to the enterprise resource planning (ERP)system which is under way, and therefore there is a time lag in their complete roll-out.

(a) Process reengineering of human resource management

44. Reforms in human resource management is given high importance in WHO's transformation and about nine initiatives have been undertaken in this functional area. We noted slow progress and inability to achieve some of the intended targets in the initial phase. Many of these initiatives are inter-linked and also dependent on the roll-out of the new ERP system (BMS), which may impact the progress. Human

resource management directly impacts the staff and delay and ineffective implementation of these human resource management initiatives may have adverse impact on staff buy-in.

Recruitment process and contracting modalities

45. The recruitment process initiative aims to place WHO in a better position in the dynamic job market. The key change envisaged was the reduction in "time to recruit" to 80 working days (112 calendar days) from the existing 156 working days. It seeks to accelerate WHO's recruitment process by improved planning, expanded sourcing, streamlined screening, enhanced panel/interview management and leveraging new technologies.

46. The initiative was started on 1 January 2019. We noted that the initiative has no "end date" prescribed for full implementation and is kept open-ended.

47. WHO initiated a pilot recruitment initiative at headquarters in early 2019 with the aim of reducing overall time-to-recruit, to 112 calendar days. This objective could not be achieved in 2019, as the time-to-recruit remained on average 160 calendar days, with the time taken ranging from 64 to 376 days. WHO attributed the non-achievement in 2019 to the restructuring and recruitment freezes.

48. In 2020, there was improvement as the average recruitment time reduced to 126 calendar days. WHO stated that the targets could not be achieved because of shift in priorities due to the COVID-19 pandemic, restructuring of the human resources team and reduction in staff dedicated to recruitment.

49. Earlier in February 2017, WHO had rolled out a new recruitment system called Stellis, aimed to expedite the recruitment and appointment process. We analysed the data that were available in Stellis from 1 February 2017 to 30 September 2021 and examined 5784 recruitment requisitions filled during this period. We observed several deficiencies. Stellis does not capture the date of finalization of the pre-screening stage. In 96% of the cases (5575 cases) the date of "first panel meetings" was not entered. In 92% of the cases (5311 cases) the "written test start date" and in 97% of cases (5635 cases) the "interviews start date" was not found entered by the Human Resources Department. In 71% of cases (4115 cases) the date of submission of recommendation for approval of the selected candidates was missing, while in 71% of cases (4131 cases) "selection decision date" was not found entered in the system. The missing key data in Stellis is indicative of inadequate internal controls in the system and lack of automated data capture. The absence of dates of essential stages of recruitment process does not fully assure the integrity of the recruitment process. WHO was maintaining a parallel manual system of tracking the dates in Excel, defeating the very purpose of having an e-recruitment system.

50. WHO replied that key dates are based upon manual entry and are not automated but compensating controls are in place through parallel systems and this will be automated when WHO implements the new ERP system.

51. WHO added that tracking of each stage of recruitment within the Stellis system is not mandatory, and thus Stellis has not been used to consistently to track written test dates and interview start dates. However, the Organization expected necessary improvements in the new recruitment system envisaged to be implemented through the new ERP system by the end of 2023.

52. Under the transformation of the recruitment system, new and enhanced contracting modalities were to be undertaken to foster more competitive and better selection of contractual staff. The task force on contractual modalities, established in November 2020, was yet to submit its report as of October

2021, missing its original timeline of the second quarter of 2021, with delivery of the report anticipated in the first half of 2022.

53. With the roll-out of the global geographic mobility initiative (discussed in para. 146) it was assumed that mobility combined with the increased use of rosters will reduce number of individual recruitments. The mandatory geographical mobility policy which was envisaged to be rolled out by the end of 2019 was delayed. WHO attributed the delay to the prolonged consultative process with the Staff Association, which wanted a simulation exercise prior to the implementation of the mobility policy.

54. We noted delay in roll-out of the new and improved contracting modalities. Timely implementation of the new contracting modalities and staff mobility could have helped in streamlining the recruitment process.

Recommendation 4: WHO may ensure that the Stellis system is configured to capture all key data for the main steps of the recruitment process so as to make the data more useful for tracking, necessary interventions and improvements for the recruitment function.

Staff performance management

55. The performance management process initiative, started on 7 January 2018, envisages enhancing performance of staff by redesigning the process of capability building, goal alignment, coaching, and performance feedback. The initiative is targeted to be fully implemented by December 2022. WHO reported that alignment of individual objectives with the programme budget output was started in January 2019. Performance measures were to be developed based on the outcome of the audit of the staff performance management function in WHO, which was to be undertaken by an external agency and was to be completed by the fourth quarter of 2021. We noted that the request for proposals for selection of the external agency for the envisaged audit was issued only in August 2021 (three years after the start of the initiative). Thus, considering the progress made by WHO so far, full implementation of the initiative needs to be prioritized to achieve the targeted date of December 2022.

56. WHO replied that the new performance management practices will inform business process optimization in the context of the new ERP system development. WHO further stated that the transition to the new performance management tool will depend on the roll-out of the new Business Management System (BMS). Thus, full implementation of the initiative depends on the timing of the ERP replacement project, i.e. BMS.

57. The new performance management system envisaged that from March 2019 there would be regular staff support group meetings and staff/supervisor performance dialogues (every two months). Only three formal workshops were held between 2017 and 2019. We were informed that data such as calendar appointments and dates of individual discussions between supervisors and staff members were not being collected. WHO replied that due to shortage of staff, it was not possible to conduct regular workshops and group meetings. However, human resources and talent management has been providing ongoing and continuous support to the entire workforce throughout the year on a case-by-case basis.

58. In March 2019 it was also proposed to establish HR Help Clinics to support the staff and to develop Performance Improvement Plan (PIP), an online tool to manage underperformance. We noted that the PIP tool is in use, however, no HR Help Clinic was conducted as envisaged. WHO informed that regular help clinics could not be conducted due to shortage of staff, but that support is provided on a case-by-case basis.

59. WHO stated that the planned performance management audit was not yet conducted because priority was given to other key transformation initiatives, in view of the shortage of resources. Secondly, the regional offices, and Global Service Centre (GSC), Kuala Lumpur, do not have adequate capacity to support the performance management initiatives.

(b) Reengineering of the norms and standards setting process

60. Setting norms and standards (N&S) is one of the core functions of WHO transformation of the end-to-end N&S process includes the prioritization, development, quality assurance, dissemination and implementation of norms and standards as per GPW 13. It involves:

(i) establishing a three-level mechanism to prioritize all norms and standards proposals;

(ii) developing of standardized methods of norms and standard setting, which can be tailored to suit the needs of specific products; and

(iii) creation of a norms and standards body that would be fully accountable for the N&S process and which would provide support to N&S project teams.

61. The objective was to ensure that the N&S function is driven by the needs of Member States and the products needed by them, so as to enhance the real impact at country level.

62. We noted that several items of work, like preparing the preliminary end-to-end N&S process, final validation of the new processes and creation of supporting structures/mechanisms, were planned to be completed by December 2018. However, they could not be completed by the target date. The key IT systems required for making further progress was not developed. According to the design document the full WHO-wide application of new a norms and standards process was to be completed by 2020, however, this has not become fully operational. We observed that the transformation of the norms and standards setting function of WHO is lagging behind its targeted achievement.

63. In reply to the audit observation, it was replied that the WHO-wide N&S process will be implemented in 2022–2023. This extended timeline was necessary because nearly 80–90% of the focus of the department went to the COVID-19 response in 2020, Moreover, insufficient resourcing of the Human Resources department also resulted in delayed recruitment and onboarding of critical staff.

(c) Reengineering of the research process

64. WHO's research function is critically linked to the norms and standards setting function. The research process redesign consists of following elements:

(i) establishment of a new entity which would be the end-to-end process owner of the research function. The entity will oversee development of a functional research network within headquarters and regions that allows WHO to deploy its research capacities according to country needs; and

(ii) development of standardized methods for research of different products.

65. We noted that this initiative faced challenges as research units in two regional offices have been abolished due to staff shortages and resource crunch. The initiative, which commenced in January 2018, is still partially implemented and its scalability is limited due to non-availability of required resources.

All the requests for research could not be accepted. We also noted that due to its elaborate and cumbersome classification, there was lack of clear understanding among the staff about global public goods for health.

66. Management, in response to the audit observation, agreed that global public health goods (GPHG) were widely misunderstood. Given the diversity of needs and responses at a regional and country level, a common research agenda has never been feasible. Management stated that IT systems, human resources and funding were the three issues which delayed the roll-out of the three-level WHO-wide norms and standards process.

Recommendation 5: WHO may take steps to provide funding and staffing particularly at regional offices to ensure timely implementation of the transformation of the norms and standards activity.

(d) Redesign of the innovation process

67. Transformation of the innovation process aims to shift the way the Organization manages innovation. The important features of the envisaged new approach are:

(i) WHO takes a systematic approach to identify, promote, co-develop and scale innovations based on country needs.

(ii) There is a fair and consistent approach to the assessment of innovations and the consequent institutional support is provided.

(iii) All staff have access to innovation architecture that facilitates building their capacities and capabilities.

(iv) There is a system for health innovations that allows celebrating, showcasing, and disseminating knowledge in diverse settings.

68. The innovation process is currently being piloted on specific clusters of innovations. We observed that there was little progress in rolling out this new approach to innovation. The key challenges/constraints identified were:

(i) lack of human and financial resources for innovation across the three levels of WHO;

(ii) need to raise WHO workforce awareness, build capacity, knowledge and confidence with innovation;

(iii) managing the Framework for Engagement with Non-State Actors (FENSA) when working with innovators and other external partners; and

(iv) lack of funding for scaling innovations in countries. It was determined that it would be up to regional offices to mobilize the resources and staff in support of this transformation. Regional offices have not been able to mobilize the resources and staff.

Recommendation 6: WHO may address staff and funding constraints for innovation at the earliest so as to achieve the benefits envisaged from the initiative.

(e) End-to-end data process

69. The aim of this initiative is to redesign and strengthen WHO's end-to-end internal processes and systems to optimize performance. It includes improvements in data collection, compilation, analysis, estimation, data governance, and monitoring and evaluation.

70. WHO engaged McKinsey (October 2017) for supporting WHO in the overall design and architecture of the Transformation, including the approach to process redesign. Later, Deloitte (October 2018) was engaged to propose options for state of the art end-to-end internal data processes and systems. Another consultant was engaged subsequently to assist the implementation of different activities of the initiative.

71. As part of its broader decisions on the overall operating model, WHO established a new division called Data Analytics and Delivery for Impact (DDI). The consultant identified 21 gaps in the existing system and made 17 recommendations to address these issues. These recommendations are under various stages of implementation.

72. Enhancing country capacity in data and health information systems and establishing a World Health Data Hub were some important outputs of this initiative. A pro bono partnership with Microsoft beginning in March 2020 has been a key part of the implementation, allowing for significant investment in the development of the World Health Data Hub. However, not much progress has been made in delivering the envisaged outputs. The following four quick wins could not be achieved:

(i) WHO establishes rapid technical response team to support countries.

(ii) Partners and countries appreciate streamlining of WHO data observatories

(iii) Mapping of survey activities leads to rapid reduction in burden on countries.

(iv) Multi-level team to review all new proposals for data collection.

73. The timeframe proposed for this initiative was 2025. Given the fact that work started on this initiative in 2017 when the first consultant was engaged, we are of the view that an eight year timeline is long for this important initiative.

74. WHO stated that by June 2022 all products within the stack will have been launched with further development continuing to improve functionality. The complete end-to-end process covering all recommendations and challenges will be fully operational before 2025.

(f) External communications process

75. The external communications initiative (January 2018) seeks to transform the way WHO manages its communications with external stakeholders and audience. It was to be driven by a cohesive corporate plan, broken down into annual plans. These plans were to be jointly developed by the seven major offices.

76. A new designated team was to be formed to produce digital material with enhanced country content. The team is yet to be created, mostly due to lack of additional resources. A test check of the six sample country offices selected by us, showed that only three countries (Cambodia, Nigeria and Pakistan) were supported with digital material on country specific diseases. WHO informed the External

Auditor that it urgently needed resources to keep up with the transformation work in this area. The current web team is smaller than what the Organization had 10 years ago.

(g) Internal communications process

77. The initiative seeks to promote two-way communication between staff and senior leadership in an aligned manner across the three levels. WHO envisaged (March 2019) the development of a single annual communication plan by the seven major offices setting out all priorities on internal messages, campaigns and main events communications in line with the corporate priorities of GPW 13. However, such a communication plan was not developed, as regional offices were reluctant to align to one corporate-wide internal communications plan. A formal Global Workforce Engagement Group which was to support WHO's internal communications function and provide recommendations for improvement, had not yet been formed (as of 8 October 2021).

78. WHO stated that priority information was being disseminated through email (including Director-General emails) and through the conduct of live seminars and Town Halls. However, we noticed that staff are not opening their emails. Only 23% of the emails sent by Director-General are opened by staff against the target of "average of 30% in 2020". Similarly, against the target of "average of 25% of staff attending (or viewing the recording) corporate staff seminars and Town Halls", the actual attendance was very low (staff seminars, 6%; Town Halls, 13%; Ask the Expert, 1%). Thus, priority information was not reaching a large number of staff.

79. WHO stated the reasons for such low attendance to be the lack of a global calendar of such events which could be easily seen by all staff. Further, there was a possibility of the staff ignoring Director-General's emails because of bad formatting due to cybersecurity issues. In the absence of a functional, global intranet platform, WHO was using "Workplace" to host internal communications. WHO further added that regional offices were not promoting it actively to their staff as they didn't see Workplace as a priority, and PAHO had forbidden access of their staff to the platform.

80. Management replied that WHO leadership does not use Workplace as a platform to communicate with staff. Further, the existing intranet platform was old and WHO was having integration problems when trying to display a corporate calendar of events on the intranet.

81. Therefore, even though a global intranet platform is an absolute necessity for improved internal communication, its development is still at initial stage. WHO, while accepting the observation, replied that resourcing for internal communications continued to be a challenge and that, except in headquarters and the regional offices for Europe and the Americas, other regions and countries did not have fully dedicated internal communications staff.

(h) Strategic policy dialogue

82. The initiative aims to amplify WHO's voice at the highest political level on key issues to catalyse policy reforms that will have the greatest impact on health in countries. The initiative commenced on 7 January 2018, and its performance is to be measured against the number of countries WHO has engaged in strategic policy dialogue. The target was to engage in strategic policy dialogue with more than three countries by end 2021. However, for successful engagement of countries in this regard WHO is still required to ensure alignment between the concept and process for strategic policy dialogue and other corporate processes. For example, the Global Action Plan for country consultations was required to be aligned to strategic policy dialogue. Identifying priority countries for such dialogue requires analysis of country data. However, we observed that there were constraints and gaps in the country data

available with WHO in the triple billion dashboard. WHO replied that they have engaged each Region's Country Support Unit network for the strengthening of country health information systems, which is an ongoing priority for WHO. As data gaps are filled, this will further enhance the strategic policy dialogue process.

Recommendation 7: WHO may prioritize alignment between concept and process for strategic policy dialogue and other corporate processes and strengthen country health information systems to ensure complete and updated data for the selection of countries for strategic policy dialogue.

(i) Technical cooperation

83. The initiative envisages substantively redesigning the technical cooperation process to reflect the primary role of regional and country (offices) in driving WHO's technical assistance to countries. The redesign creates a mechanism for managing, tracking and assuring the quality of WHO responses to country requests. The initiative commenced on 7 January 2018 and did not have any performance measures nor any milestones and deliverables prescribed, even after a lapse of over two years. Further, WHO had identified Country Cooperation Strategies (CCS), country support plans and the GPW 13 results framework and output scorecard as the modalities to implement and monitor technical cooperation. We observed that as per the Country Cooperation Strategy Global Tracker dashboard, valid CCSs are available in respect of 116 entities out of 220 shown in the dashboard. Further, we noticed from the WHO presence in countries, territories and areas: 2021 report that in only 50% of the country offices (75 out of 149 country offices) there were valid CCSs, and in 23% of country offices (34 country offices) the CCSs were under development or being updated. Out of these 73% of country offices which had a valid CCS or a CCS under development, in 22% (25 country offices), the country support plans were not aligned with the CCS. Not having a CCS at country level makes it challenging for the Organization to track progress.

84. WHO agreed that without a valid CCS, monitoring becomes challenging and stated that efforts were being made to reduce the number of invalid CCSs. The CCS process was being incorporated in the new ERP (BMS).

Recommendation 8: WHO may continue its efforts towards instituting valid Country Cooperation Strategies (CCSs) in all country offices, duly aligned with country support plans, whereby the impact of technical cooperation is objectively measured.

(j) Supply chain management

85. Under workstream 2, aimed at putting in place best in class processes, one of the functions identified for process reengineering was supply chain management. Initially McKinsey (consultant) was appointed (October 2017) to support the transformation process which included the reform of procurement and supply chain management. The consultant submitted a draft paper in April 2018 which identified the problems and shortcomings in the procurement and supply chain system of WHO, and made a case for redesign of the whole system. Specific constraints like unclear product specifications and ad hoc technical validation of requests, were identified by the consultant and to address these problems, 12 interventions (initiatives) were proposed. It was envisaged that 80% of the procurement should be through long term agreements and catalogues, to obviate the need for going through the full-scale bidding process for each procurement. This would be very effective in emergency procurements.

86. The timelines for completion of these projects (except one) were not specified and were left open ended.

87. The Procurement Unit, which was under the Operational Support Services Department, was reorganized into a separate Procurement and Supply Services Department in 2019 and a new post of Director was created to head the department.

88. Later in 2020, the consultancy firm BCG was hired to design and offer fit-for-purpose solutions for procurement and supply chain management.

89. WHO management informed us that the envisaged transformation initiatives in supply chain management were put on hold till mid 2021 to allow the establishment of the post of a new Director.

Workstream 3: A new, aligned, 3-level operating model

90. The major objective of this workstream is to optimize the set-up of WHO across its major offices and 3-levels, to enable it to deliver GPW 13 and run the new and redesigned processes. This set-up includes the combination of roles, functional capacities and structures that enable the Organization to operate.

91. In January 2018 the Global Policy Group identified six major shifts needed for WHO's overall operating model to have impact at country level. Implementation of these major shifts required aligning all major offices of the Organization to a new operating model. Key aspects of this work have been to sharpen the delineation of roles and responsibilities across the three levels of WHO and introduce enhancements to help break down silos and enable more seamless and agile ways of working with appropriate delegation. This workstream had three initiatives:

- Alignment of all major offices to new 3-level operating model
- Fit-for-purpose WHO country operating model
- New business service delivery models

92. Alignment of all major offices to the new WHO 3-level operating model has been completed. The achievement of this initiative will become visible only when the other components of the transformation are completed. It is not the structure alone that will make the difference, but the culture, processes, and better ways of doing things that would bring the desired results.

93. We were informed that to ensure that the WHO country operating model is fit for the purpose of delivering enhanced impact at country level, reviews of 80 country offices were done by the regional offices, followed by external evaluations in select country offices. This helped identify the implementation challenges, best practices, and capacities. A more systematic approach to financing of country offices was also proposed. We noted that much of the work done on this initiative pertained to the early stages of study and assessment. A concrete plan of action was yet to be framed.

94. New service delivery models introduced for critical enabling corporate services (e.g. human resources) to provide more client-focused services and enable programme delivery are under implementation. One of these services delivery models (related to procurement) is linked to the supply chain management structure, and since the implementation of the supply chain transformation has been put on hold, the progress in this initiative was also at risk.

95. The initiative pertaining to alignment of all major offices to the new 3-level operating model has been implemented. The remaining two initiatives are partially implemented and are linked to successful implementation of the other workstreams.

96. Like many other transformation initiatives, the success of the new operating model depends on the successful implementation of the transformation initiatives in human resources management and financing. As the progress in these two reform areas are limited, the successful roll-out of the new operating model faces challenges.

Workstream 4: A new approach to partnerships

97. The major objective of this workstream is to modernize WHO's approach to external partnerships. The workstream encompasses the approach to high-level political engagement and advocacy for health, work to step up leadership for joint action on the health-related SDGs, work to enhance leadership and engagement with the United Nations including as part of United Nations Reform, and work to deepen existing relationships and establish new innovative partnerships to promote health and the work of WHO.

(a) Enhanced WHO leadership and engagement within the United Nations system

98. The meetings of the United Nations Secretariat and United Nations bodies often require a higher level of seniority (Assistant Director-General and above) in order to have a seat at the table and participate in policy development. WHO was often not represented in these types of New York-based United Nations meetings because of this seniority requirement and thereby lost opportunity to engage and influence policy development within the United Nations system. Under the initiative, an Assistant Director-General has been designated to lead the WHO Office at the United Nations in New York, which has led to strengthened ties between WHO and United Nations bodies and contributed to strengthening partnerships and increasing awareness of WHO's work within the United Nations system. WHO in its reply further informed us of the requirement for the appointment of a Director-General's representative for United Nations reform and WHO presence in Washington DC to advance WHO's political repositioning agenda.

(b) Strengthening high-level political support for health

99. Prior to 2017 WHO's multilateral engagements lacked a systematic approach and there was no clarity on who was responsible for this task in headquarters. In March 2019, the Director-General established the position of the Director-General's Envoy for Multilateral Affairs which engages with a wider group of key multilateral groups. The position of Director-General's Envoy has fallen vacant since August 2021 due to transfer of incumbent to WHO Academy. The Office of the Director-General's Envoy for Multilateral Affairs reported that there has been limited funding for the Director-General's Envoy activities. We also noted that a multilateral strategy developed for strengthening high level political support for health is yet to be finalized.

(c) Global leadership on the health-related SDGs

100. The Global Action Plan for Healthy Lives and Well-Being for All (GAP) is an initiative intended to help countries accelerate their progress towards health-related SDG targets. As at May 2021 it was implemented in 37 countries, and it was extended to 51 countries as of November 2021. The GAP progress report (May 2021) shows that progress on the health-related SDGs was already lagging when GAP was launched in 2019, and is now much further off track. WHO replied that they were off-track

because of the COVID-19 pandemic and further elaborated on priorities and activities under GAP. We were also informed that in November 2021 an action plan was drawn up by SDG3 GAP Principals to strengthen collaboration and accelerate progress.

(d) Deepen existing relationships and establish innovative partnerships to promote health and the work of WHO

101. This initiative focused on strengthening WHO's relationship with partners to better leverage available public and private resources to support the achievement of GPW 13 triple billion targets. Though the initiative was stated to be fully completed, we noted that there are a number of tasks which are yet to be completed. WHO developed the overview of external engagements and partnerships which provides the main conceptual framework of guidance and reference. This document is at the draft stage as internal review is being finalized (October 2021). WHO headquarters has finalized the survey and is moving forward to distribute it first on a pilot basis among external relations focal points at headquarters and Regional Office levels, and then disseminate it on larger scale to all budget centres. Based on internal prioritization, as well as institutional dialogue and feedback received from WHO external partners, WHO headquarters will develop first three engagement strategies, namely for: nongovernmental organizations/civil society, private sector – including business associations, and parliamentary bodies.

102. The Director-General established (January 2018) a WHO–civil society task team to enhance collaboration with civil society. The task team recommended (November 2018) to update policy guidance and to establish an inclusivity advisory and oversight group and advisory committee. WHO informed that they would set up a civil society commission to support and provide recommendations to WHO on engagement with civil society at global, regional and national levels.

103. WHO informed us that the three engagement strategies would be finalized by second quarter of 2022.

Workstream 5: New results-focused, collaborative and agile culture

104. The major objective of this workstream is to promote a more results-focused, collaborative and agile culture across WHO, including in major offices and across its three levels. Initiatives included within the workstream are focused on enhancing collaboration across and within each of the three levels of the Organization; harnessing and scaling up the use of new tools to enhance communication and staff engagement; establishing new and more agile ways of working; and promoting and embedding WHO values into all aspects of its work.

(a) Enhancing collaboration within and across the 3 levels of WHO

105. Under this initiative, a Strategic Priority Coordination Group (SPCG) was considered to provide strategic oversight. The output delivery teams working at the operational level were responsible for planning, implementing, monitoring and delivery of outputs. Technical expert networks were to provide coherence at the technical level.

106. We were informed that the setting up of the Strategic Priority Coordination Group (Billion Network) that was to oversee the first three strategic priorities of GPW 13, has been postponed. This was due to a large number of new corporate processes being implemented currently. The setting up was also delayed to reassess the need for the Billion Network, as many assigned functions of this new network are also being performed by the existing high level networks. In response to our observation that the absence of strategic oversight by the SPCG (Billion Network) may impact the achievement of

the triple billion targets, WHO stated that there was no adverse impact on the delivery of the triple billion targets due to absence of the SPCG, as other high level networks like Global Policy Group are performing the same role. The above facts indicate that the oversight structure was proposed by the consultants without adequate assessment.

107. As informed by WHO, 12 technical expert networks have been established (March 2021) for 12 programme areas. For the other 24 programme areas, output delivery teams were requested to also discharge the role of technical expert networks in addition to their own responsibilities.

Recommendation 9: WHO may consider completing a reassessment of the value addition of the Strategic Priority Coordination Group (Billion Network), and in the light of the result of the reassessment, an appropriate decision may be taken so that the overall objective of operationalization of new horizontal and vertical networks to support GPW 13 implementation stays on track.

(b) New agile ways of working

108. The initiative on new and agile ways of working was conceived to shift WHO's traditional approach of working in silos, with limited shared accountability for impact and delivery of results. This initiative sought to introduce and institutionalize agile practices and principles into WHO's ways of working. The consulting firm BCG worked on this initiative, which was started in January 2018 and is planned to be completed by December 2023. All WHO senior managers were oriented (December 2018) to agile concepts and methods. Organizational structures were flattened (December 2019) to reduce hierarchical layers to promote agility.

109. While recognizing the progress on this initiative, we noted the following constraints. To fully achieve the objective of this core initiative, these constraints need to be addressed:

- the current staffing model is not well suited to enable agile ways of working;
- the Organization's culture is not yet used to agile concepts; resource constraints remain a challenge; and
- there is limited ability to assign staff to agile projects which are funded by earmarked funds/specified contributions.

110. WHO replied that many of the constraints identified here were being addressed through other transformation initiatives, such as those focused on human resources, sustainable financing and culture change.

111. We note that since the timely implementation of some of the other initiatives as mentioned in the response by the management are at risk, the impact of those would be felt on this initiative.

(c) WHO's digital transformation

112. The initiative was launched in January 2020. It seeks to introduce new digital workplace tools and services to staff members to simplify and expedite key business and administrative processes.

113. The initiative includes the plan to switch over to a new improved ERP system called the business management system (BMS), which is planned to be rolled out in a phased manner over 2023–2024. We

were informed that the bidding, selection and conclusion of contracts with the suppliers of various solutions and recruitment of key team members was completed. Development of the system was in progress.

114. WHO launched a new e-Workflow platform in March 2020 to automate some key processes. The e-Workflow includes three workflows:

(a) eDocuments: We were informed that only headquarters and the Regional Office for Africa were fully using eDocuments, while the Regional Office for the Americas was not using it. The remaining four regional offices were using it as part of a cross-Organization workflow only. Thus, there was no uniformity in use of eDocuments across the three levels of the Organization.

(b) Contract review committee (CRC): eCRC was not made mandatory and was being used in headquarters, with some CRC requests still being submitted as paper-based.

(c) "eReceipt": Similarly, eReceipt, which is a part of the enterprise resource planning system process, was being used only in headquarters and that too for service contracts over US$ 50 000.

115. As a key component of e-workflow, the eSignature platform was launched in June 2020 to accelerate the process of decision-making and approvals, especially for entering into contracts. We observed that eSignature has not yet been integrated with e-Workflow, and that the WHO IT wing was not tracking the specific use of eSignature in country offices. Thus the adoption of eSignature for signing of external legally binding contracts remained low.

116. WHO mentioned that managing multiple platforms for e-workflows across the Organization was one of the challenges, and replied that the focus would be on integration with the new platforms supporting BMS.

117. WHO's information management and technology strategy 2017 envisaged reducing hardware and maintenance cost and enhancing cybersecurity. We were informed that consolidated hardware and maintenance costs were not being maintained by the IT wing, and that each major office was responsible for managing its costs and data. We are of the view that consolidated data on hardware and maintenance was a prerequisite for monitoring and controlling costs.

118. The IT strategy 2017 also proposed the enhancement of cybersecurity. WHO had invested US$ 6.97 million between 2016–2017 and 2020–2021 (up to September 2021) to respond to cyberattacks. There was a fivefold increase in cyberattacks directed at staff and systems in 2020, as well as email scams targeting the public. Thus, robust cybersecurity technologies have to be in place to identify, protect, detect, respond to and recover from cyberattacks.

Recommendation 10: The Information Management and Technology Steering Committee (IMTSC) may ensure that the tools (e-Workflow and eSignature) are utilized across all the offices and regions.

Workstream 6: Ensuring the predictable and sustainable financing of WHO

119. The major objective of this workstream is to improve the quality, predictability and sustainability of financing for WHO. This includes a focus on ensuring that WHO is adequately resourced to deliver on the strategic priorities of GPW 13 and health-related SDGs. In building the quality and flexibility of

available resources, and in diversifying funding sources, this work also seeks to build WHO's financial resilience in the face of today's dynamic and sometimes uncertain financial environment.

120. One of the major challenges faced by WHO is the financing of its activities. Various committees and experts have observed that expectations from WHO are high and its work is highly stretched and not adequately funded. A review of the Regional Office for Africa indicated that additional 56% human resources and US$ 131 million would be needed in the next two years to achieve universal health coverage and SDGs targets for the country offices covered under the Regional Office for Arica.

121. We noted that core voluntary contributions, which provide medium level flexibility, had shown an upward trend. Assessed contributions from Member States, which are fully or highly flexible and facilitate better resource allocation for WHO, showed a decreasing trend. Assessed contributions have shown a declining trend from 20% of the revenue in 2016 to 11% of the revenue in 2020. On the other hand, voluntary contributions have increased steadily from 73% of the revenue in 2016 to 85% of the revenue in 2020. Specified voluntary contributions (including Base programmes, Special programmes, Outbreak and crisis response etc.) which offer minimum flexibility, have increased in recent years with a sudden jump in 2020 as a response to the COVID-19 pandemic. Similarly, contributions made by other donors increased from US$ 1.08 billion in 2017, to US$ 1.66 billion in 2020. Member States continue to be the largest source of voluntary contributions, making nearly half of the contributions.

122. To ensure flexible, predictable and sustainable funding, assessed contributions from Member States are very important. Assessed contributions have largely remained at the same level since several years. WHO in its reply elaborated upon its ongoing efforts to impress upon Member States/other donors to increase the quantity and quality of contributions. We noted the efforts of WHO in forming a Member State Working Group on Sustainable Financing, which needs to be continued.

123. As part of its transformation WHO undertook the following five core initiatives to enhance resource mobilization. We examined four of these initiatives.

- A new resource mobilization strategy
- Making an investment case for attracting contributions
- Creation of the WHO Foundation
- Contributor engagement management
- Resource Allocation Committee.

(a) New resource mobilization strategy

124. The new resource mobilization strategy launched in December 2019, besides increasing the quantity of funding, also aims at improving the quality of funding, for increased predictability and flexibility. The main sources of financing were identified as government partners, philanthropic partners; international funds and development banks, multilateral institutions, innovative financing and revenue-producing activities.

125. The new resource mobilization strategy aimed to explore and exploit new funding potential including revenue-producing activities. However, these other sources of revenue remained low at about 1.5% of the total revenue during 2017–2020.

(b) Investment case

126. There are two major sources of financing for the Programme budget: specified voluntary contributions and flexible funds. Specified voluntary contribution accounts for 78% of the revenue. WHO faces a situation where at the aggregate level the total resources available exceed the approved budget, but the funds are tied to specific objectives, leading to many programmes and activities remaining underfunded. An investment case was therefore prepared by WHO as an advocacy document to improve the quantity of funds and ensure quality of funds in terms of better alignment, predictability, flexibility and sustainability.

127. The investment case (September 2018) aimed at raising US$ 14.1 billion for the period 2019–2023. We noted that total revenue raised during the period 2019-2024 is US$ 11.48 billion.

128. The investment case had a target to mobilize the full requirement of funds for the Programme budget 2018–2019; and at least 60% of the Programme budget 2020–2021, by May 2019. There were 16 programme/activities out of 31 programme/activities where funding was less than 90% (as on 31 December of the final year of the biennium). Against the target of 60% funding of the programme budget for the biennium 2020–2021 by May 2019, there were several outputs/regions which were only funded between 15% and 55% until the second quarter of 2021.

129. In five out of six sampled countries, we noticed 25 activities which were funded below 60% even until the second quarter of 2021. According to the sustainable financing report by the Director-General (January 2021), because of limited amounts of assessed contributions or flexible funding, a true balance between underfunded and well-funded activities can never be achieved and pockets of poverty will persist and are likely to increase as long as the sustainable financing of WHO remains at the 17–20% level.

(c) WHO Foundation

130. One of the core initiatives of WHO transformation under the workstream ensuring the predictable and sustainable financing of WHO was the establishment of the WHO Foundation, which is a separate legal entity serving as a vehicle for raising funds in areas where WHO is not structured to engage (e.g. high net worth individuals, corporate entities etc.). WHO works closely with the WHO Foundation to ensure funding of WHO priorities. The foundation was created in May 2020 but the management and board of the WHO Foundation have treated 2021 as the set-up year, as it ties to the employment of the first full-time staff member, who began on 1 January 2021. An affiliation agreement (memorandum of understanding) was made (May 2020) between WHO and the WHO Foundation to establish the terms and conditions to conduct their relationship.

131. According to Article 12.1 of the affiliation agreement signed between WHO and the WHO Foundation, the WHO Foundation shall ensure that between 70% and 80% of all funds raised over any given two-year period are provided to WHO. We noted that WHO did not receive any funds from the WHO Foundation during 2020 as most of the revenue of US$ 2.01 million was used to meet its operating expenses and it was left with a total surplus of only US$ 19 677 (approximately 1%). This was mainly attributable to the raising of lower than the projected funds (US$ 5 million) for 2020 and higher operating costs than what was projected in the WHO Foundation business case (June 2019). WHO replied that the operating expenses were high in the first year and were expected to reduce over time.

132. In 2021 the WHO Foundation raised more than US$ 10 million for programmes which included US$ 8.5 million for the Solidarity Response Fund.

133. Assessment by the WHO Foundation Board echoes the concern of lower than anticipated cash inflows. Minutes of the Board meetings (16 February 2021 and 15 April 2021) state that, "it was clear that there is an urgency to raise funds" and that the "current cash flow is low". The minutes also note that firm pledges were only US$ 3.1 million. WHO therefore faces the risk of lower than expected finances from the WHO Foundation.

134. The COVID-19 Solidarity Response Fund was launched by WHO on 13 March 2020, to support the global pandemic response. After managing it for one year, on 13 March 2021, WHO handed over the management of the Fund to the WHO Foundation. WHO informed us that the WHO Foundation would raise over US$ 10 million in 2021 for the Solidarity Response Fund, which would be given to WHO by November 2021. We noted that US$ 8.3 million were received by WHO from the WHO Foundation for the Solidarity Response Fund in 2021.

135. We were informed that WHO and the WHO Foundation were holding bi-weekly meetings to ensure full transparency and alignment on donor approaches. WHO added that it is proposed to integrate an IT solution for marketing (Salesforce) of the two organizations for better alignment of the two.

136. We also noted that, as committed in the affiliation agreement, WHO–WHO Foundation Planning and Co-ordination Committee and other advisory bodies were yet to be established. WHO stated that the Planning and Coordination Committee will be established in 2022.

(d) Contributor engagement management

137. Access to timely information on funding opportunities to guide outreach to potential contributors was identified as a priority by WHO. Towards this end, development of a new contributor engagement management (CEM) system was initiated in October 2019. This was to be built on the popular customer relations management software Salesforce. In response to the recommendation of the External Auditor's Report 2019 (Recommendation at Sl No. 65 of Appendix 1), WHO had stated that the CEM system would be rolled out by March 2021 in headquarters and the African Region and then rolled out to all other offices by May–June 2021.

138. We noted that the CEM system was launched in June 2021 in headquarters and the African Region. Roll-out in the rest of WHO was still ongoing during the time of audit (November 2021). CEM was the first online platform to be launched as part of the business management system (BMS). A number of enhancements are being continuously made to improve the end user experience based on staff feedback and available budget. Manual process stood discontinued from 31 March 2022. Transforming resource mobilization was also aimed at adequately funding the GPW 13 to achieve the triple billion goals. After the lapse of more than half of the GPW 13 period, CEM, which was considered a key resource mobilization tool, could not be fully rolled out until end 2021.

Workstream 7: Building a motivated and fit-for-purpose workforce

139. The major objective of this workstream is to build a diverse, motivated and fit-for-purpose workforce to deliver GPW 13 in the context of the SDGs and United Nations Reform. The scope of work has included building and enhancing career pathways in WHO; introducing new learning, development and mentoring opportunities; establishing mechanisms to support geographic mobility; enhancing working and contracting modalities; and professionalizing learning for WHO staff members.

(a) Career pathways

140. The initiative is focused on establishing clear and equitable career pathways for WHO staff, including enhanced opportunities for learning and development. The initiative commenced in 2019 with a task force which delivered its report in 2020 and created a core group under the coordination of the Human Resources Department to take the recommendations forward. The core group established a planning phase for the remainder of 2020, and an implementation phase to be completed by December 2021. Due to the complexity and scope of the activities to be conducted, the work to elaborate the career pathways continues into 2022, and will feed into the relevant modules in the new ERP system in particular in the areas of organizational design and talent pool management. The objectives for 2022 are to complete the elaboration of the job families and roles within the two primary job streams of public health and operations, and to use this information to inform the standardization and harmonization of job descriptions.

141. The career pathways initiative integrates multiple initiatives, namely recruitment process, contractual hiring modalities, flexible working arrangements, geographical mobility, performance management process, learning and development, global leadership and management training and the work of the WHO Academy. The career pathways initiative is therefore impacted because of the delay in implementation of the associated initiatives. It is also linked to the roll-out of the related modules in the new ERP system (BMS) which will only start in 2024.

(b) Flexible working arrangements

142. The flexible working arrangements (FWA) initiative seeks to modernize the ways WHO empowers its workforce building on best practices and lessons learned. The initiative started on 10 January 2020 with a target end date of July 2021. The FWA task force was established in September 2020. The final report of the task force recommended the adoption of six types of flexible working arrangements. As of October 2021, a draft FWA policy with five flexible working arrangements has been formulated.

143. The objective of the task force on FWA was to prepare a global framework, accompanied by metrics for monitoring future implementation. On the basis of this global framework, the major offices across the three levels of the Organization were to prepare their own specific FWA policies in tune with their context. The major offices are awaiting the finalization of the global policy and are yet to prepare their own specific FWA approaches. While the initiative has been completed, the new global policy has not yet been issued, noting that the Organization has been operating under exceptional flexible working arrangements due to COVID-19 since March 2020.

(c) New policy on short term development assignments

144. One of the components of the career pathways initiative was the roll-out of a new short term development assignments (STDA) policy. The initiative is aimed to provide staff with the opportunity to be exposed to different work environments. The initiative was started on 3 January 2018 with the target of publishing the revised STDA policy by the fourth quarter of 2021. We were informed that the STDA policy was updated in March 2019, August 2020 and again in October 2021, and was submitted for approval to the Global Staff Management Committee.

145. We observed that there was a decline in STDAs among WHO staff in 2019 and 2020 as compared to 2018 both in terms of numbers and diversity of assignments. The percentage of total staff availing STDAs declined from 0.72% in 2018 to 0.56% in 2019 and 2020 (combined). WHO replied that the

decline was due to the hold placed on STDAs due to COVID-19. We were also informed that STDAs were entirely managed by each major office and centralized information about whole of WHO was not available and therefore tracking the process was difficult.

146. We noted that 83 STDAs took place between October 2018 and September 2021. There were 27 STDAs which could not be filled for various reasons: 10 with no suitable candidate identified; seven were cancelled before recruitment and seven were put on hold; two cases were changed to other forms of recruitment and in one case there were no applicants.

147. One of the benefits envisaged in the new STDA policy which came into effect from March 2019 was to make available staff for temporary needs and emergency response, as an alternative to recruiting temporary staff, for up to 6 months maximum. We observed that between 30 January 2020 (when COVID-19 was declared as an emergency) and September 2021, 18 STDA requisitions were made for emergency relief/crisis intervention. However, all these 18 posts were filled through the normal recruitment process of advertising and selection (published requisition). The faster and efficient mode of filling these posts through the STDA route was not adopted.

Recommendation 11: WHO may prioritize the implementation of initiatives interlinked with the career pathways initiative and address the challenges identified in achieving the intended benefits.

Recommendation 12: The revised policy on short term development assignments may be published and implemented so as to provide WHO staff with opportunities of exposure to different work environments.

(d) Global internship programme

148. The Global internship programme is an initiative aimed at making WHO an employer of choice for young health professionals. The initiative started in March 2018. The Seventy-first World Health Assembly, through its resolution WHA71.13 (2018), set a target that by 2022 at least 50% of accepted interns should originate from low- and middle-income countries (developing countries). We observed that during 2017 to 2020 the overall percentage of interns from developing countries increased from 25% in 2017 to 34% in 2020. There was an increase in interns from developing countries at headquarters during this period, while the European and Western Pacific regions could not meet the target of 50%. In the case of the African and South-East Asia regions, the targets were achieved. The programme was suspended in July 2020 due to the COVID-19 pandemic situation and associated restrictions and continues to be suspended.

149. WHO replied that the COVID-19 pandemic had a major impact on the internship programme, and there was a need to monitor factors that may impact full achievement of the target by 2022.

(e) Global geographic mobility

150. WHO promulgated the geographical mobility policy in January 2016. The aim of the policy is to build a more empowered, diverse, and fit-for-purpose workforce by enabling staff to gain new experience in new places. In April 2019 WHO established a task force to prepare the best mobility guidelines. The guidelines prepared by the task force were approved in February 2020. The task force, however, also proposed to have a simulation exercise to test the guidelines and policy before rolling out the policy. WHO launched a simulation exercise in October 2020, which was finalized in December 2021. All the 1066 international professional staff who had completed the standard duration of their

assignment as on 1 October 2020 were invited globally to participate in the simulation exercise. WHO headquarters constituted 64% of such international professional staff. However, only 12% of the eligible international professional staff participated in the simulation exercise. This is may be indicative of the low enthusiasm of the staff towards the initiative.

151. As part of the transformation, it was proposed that during selection and promotion to positions at the P5, P6, D1 and D2 levels, greater value should be placed on staff mobility and rotation of staff who have overstayed their standard duration of assignment (SDA) in hardship duty stations. We observed that as of 1 January 2020, 1017 staff members had exceeded the SDA period, which included 98 staff members in hardship duty stations and 919 in non-hardship duty stations. WHO stated that while staff members in hardship duty stations have the opportunity to apply for positions elsewhere, they were not automatically re-located upon completion of their SDA.

152. We noticed from the Report on the Career Pathways Survey (February/March 2020) that the majority of respondents to the staff survey had only served in one duty station in their time at WHO and they expected the Organization to facilitate mobility in a structured way in order to support their career development. This was also corroborated by the fact that the number of professional and higher category staff who had moved (change in duty station) had reduced from 9.3% in 2017 to 6.8% in 2021. WHO attributed this slow down to the COVID-19 pandemic and stated that there was an increase during the second half of in 2021.

153. Recommendation number R011 of the External Auditor's Report 2019 had recommended that WHO facilitate the mobility policy implementation by expediting the establishment of the Mobility Advisory Board (MAB) and Continuous Improvement Group (CIG). However, we were informed that though MAB had been established, the CIG which was to review and evaluate mobility, was not yet established. Similarly, the external evaluator DeftEdge in its report of May 2021 also recommended to "promote staff mobility and rotation, when filling all new positions or replacement vacancies". WHO accepted this recommendation, but stated that it could be "initiated during the 2022-2023 biennium". Thus, the global geographic mobility initiative has not yet been implemented. WHO accepted that there were no incentives in career progression to be mobile.

(f) Establishment of the WHO Academy

154. Establishment of the WHO Academy was conceived to transform lifelong learning for the WHO workforce, leadership and millions of health care and public health workers. Its aim is to deliver state-of-the-art competency-based learning. The initiative was started on 6 January 2019. Though the "set-up phase" has ended (2020–2021), the envisaged WHO Academy was still in the initial stages of construction and the permanent staffing for the positions in the Academy was yet to be done. Further, the first batch of 15 competency-based learning programmes was scheduled to be launched in the third quarter of 2021. However, only four programmes were released by Q3 2021. WHO Academy envisages advancing health related competencies for 10 million learners by 2025. We noted that WHO had not come out with a concrete implementation plan to achieve this goal.

155. WHO replied that the construction of the Academy campus was targeted for official opening in 2024, deployment of staff had been targeted for completion within the next four months and an updated Academy business plan for 2022–2025 had been targeted for finalization by December 2021.

(g) Global leadership and management training

156. The global leadership and management training initiative aims to introduce a standard approach to leadership and management training in WHO. The initiative commenced on 11 January 2018, with the Regional Office for Africa's Pathways to Leadership training programme, which is now being rolled out across the Organization. WHO replied that in addition to the Pathways to Leadership programme, several leadership courses were offered by the United Nations System Staff College. We noted that performance measures to assess the training had not been developed because the initiative is linked to the career pathways Initiative, which itself was not yet completed.

Assessment of the transformation process and approach

(a) Engagement of Member States and donors

157. There were several engagements with Member States, which included 56 informal briefings, and 12 formal mission briefings conducted between September 2017 and December 2019 on key elements of transformation. The Member States were informed about the intent of the transformation through the Thirteenth General Programme of Work, 2019–2023 (GPW 13), besides circulating a Note Verbale outlining the plan for discussions and consultations, with specific engagement for designing key initiatives. Thus WHO created a base for buy-in of Member States in its successful transformation.

(b) Staff buy-in and change in culture

158. Full scale support and cooperation of the staff arising out of a clear understanding and conviction of the benefits of change is very important for the success of the transformation process. Changing mindsets and culture and aligning them with the organizational change is challenging. To convince the staff and enlist their support, various advocacy measures like meetings, town halls and interactive platforms were undertaken and are still ongoing. WHO stated that it had undertaken an extraordinary level of staff engagement (e.g. more than 5600 staff participated in the baseline survey) which included use of interactive measures like Slido[1] staff seminars, Goals Week and Values Jam[2] activities (2700 staff participated).

159. To assess the extent of staff buy-in and culture change, surveys were conducted from time to time. McKinsey Consulting conducted a culture survey in 2017 which was followed up by another culture survey by DeftEdge as part of its independent evaluation of the WHO transformation in 2020. The survey in 2020 used the same 28 key questions which were used by the earlier survey by McKinsey Consulting. We observed from these survey results that there was a positive change on 17 aspects of culture (key questions of survey) from 2017 to 2020. However, there was negative change (increased level of disagreement among the staff) on 11 parameters **(Appendix 3)**. Further, the disagreement levels were quite significant on some of the important parameters. For instance, as of 2020, 61% of the respondents did not agree that the Organization offered top performers the most attractive career opportunities and that promotions are based on merit. Only 26% of the staff gave a positive response (agreement) on these two parameters. Similarly, 44% staff did not believe that the Organization consistently implements new and better ways of doing things and 48% of the staff (almost the same level) gave a positive response. While 43% believed that the Organization's culture does not positively

[1] Slido is an easy to use Q&A and polling platform. It helps people to get the most out of meetings and events by bridging the gap between speakers and their audiences.

[2] Values Jam surveys and polls enable management to gather real-time feedback from staff.

influence the way people behave, another 46% believed organizational culture has a positive influence on behaviour.

160. As indicated by the survey of 2020 (survey by DeftEdge), communicating a clear vision of transformation, change in organizational culture, delegation and autonomy of decision making, merit-based performance reward and the ability to continuously do new things are some of the enabling factors of transformation on which further improvements were needed.

161. The staff surveys by external agencies were supplemented by pulse check surveys conducted by WHO. The first headquarters pulse check survey, conducted in April 2019, revealed gaps in staff support and remedial actions were taken to address the challenges. Another pulse check survey was conducted in July 2019 which indicated that the understanding of the objectives of transformation among the staff had decreased from 72% to 66% (6 percentage points) as compared to the previous survey of April 2019. Further, monthly staff surveys as envisaged could not be conducted from May 2019 onwards. In response WHO stated that feedback was being gathered from the staff through other channels like Slido, staff seminars and direct meetings with individual teams, and hence, further pulse check surveys were not conducted.

162. Goals Week was an interactive activity undertaken to help align the work of staff to the vision and strategy of WHO (GPW 13). According to WHO, the Goals Week feedback indicated that in 2017, 47% of the staff could link their work directly to WHO strategy or GPW 13. In 2019, 74% of the staff could link their work directly to GPW 13. This showed improvement in the staff understanding of the vision of GPW 13.

163. We appreciate and acknowledge the efforts under way in increasing staff buy-in and change of culture and are of the view that WHO should follow up on the last survey of 2020 to assess the results of these efforts.

Recommendation 13: WHO may follow up on the last survey of 2020 to assess the level of staff buy-in and cultural change and undertake course correction if required.

(c) Quick wins

164. One of the strategies for ensuring the success of an organizational transformation project is to achieve “quick wins” (first accomplish easily achievable tasks or targets) which give momentum to the project by demonstrating its feasibility and value. On a large project with a longer timeline, quick wins show immediate value by getting something done. Quick wins help attract support for the project and provides confidence to organization.

165. In November 2017 WHO identified 27 quick wins in terms of the short, medium and long terms; a list of these quick wins is at **Appendix 4**. There were 13 short-term quick wins which were to be achieved by May 2018. As reported by WHO, as of October 2021, out of 13 short-term quick wins, one quick win remains to be achieved and another one (delegation of authority to country and regional offices) has been moved to medium-term priority. Other important quick wins shown to have been achieved were upgrading of all country representatives in P6 to D1 position and increasing the budget ceiling of country offices. Staff strength of the WHO Health Emergencies Programme was increased at the country level by 6% in 2018 as compared to 2017 and staff at regional office level was increased by 1%, while headquarters level was reduced by 7%.

166. One of the short-term quick wins was to take measures to increase the direct involvement of country offices in the transformation process. This was reported to have been achieved in 2018. We audited five country offices and one regional office during 2020 and 2021 and found the involvement of the field offices to be low. These offices did not provide any statistics, information or response to audit queries and stated that transformation was managed directly by the headquarters transformation team.

167. Another quick win reported to have been achieved was the increased representation of the WHO Representatives in the regional committees, Health Assembly and Executive Board. We noted that the attendance of WHO Representatives in the regional committees remained more or less the same in four of the five regions. Country representation in the Health Assembly and Executive Board remained almost the same over the previous years, for all regions except the European Region.

168. WHO had identified 10 medium-term priorities to be achieved within 12 months i.e. by November 2018. As of October 2021, only five of these priorities were achieved.

169. It had also decided on four long-term priorities which were to be achieved within the next 12 to 24 months, i.e. by November 2019. All the four long-term priorities remained to be achieved. Subsequently, some of the medium-term and all the four long-term priorities were merged into the core transformation initiatives.

(d) Monitoring and evaluation

170. We noted that the top management team had been monitoring the implementation of various initiatives and giving necessary guidance and making mid-course corrections wherever needed. WHO has also developed and hosted a tool for monitoring and communicating progress on transformation implementation through interactive tables where information on the status of transformation initiatives was captured. We observed that the mechanism to measure, monitor, and evaluate the impact of the transformation was in place. However, it needs strengthening with respect to coordination with regional offices and country offices.

(e) Governance mechanism

171. The Organization had put in place a governance mechanism to steer the transformation process. The Global Policy Group (GPG) at the apex level is headed by the Director-General, who is responsible for implementation of decisions, policies and strategies of WHO across all levels of the Organization. The global transformation team (GTT) at the headquarters coordinates the design, communications and monitoring of the entire transformation process in coordination with focal points in regional offices and country offices.

D. AUDIT FINDINGS ON A REGIONAL AND COUNTRY OFFICE

172. We conducted the financial and compliance audit of the World Health Organization Regional Office for the Western Pacific, Manila (WPRO) and country office, Cambodia for the year 2021.

6. Western Pacific Regional Office (WPRO)

Country cooperation strategies

173. WHO prepares a country cooperation strategy (CCS) for each country that serves as the strategic plan to guide WHO's work in the country. It is a joint WHO-Member State instrument that helps WHO align its work according to the priorities and needs of a country. Under WHO's transformed operating model, the Thirteenth General Programme of Work 2019–2023 (GPW 13) and the Programme budget 2020–2021 are to be driven by CCSs, which contain clear actions, results and performance metrics. WHO issued guidelines for the preparation of CCSs in 2020 for implementing GPW 13.

174. We noted that in respect of 28 countries, the CCSs were not yet aligned with the GPW 13 as it was not revised according to the 2020 WHO guidelines.

175. WPRO intimated that most CCSs in the Region have been developed and adopted before the advent of GPW 13. Further, the guide also does not indicate that CCSs must be revised solely due to the advent of a new GPW. Therefore, CCSs were not specifically revised or developed only because of new GPW. As CCS development requires significant engagement and time at WHO as well as the national counterparts and partners, due to the COVID-19 response, it has not been possible to do this. WPRO further stated that CCS development was foreseen to restart in 2022.

> **Recommendation 14: WPRO may develop a plan for updating the country cooperation strategy for all the countries in the Region, considering national processes and align them, to the extent possible with GPW 13.**

Programme budget management

176. We noticed that out of a total number of 29 budget centres in respect of countries under WPRO, 15 budget centres have achieved utilization of 70% and above (ranked green), seven have achieved 60–70% and six countries have achieved less than 60% utilization. In one budget centre, there was excess utilization of US$ 2386. Similarly, with respect to the Regional Office budget, out of 11 budget centres, six budget centres have achieved utilization above 70%, three have achieved utilization between 60% and 70% and one has achieved less than 60% utilization. In one budget centre, there was allocation of US$ 220 000, but no award was made. Overall, about 48% of budget centres in the countries under WPRO and 45% budget centres in Regional Office had a utilization rate of below 70% (green level) as of 31 August 2021.

177. According to the Business Intelligence dashboard, the overall funding and utilization by all budget centres of WPRO was 69% as on 30 September 2021.

178. In response, WPRO stated that they have a strong culture of managing the programme budget that includes allocation of resources, implementation and monitoring of the programme budget during the biennium through the Region's Programme Committee. In respect of the countries with low utilization, it was stated that 19 of them are small Pacific Island countries, without any WHO presence for most, and that they account for only about 7% of the total allocated Programme budget (US$ 32.4 million versus US$ 470 million).

179. We appreciate the mechanism that is in place to manage the programme budget that includes allocation of resources, implementation and monitoring of the programme budget. However,

considering that it was the last quarter of biennium 2020–2021, non-utilization of the awards requires urgent attention, especially those which are required to be implemented within this biennium.

Number of vacancies

180. A highly skilled and motivated workforce is essential to fulfil the mandate and objectives of WPRO, including response to emergencies and smooth implementation of the various health programmes.

181. We noticed that out of a total number of 340 (fixed term, 335 and temporary, five) approved posts, there were 82 vacancies in various levels which worked out to 24% vacant posts. Out of these vacancies, 30 were vacant for more than six months, 17 were new posts and 12 were old posts where there was no previous incumbent.

182. WPRO intimated us that steps were being taken to fill the vacancies, stating that out of 82 vacancies, six have been occupied, onboarding was in progress for nine positions, active recruitment was in progress for 20 positions, request for recruitment was initiated for four positions, short-term staff was recruited for one position and vacant positions were 42.

183. We appreciate the initiatives taken by WPRO with regard to human resource management. However, we note that a high number of vacancies can undermine the achievement of defined outcomes under the various health programmes and severely hamper the response towards emergencies.

Gender equality

184. As per Section 1.1 of United Nations Administrative Instruction (AI) No. ST/AI/99/9 dated 21 September 1999, "the goal was set by General Assembly to achieve 50:50 gender distribution by 2000 in all posts in the professional category and above, overall and at each level including posts at the D1 level and above."

185. In the above context, we noted that in WPRO, out of 258 staff employed in all levels, 86 were male and 172 were female. Further, in respect of 24 new recruitments in 2021 we noted that female staff were recruited in 2:1 ratio to men. In respect of professional and higher grade also, we noted that the percentage of female and male staff was 56% and 44% respectively.

186. We appreciate the commitment of WPRO with regard to gender distribution.

Procurement management

Deficiencies in procurement and distribution of vaccine refrigerators

187. To enhance the COVID-19 vaccine storage capacity of the districts, the National Institute of Hygiene and Epidemiology (NIHE), of Viet Nam requested (5 November 2020) WHO to provide 212 units of vaccine storage refrigerators. The request also specified the brand of refrigerators of 240 litres capacity and hold over time of 77.3 hours.

188. Based the above proposal, procurement by WPRO was initiated urgently on an emergency basis on 6 November 2020. An invitation to bid was sent to six vendors and responses were received from four bidders. The offer of Firm A was technically qualified and the remaining three offers were technically rejected as they did not meet the technical specifications. Firm A was selected though it

quoted the highest price, which was four times the price quoted by the lowest bidder. A purchase order was placed to Firm A for €811 061.12. In this context, the following observations are made.

189. Since the request was for a specified brand of refrigerator, the invitation to bid also called for quotes specifying the technical specifications of the brand. Prescribing the specifications of a particular product of a particular supplier (bid tailoring) favoured the selection of a particular model of the refrigerator. This also resulted in additional cost of US$ 736,901 approximately in the purchase of 212 refrigerators which did not provide value for money, which is the basic principle governing WHO procurement.

190. WPRO justified the specification of the Firm A brand of refrigerator on the grounds that the NIHE's Expanded Programme on Immunization (EPI) cold chain system was equipped with Firm A products at all levels for 25 years and local staff had been trained on this brand over the years. WPRO also stated that trying to change an established system would have been a material risk and might have disrupted the efficacy of the entire cold chain system. This would result in minimal maintenance cost and better after sales support. We are of the view that noncompetitive procurement of the same product for several years has the risk of developing vested interests and does not assure better service. Further, WHO being an international public institution needs to uphold the basic principles of public procurement.

191. The invitation to bid issued to the suppliers specified the delivery time at FOB/FCA (point of loading on the ship or aircraft) as 31 December 2020. It was also mentioned that delayed delivery would lead to cancellation of the order. An important factor considered for the selection of Firm A was the ability of the firm to deliver the refrigerators by the end of December 2020, which was deemed as critical for preparation and readiness for any COVID-19 vaccine availability in early 2021. However, the purchase order was placed by WHO on Firm A only on 6 January 2021 with the delivery date of refrigerators as 10 February 2021 (i.e. five weeks from the date of the purchase order). After receipt of the purchase order, the supplier informed that they would not be able to meet the said delivery date and that the best delivery date was 12 March 2021. The consignment was actually delivered at FOB on 16 March 2021, which was more than nine weeks after the placing of orders. The shipment was finally delivered to the consignee on 26 June 2021, i.e. nearly six months from the date of issue of the purchase order. Delayed delivery by the firm constituted a breach of contract and therefore the firm was liable for damages.

192. WPRO stated that the installation process was severely affected due to a fourth wave of COVID-19 in Vietnam. WPRO stated that out of 212 refrigerators, 210 have been delivered and 112 have been installed. The remaining 98 have not been installed while two refrigerators could not be delivered to two district health centres due to lockdown in that province. As the installation of refrigerators was scheduled to be completed in November 2021, the objective of emergency procurement remains defeated.

193. For the delayed delivery of goods, WPRO stated that there were multiple factors which were beyond WHO's control like shipment, customs clearance, travel restrictions, etc. WPRO also stated that the pending delivery and installation would be closely monitored.

Deviation from procurement norms – internet services

194. To provide internet services to the WHO Office in the Solomon Islands, quotations were called for from three service providers. The contract was awarded to Firm B on the grounds that it met the service requirements of WPRO. It was also stated that the firm provided the best competitive offer as it

continuously delivered outstanding internet services including prompt action from their technicians during the previous five years. Accordingly, a service agreement was entered into with Firm B for a period of three years from 1 January 2021 to 31 December 2023 at a service fee of US$ 3600 per month.

195. We noticed that although quotations were obtained from three suppliers, there was no technical comparison of the quotes because technical specifications like bandwidth, speed, etc, were communicated only to Firm B but not to the other two suppliers. Noncommunication of the specifications to all the service providers was against the provisions of paragraph 1.4.2 of the Procurement handbook and violated the integrity of the procurement process. Due diligence demands that, having received three quotations, an objective evaluation of the three offers should have been done using quality and price criteria. The fact that Firm B offered very good service in the past could have been reflected in the evaluation. In the absence of such evaluation there is no evidence for WPRO to conclude that Firm B was the best offer.

196. WPRO stated that since 4G was just being introduced during this time in the country and the initial intention was to gather the information from the three telecommunications companies available in the country on packages/plans/speeds/bandwidths that they could offer in 2021. Therefore, no specific requirements were indicated to the other two vendors.

197. We find that the reply of WPRO does not explain the lack of due diligence in the procurement of internet services.

Procurement of Polymerase Chain Reaction (PCR) thermocycler

198. WPRO proposed to support the National Influenza Centre, Fiji, to strengthen their testing capacity for influenza to ensure that influenza surveillance is conducted in a timely and sustainable way. Therefore, WPRO decided to purchase a PCR thermocycler.

199. We noted that though the procurement was above US$ 25 000, no request for proposal was issued. Instead, quotations were obtained from two suppliers: Firm C and Firm D. Firm C is a local supplier/agent based in the country, while Firm D is a global manufacturer of medical equipment. The offer of Firm C was selected because it quoted for the brand CFX96 manufactured by M/s BioRad. The other offer was rejected as it did not quote for the particular brand CFX96 and instead offered its own brand. The supply contract was awarded Firm C for US$ 54 455. The justification for selecting CFX96 was that the health department of Fiji had an extensive and successful experience with this brand.

200. We observe that the procurement of the PCR thermocycler was made without following WHO procurement norms of competitive bidding and by specifying a brand (exemplar specifications) instead of technical or performance specifications for selection.

201. In response, WPRO stated that the staff of the National Influenza Centre are only trained on and familiar with the CFX96 machine. Switching to another brand of machine would have meant additional staff training, adjustment of PCR assays and kits and updating testing strategies, all of which will have significant time and cost implications. WPRO further stated that this procurement request needs to be seen in the right spirit of yielding the best possible outcome for WHO, under a tight deadline. WPRO further stated that, a discussion at corporate level was necessary to define circumstances when specifying brand name is allowed, in order to ensure consistency across the Organization.

202. WPRO's contention that procuring CFX96 would obviate the need for staff training and other related cost is not tenable because the contract awarded to Firm C included FJD 30 000 towards the cost

of annual maintenance, installation and training. Secondly, it was not a unique product as claimed. There are several manufacturers of the product and not just two. Thirdly, this item was not an emergency procurement and therefore the issue of a tight deadline for procurement is not evident from the adjudication report.

> **Recommendation 15: WPRO may avoid the use of exemplar specifications or brand names for selection of a product or service in a competitive tendering process. If there is a strong justification for procuring a particular brand of a product, single source procurement may be adopted with due diligence.**

Delay in delivery

203. Timely delivery is the essence of procurement objectives. In the case of delay in delivery, especially in emergency cases, the objective of procurement is defeated. We analysed all the completed purchase orders (as on 4 October 2021) for the biennium 2020–2021 in respect of WPRO. We noticed that out of total 573 purchase orders valuing US$ 18.24 million, there was a delay in 478 purchase orders (83%) having value of US$ 15.76 million (86.39%). There was a delay of up to 30 days in 248 cases, 31 to 90 days in 151 cases, 91 to 180 days in 57 cases and more than 180 days in 22 cases.

204. Out of 478 delayed cases, 89 cases pertained to emergency procurement having value of US$ 13.08 million, which constitutes 83% of the delayed deliveries.

205. WPRO replied that due to the COVID-19 pandemic, the global supply chain severely suffered in 2020–2021. Unusual delay in goods delivery has been experienced in the whole of 2020–2021 due to reasons beyond the control of WHO.

Supplier performance evaluation

206. We noted that in about more than 50% of the cases, supplier performance evaluation was not done as required by the procurement handbook.

Inventory management

207. Inventory management is an approach for keeping track of the flow of inventory. It assumes greater importance in case of WHO as most of its procurements pertain to medicines and medical supplies which has a certain date of expiry.

Expired inventory and its disposal

208. It was seen that medicines valuing US$ 8274 were lying expired as on 31 August 2021. We noted that although approval for disposal in seven items out of 19 expired items has been obtained, their disposal has not yet been carried out as on 12 October 2021.

Items issued just before expiry date

209. Further, medicines valuing US$ 44 661 purchased between January 2020 to September 2020 also expired during the period 1 January 2021 to 31 August 2021. WPRO stated that the above items were dispatched before their expiry to recipients. We noted that average left over period was 52 days when the items were sent to recipients. In 10 cases, items were sent just one month before expiry.

210. Further, it was noted that Japanese encephalitis diagnostic kits (88 kits). purchased during February/April 2020 were issued in January 2021. This was just seven to 14 days before their expiry.

211. WPRO replied that EIA Japanese encephalitis kits were meant for the office in the Lao People's Democratic Republic but due to the COVID-19 pandemic, there were limited cargo flights so it was not possible to send those kits to the Lao People's Democratic Republic. They have been sent to Philippines which agreed to accept these kits.

Items purchased under emergency but not issued to date

212. We noted that 18 282 items valuing US$ 4 242 317 purchased under emergency procurement between November 2014 and May 2021 have not been issued to date. WPRO replied that the personal protective equipment (PPE) items procured in 2014 were for regional and country preparedness for Ebola emergency (Grade 3 emergency). Dispatches would be done when there is request from countries.

213. This included 2500 cases of PPE items purchased during May 2020 valuing US$ 151 078 which were not issued, and expired in May–June 2021.

214. WPRO replied that technically these items were no longer expired as the warehouse would provide the certification of re-extended shelf life when distributed. However, the items would continue to appear as expired in the global inventory management system (GIMS) database. We are of the opinion that GIMS data should be updated timely to maintain authenticity of data.

Items purchased under standard category but not issued to date

215. We noticed that 1641 items valuing US$ 29 821 purchased under standard procurement between December 2010 and June 2021 have not been issued. This included a stock of 107 items of medicine and medical supplies.

216. We did not find any monitoring mechanism in the system which keeps track of the expiry and distribution of medicines. WPRO replied that the stock report in GIMS contains information related to expiry dates. We noticed that the date of purchase in 13 cases and the expiry dates in 62 cases were not provided. Further, in other cases, the information was provided in a piecemeal way after various requests. If the expiry date was available in GIMS, then it should have been provided upfront in all cases. We could not analyse balance items in the absence of complete information.

217. We did not find any Reports/MIS in the ERP system (Business Intelligence tool) stating item-wise dates of receipt, dates of issue of medicines and dates of expiry of the medicines. Even the responses received against different Audit requisitions were incomplete. When we asked for the same kind of information in the case of COVID-19 supplies, management replied that "it is highly challenging to provide complete set of information for all the purchase orders as none of our reporting tools provide that kind of information". Further, GIMS records data in respect of warehouse-related supplies only. WPRO/WHO does not have any system which keeps track on the medicine/medical supplies which are directly received by the health ministry of Member States.

Erroneous entries in GIMS

218. We found that two medicines (about 700 units in total) were due for expiry on 31 March 2021 and 31 August 2020. However, in the system they were recorded as issued on 26 August 2021, after almost five months and one year of their expiry, respectively.

219. WPRO replied that the above medicines were despatched during June/July 2020 before their expiry but were recorded late in the system due to transition of staff in the warehouse. We noted that as per the SOP regarding receipts, dispatches, transfers and disposal in GIMS, inventory movements were to be recorded in GIMS within five business days. Such erroneous entries in the system highlights gaps in systemic controls and violation of the SOP.

220. WPRO agreed and replied that considering the change in scale of response measures and increased stock in warehouses, inventory management processes need to be strengthened and WPRO will work towards ensuring that the current inventory matches the planned needs. It further stated that through the next generation of enterprise resource planning system (BMS programme which is currently under way), emphasis will be placed on better processes/tools to facilitate end-to-end supply chain management that includes procurement planning, procurement process, payment, shipment, warehousing and dispatch to recipients.

Other issues

Donor reporting

221. We noted that out of the 209 reports due to donors as on 31 August 2021, 119 (57%) were submitted on time whereas 90 (43%) reports were either delayed or yet to be submitted. Out of these 90 reports, 36 were overdue reports.

Asset management – discrepancies in fixed assets register

222. We found that no physical location was assigned to 479 assets (having a book value of US$ 1 093 564) in the fixed assets register. Serial numbers in respect of 51 items (having a value US$ 69 035) were found missing in the asset register. Serial number “0” was also assigned to an item. Purchase order number of assets was shown blank in 321 cases (having a value of US$ 768 585). In the absence of serial number and physical location, it becomes difficult for management to track and monitor the assets and fix the responsibility in case of any theft or fraud.

223. WPRO replied that corrective action had been taken (October 2021) in most of the cases.

Disposal of obsolete items

224. Two hundred and seventeen items of IT equipment (laptops, desktops, printers, microphones) were marked for disposal but only 66 items were disposed of during 2021. The balance of 151 items are yet to be disposed of. We observed that items marked for disposal also had items which were in service since 1996. Age-wise analysis revealed that of the above 217 items, 156 items (72%) were more than six years old as on 31 January 2021 and 57 items were still in use as per the fixed assets register. It clearly indicates that obsolete and outdated items were in use.

225. The majority of these items are laptops and IT equipment. Use of obsolete equipment and technology can adversely impact the efficiency of staff as most of the work in the Organization is processed through computers and laptops.

226. While agreeing to our audit observations, WPRO stated that the discrepancies reported by audit have either been actioned or actions are under way to address them. WPRO in future will continue to track and monitor assets in line with SOP guidance.

Recommendation 16: WPRO needs to strengthen its asset monitoring and tracking system.

7. WHO country office, Cambodia

227. We conducted the financial and compliance audit of the WHO country office(WCO), Cambodia for the year 2021.

Operational planning and programme management

Results and impact framework

228. To assess the outputs and outcomes achieved, in terms of the prescribed results framework indicators, we requested WCO, Cambodia to provide a copy of the mid-term review report for the biennium 2020–2021. The country office replied that mid-term review, including scoring of the output scorecard, was done at the Regional Office level by WPRO.

229. We are of the view that summarizing the outputs and performance only at the Regional Office level, and not measuring the outputs at the country office, is contrary to the objective of the new operating model which shifts the focus on impact to the country level.

230. In response to audit observation, WCO stated that the main intent of the output scorecard was to generate transparency in the reporting through proper ownership, participation and engagement of all staff who contribute to producing the results.

231. We appreciate the monitoring system that is in place in WCO, Cambodia for measuring the performance and progress of work at WCO, Cambodia. However, the output scorecard is integral to the results framework viz., the GPW 13 WHO impact framework.

Recommendation 17: WHO may consider disclosure of the performance ratings/impact assessment report of each WHO country office as the main aim of transformation is to monitor impact at the country level.

Human resource management

Unfilled vacancies

232. A highly skilled and motivated workforce is essential to fulfil the mandate and objectives of WCOs including response to emergencies and smooth implementation of the various health programmes.

233. We reviewed the staff strength and vacancies in WCO, Cambodia, and noted that out of a total number of 50 approved positions, there were seven vacancies at various levels (two vacancies in P5 level, four vacancies in P4 level and one vacancy in G5 level) which works out to 14% vacant posts. Out of these seven vacancies, three were vacant for more than six months.

234. In response, WCO stated that out of total seven vacant positions, four positions were vacant for less than three months, and recruitments for two of these positions have already started. The other two positions were facing funding constraints and may not be filled. Assessment is ongoing to determine possible future funding solutions.

235. With regard to three positions which have been vacant for more six months, WCO stated that selection of candidates for two vacant positions has been unsuccessful so far. Two candidates were offered the positions, but both have declined due to the risks associated with the pandemic. It was further stated that process is ongoing to re-advertise and every effort will be made to finalize all the three positions in the nearest future.

Gender equality

236. We notice that the overall gender distribution of female staff was 45% as against 55% male which was more or less in line with the stipulated gender distribution of 50:50 in WCOs.

Procurement management

Delayed procurement of COVID-19 RT-PCR testing kit

237. For the conduct of COVID-19 testing by the Government of Cambodia, the WHO country office Cambodia ordered RT-PCR primers and probes (E-gene) from the firm TIBMolBiol through the COVID-19 supply portal, in October 2020. These kits (260 kits) arrived in Cambodia in March 2021. These kits had a shelf life till 5 May 2021. The Ministry of Health of Cambodia did not accept the delivery of the consignment, because of the short shelf life (about one and a half months) of the consignment. Therefore, the entire shipment of 260 kits (24 960 tests) worth US$ 46 911 was wasted.

238. We observed that these primers and probes were already in stock at WHO headquarters Geneva, when the orders were made by WCO Cambodia in October 2020. However, the consignment was shipped only on 1 February 2021, despite being fully aware of the approaching expiry date of the consignment. The consignment reached Cambodia on 12 March 2021. The reasons for delay by WHO headquarters in shipping the consignment is not available on record.

239. We further noticed that WCO, Cambodia purchased (10 May 2021) 60 kits of Invitrogen SuperScript for RT-PCR tests at a cost of US$ 146 312. The kits were to be handed over to the Cambodian health ministry for urgent COVID-19 testing by the government. Invitrogen SuperScript is used with primer and probes of M/s TIBMolBiol. While making the emergency purchase, the country office justified the procurement of Invitrogen SuperScript stating that they would be used along with the TIBMolBiol RT-PCR primers and probes kits already in stock with the Cambodian health ministry. This was despite the fact that, at the time the decision to purchase the Invitrogen SuperScript kits was taken (10 May 2021), the TIBmolbiol kits had already expired on 5 May 2021. It was also known to WCO that the Cambodian Government rejected the delivery of these kits. It is not known as to how these superscripts will be used in the absence of the primer and probes.

Awareness campaign on television for the immunization programme

240. The National Maternal and Child Health Centre, Cambodia requested (14 April 2020) WHO for support on running an awareness campaign for the national immunization programme. It included airing of television and radio spots.

241. Based on the request, WCO, Cambodia invited bids from five local television companies for television spots. Three companies, viz., Company A, Company B and Company C submitted quotations. Company B offered 138 spots for one month at US$ 50.72 per spot. Company A offered 82 spots per month at US$ 407.88 per spot. Company A had coverage in 25 provinces whereas Company B had coverage in 23 provinces. The bids were evaluated on four criteria viz., cost, quality, reliability and

ability to meet WHO deadlines. The evaluation was done on a total score of 20, with maximum score of five for each criterion. The two firms Company A and Company B were awarded 18 points each, while the third firm Company Cgot 17 points. Both Company A and Company B were tied at 18 points; Company A was awarded the work, on the ground that they have the best broadcasting coverage nationwide (all 25 provinces and municipalities) and great popularity among the general public. Value for money implies, buying the right quality, at the right price and at the right time. We observed that this procurement process did not demonstrate value for money for the following reasons:

(a) The scores were not awarded correctly for the cost criteria. Given that the cost per spot quoted by Company B was US$ 50.72 and by Company A was US$ 407.88, the correct scores should have been 5 for Company B and 0.62 for Company A (not 3). Thus, Company B was the highest scorer with 18 points, followed by Company A at 15.62 points. Having adopted this method of evaluation the contract should have been awarded to Company B since it provided the best value for money as reflected by the scores. Had the contract been awarded to Company B there would have been a saving of US$ 26 446.

(b) Coverage was not included as a criterion for objective evaluation/scoring, but was used subjectively, after the evaluation/scoring. This is not a correct practice. As it was an important criterion, it should have been included for evaluation/scoring.

(c) If higher geographical coverage of Company A was considered for deciding in favour of Company A, then the fact that Company A offered only 82 spots per month, against 138 spots per month offered by Company B, should have also been considered. Coverage also implies number of spots (intensity of coverage).

(d) It is pertinent to note that Company A was the parent company of Company B. Bids were invited from five firms and three firms responded, out of which two were related parties. Company A, the parent company quoted eight times higher price than Company B, though it offered 40% fewer spots than Company B. The above facts indicate that the procurement was not truly competitive and it was exposed to the risk of collusive bidding by the two related firms. WHO as a public institution should be sensitive to such practices.

Delay in delivery

242. Timely delivery is the essence of procurement objectives. In cases of delay in delivery, especially in emergency cases, the objective of procurement is defeated. We analysed all the completed purchase orders (as on 2 November 2021) for the biennium 2020–2021 in respect of the country office in Cambodia. The data were extracted from the Business Intelligence tool (purchase order delivery ageing analysis under sourcing of goods).

243. We noticed that a total of 166 purchase orders valuing US$ 1.75 million were completed until 2 November 2021. Out of these, there was a delay in 128 purchase orders (77% cases) having a value of US$ 1.49 million (84.95%). Therefore, only 38 purchase orders having a very small value of only US$ 0.26 million (15.05%) were delivered on time.

244. We observed a delay in the delivery of supply orders, including emergency purchases also. Category-wise analysis revealed that out of 128 delayed cases, 38 cases pertained to emergency procurement having a value of US$ 607 602, which is 41% in terms of value of purchase orders pertaining to delayed cases.

245. We observed that suppliers were selected on the basis of lead time offered by them at the time of submission of bids. But after issue of the purchase order, delivery timelines were not adhered to by the suppliers.

246. WCO replied that the pandemic had put tremendous pressure and tension on global markets and on the procurement of supplies. Two main factors have contributed to accrued delays in the deliveries: increased competition in markets (with competing demands from buyers), and delays in shipping for similar reasons, as well as due to restrictions measures implemented at production or shipping sites.

247. We are of the opinion that the lead time was offered by the suppliers keeping in view the prevalent situation and their selection was made on the basis of their offer. Therefore, the original delivery schedule should have been adhered to. Further, WCO should have decided the delivery schedule as per their requirement/urgency and stated it upfront as a condition during bidding process so that suppliers who were able to deliver it as per decided schedule would have been eligible to be considered for the contract.

Supplier performance evaluation

248. A list of total 335 purchase orders (154 goods contracts and 181 service contracts) which were completed between 1 January 2020 and 31 October 2021 was provided by management. From the above, we examined 80 high value purchase orders covering 71% of the total expenditure.

249. Supplier performance evaluation was not conducted in 60% of cases, including cases of emergency procurement. Supplier performance evaluation may not be mandatory in cases of emergency procurement below a threshold value, yet supplier evaluation becomes more essential in cases where standard procedure for procurement is dispensed with or relaxed due to emergent conditions. Suppliers with good past performances and assured quality ratings can be considered straight away without any delay in future contracts in emergent needs. On the other hand, suppliers with poor past records related to quality, quantity, timeliness, price and delivery etc. can be avoided. And therefore, the recommendation for supplier performance evaluation in emergency procurement stipulated in the e-Manual needs to be taken in the right spirit.

250. Poor supplier performance evaluation can cost the Organization in terms of money, quality of services and unnecessary legal engagements. Therefore, it should be part of the procurement process.

251. While acknowledging the importance of conducting supplier performance evaluation, management stated that the performance evaluation for service contracts have already started (demonstrated by the 40% of cases sampled by the auditors). However, WCO confirmed that greater efforts will continue to be made in this area.

E. ACKNOWLEDGEMENTS

252. We wish to express our appreciation to WHO, its senior management and its staff for the cooperation and assistance extended to the audit team during the audit.

Girish Chandra Murmu
Comptroller and Auditor General of India

13 April 2022

APPENDICES

APPENDIX 1

STATUS OF IMPLEMENTATION OF RECOMMENDATIONS UP TO THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
1	2021	R001	Devise a method for disclosing "cash and cash equivalents" and "short-term investments" distinctly in the Statement of Financial Position, without compromising the efficiency and advantages of a pooled treasury.	Treasury accepted the recommendation and this was discussed with the auditor on 10 November and a draft disclosure note was proposed for his consideration. From 2021 these figures for WHO will be disclosed in a note to the accounts as an arithmetic rough estimate of cash and cash investments based on the inter entity balances. The basis for the calculation of these values will also be disclosed along the lines as follows: "The funds of the hosted entities are commingled with those of WHO within the total cash and short-term investments figures. Assuming that the proportions of cash and short-term investments are the same across the hosted entities, the cash and short-term investments relating to the inter entity balances for each hosted entity would be calculated as follows … "	Adequate disclosure has been made in the Financial Statements of WHO for the year 2021. The recommendation is closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
2	2021	R002	Incorporate disclosure regarding management of SHI long-term funds by WHO in the financial statements for their better understanding.	The auditors recommended that there should be a specific disclosure that WHO is managing SHI's $ 1.17 billion long term funds in note 4.2 reinvestments. Necessary disclosure was implemented in the 2020 Financial Statements and is consistent in the 2021 Financial Statements. Propose to close the recommendation.	Management head provided the copies of notes for the financial statements 2020 and 2021. The recommendation is closed.	Y			
3	2021	R003	Optimize inventories to achieve cost effectiveness by adopting widely accepted inventory management tools like economic order quantity.	With the implementation of the new ERP and supply chain management system, the adoption of best practices, such as EOQ, will be achievable.	Given the importance of this issue, the progress of its implementation in the new ERP will be watched.		Y		
4	2021	R004	Ensure that timely, updated and correct information is available in GIMS at any point of time.		Response awaited.			Y	
5	2021	R005	Maintain a list of international prices of all medicines and medical supplies that can be used for reference while making purchases.	While we agree that price reference lists or databases would be useful, the creation, maintenance and usage of such lists is fraught with complexities**.** The enabling parameters often do not exist, there is no standardization for example on pack sizes or units of measure, and there are country and regional differences that will make comparison or referencing for pricing purposes not valid**.** It will be time and resource intensive to always ensure the prices are current for benchmarking purposes and price comparison analysis. We are aware that another WHO team, in the Medicines and Health Products area is working on price referencing and that Global Fund has a similar imitative, we will keep ourselves informed on these initiatives rather than a new project within SUP. The above caveats aside, the Supply team in Kuala Lumpur has developed a standard list of items regularly	We find that there are three ongoing initiatives which try to address the issue raised by us. The status of these may be shared with us so that it can be used in audit for reference. The recommendation is closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
				procured with indicative pricing and using past purchasing data to ensure price reasonableness is already a standard practice.					
6	2021	R006	Clarify in the solicitation of offers whether the price bids would be evaluated on a lump-sum or item-wise basis.		Response awaited.			Y	
7	2021	R007	Maintain complete documentation of the whole procurement process as laid down in Clause 2.5 of the WHO Procurement handbook, in order to uphold the principle of transparency and enable verification. The External Auditor should be given full access to the electronic folder containing all the procurement documents.	In the Procurement handbook, there are two distinct aspects related to documentation: (1) The procurement file which must be maintained and should contain all documentation relating to the procurement process, i.e. the full tender process, including the evaluation, the proposals, the CRC review, ADG approval, etc. (2) The documentation attached to each purchase order. Only the documents relevant to the particular purchase order are attached by the requesting unit**.** For example, supply does not ask requesting units to attach all the documentation related to an invitation to bid when they are raising a purchase requisition for a catalogue item, this would add unnecessary administrative burden on requesting units and will not improve compliance**.** In addition, supporting documents for long-term agreements (LTAs) are uploaded on the eTender contract management portal (Intend). GSM does not support document upload for LTAs however this is a requirement for the new ERP system. Thus the future BMS system will enable and support a more centralized management and collation of documents.	Inadequate documentation has been an issue raised by auditors over the past several years**.** We were informed that documents related to a procurement are uploaded in the ECM. How the ECM is incorporated in the new BMS will watched by audit.		Y		

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
8	2021	R008	Put in place a supply chain system that can be activated to cater for emergencies. Modalities for emergency operations along with suitable incentives should be incorporated into contracts with suppliers and shipping and logistics contractors.	The new ERP system will drive us to adopt a supply chain model that is more integrated than currently. The Secretariat is working to design the supply workstream and the current deployment plans foresee new functionality coming online in 2023 to manage logistics, shipping and warehousing. These new functionalities will support emergency operations and enhance an integrated supply approach.	This being an important issue its implementation through the new ERP system needs to be followed up by audit.		Y		
9	2021	R009	Document technical and financial evaluation in all procurements, in accordance with the provisions of the WHO Procurement handbook and manual.	This audit finding relates to emergency procurement carried out using the emergency procurement procedures. SUP will work with the relevant business units to guide procurement and supply activities which are undertaken in the course of a declared emergency to ensure this audit recommendation is met. Subject to Director-General approval, the action taken has been to create specialist emergency procurement lead positions within the supply structure as a business partnering approach. This will ensure that those carrying out procurement on behalf of emergency teams (OSL) will be fully aware of and trained in proper procurement process.	As management has initiated suitable action in this direction, the recommendation is closed.	Y			
10	2021	R010	Sign LTAs for a longer duration of three years or more. To factor in changes in prices over the years, a suitable price variation clause could be included in the LTA, which is indexed to the market prices of the inputs.	New LTAs are now signed for three years and we have incorporated a clause into the new COVID-19 related LTAs that enable suppliers to present their case for price increases should certain criteria be met, such as documented evidence of substantial increase.	In view of response and action taken by management, this issue shall be taken care of in the new Business Management System. Thus this recommendation is overtaken by events.				Y

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
11	2021	R011	Adopt a transparent and objective criterion for distribution of supply orders among different shortlisted firms.	The practice already exists to some extent and we will continue to apply the following when making order distribution decisions: (1) For kits catalogue supplies: we run a mini competition among LTA holders using criteria in order of priority as below: Emergency PO: Delivery –> Acceptable shelf life –> Price Standard PO: Price –> Acceptable shelf life –> Delivery. The criteria and comparison are documented and uploaded to ECM for every PO. The same criteria were announced to LTA holders. (2) For non-kits catalogue PO: there is no mini-competition, distribution is based upon lowest offered solution cost (including transport) and opportunity for consolidated order shipment. Emergency PO based upon fastest availability/delivery.	In view of response and action taken by management, recommendation is closed.	Y			
12	2021	R012	Request UNICEF to raise invoices as and when partial deliveries are made and WHO should duly adjust the prepayment.		Response awaited.			Y	
13	2021	R013	Enhance punitive as well as preventive approaches to address the increasing trend of cases of misconduct. Delays in investigation and disciplinary action should be reduced so that prompt and proportionate disciplinary action acts as a deterrent.		Response awaited.			Y	

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
14	2021	R014	Adopt a risk-based approach to prevention by identifying the offices and units with a high risk of misconduct and focus on outreach and strengthening of controls in these offices. Since the largest number of cases pertain to fraud, efforts should be made to increase awareness of fraud and preventive fraud controls. WHO should strengthen preventive measures like checking of antecedents before recruitment, integrity vetting for promotions, and rotation of staff in sensitive positions.		Response awaited.			Y	
15	2021	R015	Ensure the formulation of new CCSs for Afghanistan, Ethiopia, Iraq and South Sudan at the earliest in accordance with the new guidelines issued.		Response awaited.			Y	
16	2021	R016	Ensure that the results framework is completed and implemented at the WCOs in Afghanistan, Ethiopia Iraq and South Sudan at the earliest.	Due to this recommendation requiring input from four country offices this recommendation was split accordingly in the External Auditor SharePoint to gather responses.	Since the result framework is in progress, this recommendation is under implementation.		Y		
17	2021	R017	Make extra efforts to minimize the number of vacancies in country offices, especially those which have been vacant for more than six months, and take necessary actions to avoid funding gaps in this regard.	The WHO Afghanistan HR Plan has changed drastically in response to the emergency situation in Afghanistan. The HR plan has changed (scaled up) and the number of positions has increased. The attached summary reflects the vacant positions status, as can be seen the WCO has exerted all efforts and out of a total number of positions 164 the number of vacant positions	In view of the efforts taken by WHO to reduce the number of vacancies, the recommendation is closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
				are 51 all are occupied and/or advertised and under process for recruitment except for nine positions (representing 17%), WCO is currently looking for funding to advertise them accordingly. At the time of the audit the number of vacant positions which were not advertised or processed were 26 out of total positions 131.					
18	2021	R018	For purchasing several items in bulk, ensure that price evaluation is done on the basis of a lump-sum price, and clearly state this upfront in the solicitation of offers. Splitting of orders among the bidders should be undertaken only if the selected vendor does not have the capacity to supply the quantities required.		Response awaited.			Y	
19	2021	R019	Adopt open tendering in WCOs in all cases, and in exceptional situations if limited tendering is resorted to, the potential vendors should be identified using a predetermined criterion which is duly recorded.		Response awaited.			Y	
20	2021	R020	Do not permit the use of brand name for procurement.		Response awaited.			Y	
21	2021	R021	Clearly state the bid evaluation method to be followed, in terms of a lump-sum or item-wise approach, in the invitation to bid and ensure that it is consistently adhered to during evaluation.		This recommendation pertains to WCO Ethiopia. Response awaited.			Y	
22	2021	R022	Ensure that technical evaluation reports record the specific reasons for acceptance or	Selection and exclusion criteria are made clearer to the suppliers in the bidding	In view of the management response and circular	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
			rejection of offered products in an objective and verifiable manner**.** Technical evaluation should be done strictly with reference to the specifications and criteria conveyed in the invitation to bid.	documents and strictly followed during evaluation.	instructions issued, the recommendation is closed.				
23	2021	R023	Ensure that price evaluation is done either on the basis of lump-sum prices or item-wise rates. Whatever method is adopted, it should be clearly stated upfront in the invitation to bid and not be left to be decided during the evaluation.	If items are related, this is clear in the requirement sheet and followed in the evaluation and award. If evaluation will be done by total cost, we mention in the selection criteria (award by All-or-None); however this is done only for very specific cases as IT equipment for compatibility. The new ITB template for R08**.**2 shows this clearly.	In view of response and action taken by management, the recommendation is closed.	Y			
24	2021	R024	Adopt open tendering in WCOs in all cases, and in exceptional situations if limited tendering is resorted to, the potential vendors should be identified using a predetermined criterion which is duly recorded.		Response awaited.			Y	
25	2021	R025	Update WCO information security policy from time to time, conduct periodic disaster recovery drills and assess the vulnerability of ICT assets and applications.	The WCO is not responsible for IS security policies and follows corporate IS security policies. This observation should be addressed to WHO at global and regional level if relevant.	WCO being a part of WHO should raise this issue with its headquarters IT/IS unit and report the progress.			Y	
26	2021	R026	Make efforts to reduce the share of non-DDM payments.	The DDM coverage has increased drastically in November and December 2021; the percentage was 98% in December, which has led to a decrease in the share of non-DDM payments accordingly. Efforts are still under way to reach 100% DDM coverage, which will	In view of response and action taken by management, the recommendation is closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
				lead to zero percentage of non-DDM payments.					
27	2021	R027	Enhance efforts to improve the coverage and quality of the supplementary immunization activities so as to expedite the eradication of polio and prevent any resurgence of the virus.	In coordination with the health authorities of Afghanistan and implementing partners, WHO has assisted the programme in revising the annual National Emergency Action Plan (to be finally approved in the Technical Advisory Group meeting) that focuses on addressing the challenges to programme delivery in the country and strives to progressively improve the coverage in supplementary immunization activities with a goal to achieve eradication. The plan includes monitoring and evaluation component that periodically reviews implementation progress, and is also subject to independent review and expert advice of the Technical Advisory Group for Polio Eradication. The recommendation is under implementation.	In view of response and action taken by management, the recommendation is closed.	Y			
28	2021	R028	Take urgent and appropriate measures to contain the spread of polio cases due to wild poliovirus type 1 and circulating vaccine-derived polioviruses, especially through cross-border transmission.	WHO, in coordination with the health authorities of Afghanistan and other implementing partners, works closely with the Pakistan Polio Eradication Programme (given extensive cross-border travel of populations between the two countries) to jointly implement cross-border vaccination at formal and informal crossing point. Additionally, the Afghanistan programme has deployed vaccination teams at international airports and in major cities for vaccination of international travellers as per International Health Regulations (2005) guidelines (e.g. vaccination of Haj pilgrims, vaccination of travellers to India as a visa requirement etc.). These interventions are focused to prevent international spread of wild polioviruses and	In view of response and action taken by management, the recommendation is closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
				vaccine-derived polio viruses and are included in the National Emergency Action Plan. The recommendation is proposed to close.					
29	2021	R029	Ensure that all medical inventories have expiry dates mentioned with the ultimate aim of having no items without expiry dates in the inventory.		Response awaited.			Y	
30	2021	R030	Consider putting in place a mechanism in WCO to monitor the utilization of funds by the grantee in order to ensure that expenditure has been incurred in accordance with the agreed terms. WHO management needs to exercise greater due diligence before releasing the payments in favour of the grantee.	The WCO has indeed a robust mechanism to monitor the projects implemented by nongovernmental organizations which are subject to assurance activities including field monitoring visits and audits. The WHO office has six area coordinators and three technical officers to support the monitoring and evaluation activities. WHO conducts regular field monitoring visits to sites operated by its partners, including departments of health. WHO focal points at governorate level visit different project interventions on a regular basis to ensure the quality of service delivery as well as timely and efficient utilization of funds. Additional monitoring and evaluation visits are also conducted. Detailed monitoring reports are prepared and shared with all concerned using standard WHO tools. Further to these monitoring and evaluation efforts, internal grant monitoring meetings are conducted to improve proper and timely utilization of funds. Further assurance activity is under way with a professional audit firm conducting a review of projects carried out in 2020.	In view of response and action taken by management, the recommendation is closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
31	2021	R031	Finalize the GPW 13 impact framework, as part of the WHO results framework, on a priority basis with defined timelines to enable WHO to ascertain its contribution to outcomes and impacts.		Response awaited.			Y	
32	2021	R032	Prescribe timelines for the submission, processing and validation of data on the triple billion dashboard and ensure adherence to the timelines.		Response awaited.			Y	
33	2021	R033	Review the interaction between the three indices that make up the HEPI, and recalibrate them to ensure that their impact on the HEP billion target and the HEPI is correlated to convey reliable and meaningful information.		Response awaited.			Y	
34	2021	R034	Address the baselines and targets of the programme budget output indicators as a priority.		Response awaited.			Y	
35	2021	R035	Ensure the strengthening of existing processes and the introduction of new processes delineated in the update (document EB148/27) to ensure improvement of the funding situation and achievement of the projected implementation of the planned expenditure during and by the end of the biennium.		Response awaited.			Y	
36	2021	R036	Ensure that the instructions in the roll-out guidance for mid-term reporting on the Programme budget 2020–2021		Response awaited			Y	

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
			are fully adhered to in order to ensure better transparency and measurement of results accountability.						
37	2021	R037	Review strategies to elicit donor response to ensure sustained funding for health emergency operations and to address the funding gaps at critical junctures. The CFE should be utilized for response operations at the onset of the event for a limited period of time, and in response to an escalation of, or a new event within, a protracted crisis, as envisaged in its guiding principles.	This recommendation comes from the fact that the CFE was used to fund the Democratic Republic of the Congo North Kivu Ebola response over two years (2018–2020) with some US$ 100 million from the CFE for start-up but more prominently used to fund gaps at critical operational junctures due to a lack of donor funding. While this went against the guiding principles of the CFE (to fund acute events at start for a short time frame), WHE senior management erred towards keeping the response going and saving lives. While the CFE will continue to be used mainly as an initial response option over a limited period of time (as has largely been the case over the last biennium), there may be necessary exceptions to this rule which shall be communicated clearly to Member States. Furthermore, with the push from Member States to strengthen WHO's emergency preparedness and response capacity and in this regard to increase sustainable funding to the Organization, there may be more leverage in obtaining donor resources needed to maintain critical operations going forward.	In view of response and action taken by management, the recommendation is closed.	Y			
38	2020	R001	Encourage the personnel handling procurement processing functions, as well as project approvers at HQ, regional and country offices, to complete the relevant sections of the procurement iLearn curriculum,	So far, all personnel holding "Procurement Requestor" role in GSM are requested to take the Administrative curriculum training to retain this responsibility. The enforcement was slightly delayed due to the COVID-19 crisis, but an Admin Note is pending ADG's approval	The recommendation is under implementation stage as the completion of the different curricula have not yet been made mandatory for staff members holding or requesting the corresponding roles in		Y		

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
			and to periodically revisit the curricula to refresh themselves and fully appreciate the processes to minimize, if not eliminate, the possible processing errors resulting in the misclassification of the accounts in the financial statements.	and will set the new final deadline for completion to 30.09.2020. As regards the other functions (Technical/Responsible Officers, Quality Check/Project Approvers 1 and Managers/Project Approvers 2–6), dedicated curricula are ready and fully available in the corporate platform iLearn. Supply submitted a request to make the completion of the different curricula mandatory for staff members holding or requesting the corresponding roles in GSM. Further discussions will be held with ADG/BOS regarding implementation. It is important to flag that the Supply Department alone cannot make those trainings mandatory. It has to come from Senior Management.	GSM. The details of personnel holding "Procurement Requestor" role in GSM, who had taken the administrative curriculum training were called for but not made available. Copy of the approved ADG's Admin note regarding the deadline for completion of this training was requested but was not made available. As of now, the recommendation is under implementation stage.				
39	2020	R002	Account and report the effects of the prior period errors in accordance with IPSAS 3 to avoid distorting the balance of revenue and ensure fair presentation of the account in the reporting period.	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.			Y	
40	2020	R003	Apply in the newly developed feature in GSM a quality assurance (QA) check up-front to DFCs and Dis, and should be adopted in all regions so that DFC and DI PO requirements are fully adhered to.	The up-front QA check was enabled in December 2019, when it was implemented in HQ. All the regions except EMRO implemented the QA check during the first half of 2020 (see attached emails). EMRO will be implementing the QA check before the end of the year. The QA check is for DFC, Grant LOA and IPO including DFC.	The status of implementation of the recommendation in EMRO was not furnished. As of now, the recommendation is under implementation stage.		Y		
41	2020	R004	Give importance and strictly follow at the country office level as well as in the GSC level (the unit assigned to process and issue the DFC POs and DI IPOs)	The requirement is that for DI and DFC, if using a PTAEO that does not belong to the implementing CO is proposed to be used, either DAF or Comptroller approval has to be obtained (not just Comptroller). CO have been	The status of implementation of recommendation in EMRO was not furnished. As of now, the recommendation is under implementation stage.		Y		

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
			the relevant provisions requiring the exceptional approval from the Comptroller.	reminded of this. There is a reminder "pop-up" in the GSM that reminds the submitter of this requirement. Also since May 2020, an up-front QA check has been put in place for DFC, DI and Grant LOA in all regions (except EMRO, who will be implementing this shortly), which checks that the SOP requirements are fulfilled before the project approvers approve the PRs. If this approval is not attached, the PR is rejected. Therefore instances where no such approval is obtained has reduced to a minimum of cases.					
42	2020	R007	Establish a robust performance tracking system within the Global Procurement & Logistics (GPL) and Global Finance for a comprehensive picture of the performance of key services that would provide insights for management to make more informed decisions and identification of key areas for improvement and further improve the quality and timely delivery of the services to the WHO and partner organizations.	In line with this recommendation from the external auditor and the similar recommendation from the internal auditor, GFI, in coordination with GPL and IMT, has assessed the case for an electronic tracking of SLA. A business case was prepared and is being finalized for management consideration. The business case was submitted for management consideration. The recommendation is proposed for closure.	It was noticed from the communication on the business case that considering the implementation cost and proposal for the new ERP system, the recommendation was not implemented. As the new ERP is yet to be established, the status of implementation may be assessed during next audit.		Y		
43	2020	R008	Conduct a feasibility study or analysis with a view of developing an automated workflow system for the separation payment process that will provide relevant users, both within and outside GSC the necessary functionalities.	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
44	2020	R009	Revise the Human Resource Strategy aligning it to the WHO Transformation agenda.	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		
45	2020	R010	Revise the Framework for Learning and Development responding to the Transformation as anchored to human resource strategy thus, optimize overall staff capacity and talent.	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		
46	2020	R011	Facilitate the mobility policy implementation by prioritizing the establishment of the MAB and CIB and drafting its corresponding Terms of Reference (ToR).	The MAB was created and ToRs drafted. In September 2020 Meetings were held with the Staff Association MAB focal points and Administration MAB focal points to explain the simulation exercise and expected role during the exercise. In December 2020 a new meeting was called to provide updates on the number of volunteers for the exercise and any requests for deferrals (personal, organizational, medical). In February 2021 a meeting took place with the subcommittee of the MAB to review and make recommendations regarding the deferrals. Meetings have also been held with SHW on their role in advising the MAD without divulging confidential information. In Q4 2021, we are entering the stage of matching with functional technical experts. Mobility policy will be reviewed following the report of the mobility simulation exercise. Mobility simulation is scheduled to conclude by end 2021/Q1 2022. CIB would be informed following the completion of the mobility simulation.	This observation/ recommendation is subsumed under the Audit Report on Performance Audit of Transformation – 2022. Recommendation is closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
47	2020	R012	Review the harmonized selection process to allow further customization of screening questions to improve the utility of the preliminary screening procedure.	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		
48	2020	R013	Consider the review and moving forward, the acceptable revision of the evaluation parameters comprised in both the preliminary screening and in-depth evaluation steps of the process, with the goal to ensure that redundancy is control.	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		
49	2020	R014	Provide feedback of the final selection decision results to SRs and other SP members, and that it be consistently applied and provided for all completed recruitments.	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		
50	2020	R015	Establish a registry/coordinator that receives, maintains, refers and will coordinate the staff concerns to the respective office in the internal justice system.	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		
51	2020	R016	Devise a mechanism to monitor the conduct of all the staff survey and the corresponding after-survey activities and initiatives. Moving forward, conduct staff satisfaction survey every other year bench marking on the UN system practice especially with regards to the policies introduced and revised	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
			through the Organization's transformation agenda.						
52	2020	R017	Clarify and streamline programme accountabilities and coordination in relation to its transformation initiative as it transitions into the new General Programme of Work and Programme Budget, to ensure that programme outputs are delivered as planned and support programme results reporting.	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		
53	2020	R018	Include outputs reporting in its MTR as these are the results that the WHO has full accountability in the implementation of the PB, for better transparency and measurement of results accountability.	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		
54	2020	R019	Enhance the PB implementation performance reporting by providing more focus on progress of outputs delivery and ensuring that related activities are closely monitored to exact better accountabilities and improve PB implementation reporting process.	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
55	2020	R020	To harmonize programme-level monitoring mechanisms to establish specific responsibilities and mechanisms to track and monitor programme deliveries for more streamlined information management in support of organizational learning and future decisions.	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		
56	2020	R021	Redefine its overall fraud risk governance structure and provide specific roles and responsibilities to its key players to better clarify fraud risk management accountabilities and set the tone for future fraud related policies.	March 2022: As part of the response to the October 2019 External Audit on fraud risk management, WHO has been tasked to update its fraud approach by implementing recommendations on: (i) fraud governance, (ii) fraud policies, (iii) fraud training and tools, (iv) fraud reporting, (v) fraud monitoring controls and (vi) fraud risk assessment. To this end, an anti-fraud/anti-corruption road map has been developed aiming at updating and implementing the WHO Fraud Management Framework by February 2022. As part of the WHO fraud road map, an updated anti-fraud and anti-corruption policy has been drafted, including specific roles and responsibilities clarifying fraud risk management accountabilities throughout the cycle of prevention, detection and response. The roles and responsibilities defined in the policy are the result of a wide consultation exercise across the three levels. A wider consultation process (April–September 2021) has taken place, soliciting input from key players, i.e. (senior) management, relevant networks: procurement; operations officers in regions; Directors of Administration and Finance and Budget and Finance Officers; WHE and	WHO has taken necessary measures to redefine its fraud risk policy. Recommendation closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
				incident managers; management officers; HR and staff association; as well as from the Global Risk Management Committee (the new owner of the fraud policy), and the IEOAC in December 2021.					
57	2020	R022	Conduct a concrete and formally-documented fraud risk assessment exercise, through the CRE, at periodic intervals and at appropriate levels to obtain better traction in forwarding the Organization's commitment to manage its fraud vulnerabilities.	March 2022: CRE in collaboration with PricewaterhouseCoopers (PwC) and the sub-working group on Fraud Risk Assessment (FRA) implemented a fraud risk assessment methodology, prioritizing business areas according to fraud and corruption vulnerabilities. The area judged to present the most vulnerability is that the FRA for the procure2pay process. An in-depth assessment of the risk of fraud and corruption was completed for this priority area. The fraud risk assessment exercise took place from October 2021 to February 2022 and included a series of bilateral meetings with relevant stakeholders in the supply chain (HQ and GSC procurement teams), as well as dedicated workshops involving colleagues from all three levels of the Organization covering the procure2pay process to discuss the different steps of the Procurement to Pay, from needs assessment to payment. An assessment of the fraud risk factors (inherent), control environment analysis and recommendations for actions to respond to the fraud exposure (including opportunity for automation) has been formally documented and is being discussed with senior management for inclusion into the BMS business process optimization phase to ensure possible automated controls can be designed accordingly.	WHO in collaboration with PwC has developed a risk assessment methodology and conducted the risk assessment in October 2021. Recommendation may be closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
				In parallel, CRE has benchmarked fraud risk assessment methodologies in International aid and has designed a tool based on this to help all staff of the Organization assess the risk of fraud and corruption depending on external and internal factors they are facing.					
58	2020	R023	Include in the fraud risk management policy, the mandatory training requirement for all staff on fraud awareness and prevention, and for the HRT to include the same in its mandatory training programme; and monitor staff compliance with the Declaration of Interest and to systematically conduct exit interviews taking interest on fraud related issues that may arise.	The revised policy includes training requirements for all staff included in WHO's mandatory training programme and related monitoring mechanisms which in addition to exit interviews falls into the remits of HRT, while staff compliance with the Declaration of Interest is managed by the Ethics unit within CRE. The latter uses an online tool for that.	In view of the WHO response and action taken, this recommendation is closed.	Y			
59	2020	R024	Streamline its fraud reporting mechanisms and coordination in support of the creation of a central repository for all reported fraud allegations and complaints to ensure that the IOS case data include those reported through the Integrity Hotline and other mechanisms, all to enhance the fraud deterrence value of the Organization's fraud response.	March 2022: The current initiative to transition the Hotline to IOS will help to demonstrate that there is a now "one custodian" for the reporting of allegations of fraud and corruption. Secondly, under CRE's leadership the new Anti-fraud/anti-corruption (AFAC) policy provides the opportunity to further clarify roles and responsibilities (including the obligation to report suspicions of alleged wrongdoing). Finally, the commitment to implement improved internal controls in the new BMS design, to mitigate risks in our operating processes, is a medium term objective. As a first step the recent pilot project (with PwC) to assess anti-fraud/anti-corruption controls in the procurement process is a good example	WHO has implemented the recommendation. It may be closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
60	2020	R025	Undertake a comprehensive monitoring of the application of its Fraud Prevention Policy and Fraud Awareness Guidelines and related policies, to establish the right precursors in the enhancement of its fraud risk management mechanisms and further improve the Organization's risk aware culture.	March 2022: Key Performance Indicators relevant to monitor the anti-fraud/anti-corruption policy – December 2021, have been identified and indicator-based monitoring is included as activity in the AFAC implementation plan – February 2022.	In view of the action taken by the WHO in connection with the Fraud Prevention Policy and Fraud Awareness, the recommendation may be closed.	Y			
61	2020	R026	Report to WHA 70 – April 2017. Further address inventory issues across the Organization through the evaluation of existing inventory control mechanisms on valuation and reporting, followed by the development of a Global Policy for Supply Chain and Inventory Management which would provide the basis for the development of the Standard Operating Procedure (SOP) on the management of expired inventories (para.32).	In the past few months supply chain and procurement end-to-end process is being redesigned as a part of business process review of WHO Transformation Initiative, with direct involvement of WHE OSL leadership. In the proposed 4 supply chain initiatives, warehouse standard operating procedure is considered one of the building blocks. Specifically, it is planned to define top 10 rules for warehouse standard operating procedures and design change management framework to support implementation. Implementation of these deliverables is anticipated as a part of GPW 13 implementation.	In view of the reply that this recommendation will be implemented as a part of GPW 13, as of now, the recommendation is still under implementation.		Y		
62	2020	R027	Report to WHA 70 – 2017. Formalize the control frameworks on the critical processes of IT management, giving priority to: (i) outsourcing arrangements, (ii) criteria for classification of critical IT assets, and (iii) IT Performance Management Framework, and ensure that these control	In response to the audit recommendation to formalize control frameworks on critical processes of IT management, IMT is endeavouring to promote, establish, and implement an IT Governance Framework. Two of our sister agencies – FAO and UNRWA – have successfully begun implementing ISACA's COBIT 2019, and we have elected to do the same. Using COBIT 2019's flexible framework, we are aligning WHO's IT	The response of WHO seems to be satisfactory. Recommendation is closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
			frameworks are documented and shared across the Organization for effective management and monitoring. Also align the control frameworks with the risk identification activities that need to be enhanced focusing on the defined key result areas (para. 126).	functions with the GPW 13, the IT Strategy, and our existing IT processes. Moreover, these governance activities align with recommendations from the recent KPMG report (Corporate Systems and Recurring Costs study) presented to the IT Steering Committee on 13 October 2021 and 25 October 2021. To date, we have presented the proposed IT Governance approach to CIO, IMT management, IOS, and LEG. Additionally, we have involved multiple colleagues from relevant IT teams in IMT. We are now focused on implementing a first-mover pilot programme for IT Governance. This represents a foundational shift for the department – towards a more modernized, efficient, enabling, and accountable IMT. Lastly, we are empowering our Policy and Processes portfolio to be updated over the course of the coming biennium, with special focus on building a solid foundation of defined processes and SOP for Operations and User Support. This has begun with processes including, but not limited to: IMT Service Desk SOP Project to Service Transition SOPIMT Service Acceptance Criteria Checklist Acquisition Checklist. We hope this indicates we are rising to the occasion through the establishment of a GOV team under IMT/PMO/GOV and the work being done to formalize the very first governance programme for IMT – and for WHO as an organization. 18.01.2021 – In Progress. As already reported in 2020, the outsourcing arrangements have already been addressed and					

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
				are actively managed. This was already addressed. Due to the COVID-19 pandemic, the efforts have been focused on getting new services, products and projects up. During Q4 of 2020, the Project Management Office started discussions on how to address IT Performance Management and got the small team trained on COBIT 2019. We have outlined a framework by which the IT processes are going to be assessed and measured. In the last departmental meeting, it was announced that IT performance management will be a key area to push for and work with different areas/teams will start this year to discuss key priorities areas for measurement and improvement. 26 March 2020 – In Progress Outsourcing arrangements have gone through rigorous controls. Contract Management team are active in reviewing all agreements. LTAs have been established for resource managements. Contracts are monitored for Managed Services. IT Performance Management framework has only been included in the new 2020 structure (following HQ's transformation) and the drafting will be initiated in 2020.					
63	2020	R028	Report to WHA71 – 2018. Enhance WHO's end-user IT equipment management, through the Department of Information Management and Technology (IMT), AMG and the Corporate Procurement and Policy Coordination (CPPC) by: (a)incorporating a requirement for justification and IMT approval	IMT has published and communicated to all users globally a set of hardware and software standards. They are also published in the IMT Service Catalogue in Service Now and are linked from IMT policies, including Global Cybersecurity Policy. The process to request and approve non-standard purchases are managed through a form and workflow in Service Now. Requests are reviewed by the supervisor of the requestor	The response of WHO seems to be satisfactory. This recommendation is closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
			for IT equipment procured outside of the standards set for better transparency and accountability; (b) providing regular updates to business units on the age of IT equipment to support acquisition planning and decisions on IT replacement and purchases; (c) standardizing the global software desktop configurations which shall be done at the manufacturer's site to further speed up the acquisition to delivery cycle time; and (d) providing AMG with access to IMT mobile device management tools such as the System Center Configuration Manager (SCCM) and AirWatch to speed up the equipment verification.	to ensure that they align with the needs of the business unit and also by IMT for the need for exception and security.					
64	2020	R029	Report to WHA72 – 2019. Enforce the timely receipt of the deliverables as well as the completion of Supplier Performance Report on service contracts Agreements for Performance of Work (APWs) and non-grant Letters of Agreement (LOA) above US$ 50 000 to properly recognize prepayments and accruals.	We hope to be able to implement the extension of this system to all the regional offices and service contract types in 2021. Implementation could not take place in 2020 due to conflicting priorities.	As the electronic workflow for ensuring timely receipt of deliverables was not extended in all regional offices, the recommendation is under implementation.		Y		

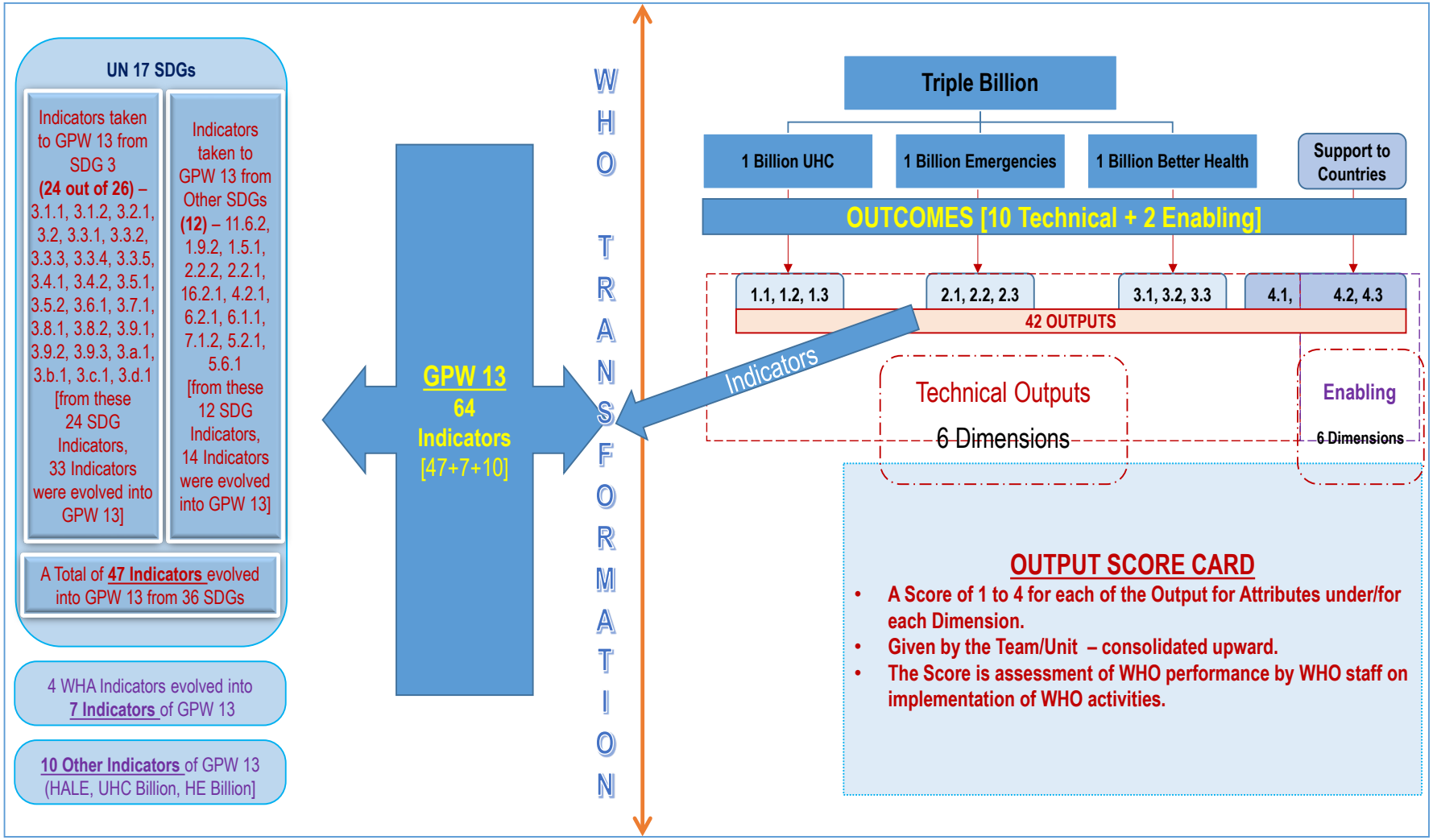
Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
65	2020	R030	Report to WHA72 – 2019. Adopt a change management strategy to support the implementation of the redesigned resource mobilization process and related systems along with the organizational structure to ensure effective delivery of the new resource mobilization (RM) model.	The CEM system along with related RM process is currently in project status and the project will be going live in March 2021 with roll-out to HQ and AFRO offices first and then roll-out to all other offices by May/June 2021.	Since roll-out is under progress recommendation is under implementation.		Y		
66	2020	R031	Report to WHA72 – 2019. Consider with utmost urgency the immediate development and completion of the contents that are the core of emergency operations in the eManual for health emergencies (Part XVII), complete with SOPs, to ensure transparency, consistency and uniformity in interpretation and application of pertinent policies.	All OSL SOPs are completed. All eManual sections are filled link. This recommendation can be closed.	WHO has not provided the list of all critical sections to be updated and the current status of their publishing. Thus the action has yet to be completed.		Y		
67	2020	R032	Report to WHA72 –2019. Enhance the current policies on the recruitment and selection process, building on lessons learned, to limit the extension of posting of the vacancy notice; reconciliation of the eManual with the related SOPs; requiring on the face of the Selection Report the name and position as well as the signature of the person delegated by the approving authority; disclosure on the Selection Report of the date it was signed by the	WHO's reply is pending.	As reply is pending, the recommendation is not implemented.		Y		

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
			Selection Panel; and inclusion of a paragraph informing the interviewed applicant on the availability of feedback upon request to HR.						
68	2020	R033	Report to WHA72 – 2019. Intensify the ongoing Contingency Fund for Emergencies (CFE) financing campaign and strengthen support from donors so that resource mobilization shall be a continuous process, and also strengthen the resource mobilization efforts at country level to sustain reimbursements to the CFE through donor contributions.	Since its establishment in 2015, the CFE has received US$ 189 million in contributions. Contributions averaged US$ 15 million per year from 2015–2017 from 11 Member States. This has increased to US$ 36 million per year in 2018–2021, with the CFE now counting 23 Member State contributors. So far in 2021, the CFE has received nearly US$ 30 million, with an additional US$ 12 million in pledges. Continuous efforts have been made to engage donors in support of the CFE – CFE is pro-actively raised with donors to support WHO's work in emergencies – this is done in bilateral meetings at technical level and at senior level. Following an internal review back in December 2020, and three level feedback to this, several recommendations have been put forward to strengthen the CFE's financial sustainability, strengthen operating procedures, and improve donor accountability and visibility. Some recommendations, in particular around operating procedures, accountability and visibility, are already being implemented through updates to the eManual and the ERF. A further set of recommendations, including strategic recommendations on strengthening financial sustainability of the CFE, are being consulted internally so relevant staff across the three levels can be sensitized and the recommendations fully implemented in 2022.	Efforts are being made to increase CFE financing. The recommendation is closed.	Y			

Sl No.	Audit year	Recommendation ID	Recommendation	WHO response	Audit response	Implemented	Under implementation	Not implemented	Overtaken by events
				A dedicated investment case/appeal for the CFE is also planned for, for release in 2022. A briefing to donors on the use and effectiveness of the CFE in 2021, as well as an outlook for 2022, is planned for in early 2022. The CFE is intended to be a revolving fund and allocations should be reimbursed by country offices once donors contribute to specific emergency responses initially funded by the CFE. Reimbursement, however, remains uneven, with an average rate of 30–40%. AFRO's recruitment of 25 resource mobilization officers for countries in the Region presents an opportunity to push forward country level replenishment in the next several years. The COVID-19 pandemic and WHO's role in the response has prompted several independent reviews to call for strengthening of WHO's global health emergency preparedness and response capacity. Member States continue discussions to ensure that this becomes a reality. This would entail greater and more predictable financing so WHO can successfully carry out its mandate in emergencies, including strengthening WHO's capacity to respond quickly to acute events. Positioning the CFE within these discussions is critical in ensuring that it too is sustainably replenished.					
	Total	**68**				**22**	**25**	**20**	**1**
	Percentage of recommendations					**32.35**	**36.76**	**29.41**	**1.47**

APPENDIX 2

RESULTS FRAMEWORK



APPENDIX 3

PARAMETERS OF SURVEY QUESTIONNAIRE

Question	Disagreement			Agreement		
	McKinsey Consulting 2017	DeftEdge 2020	Change in percentage	McKinsey Consulting 2017	DeftEdge 2020	Change in percentage
WHO's vision is clearly communicated throughout the Organization	13	31	18	53	59	6
The Organization's culture positively influences the way people behave	25	43	18	52	46	Negative 6
Leaders in the Organization (including my boss) give employees the autonomy to make their own decisions	24	40	16	43	43	No change
The Organization has created clear links between performance and consequences	33	39	6	41	45	4
The Organization's performance feedback and review processes collect accurate information about employee's strengths	32	46	14	38	43	5
The Organization offers top performers the most attractive career opportunities within the Organization	53	61	8	20	26	6
Promotions in the Organization are based on merit	42	61	19	27	26	Negative 1
The Organization invests significant resources to build and maintain strong relationships with the community	18	27	9	53	52	Negative 1
The Organization effectively adapts to changes in its external environment	24	38	14	42	52	10
The Organization consistently implements new and better ways of doing things	25	44	19	43	48	5
The Organization makes the changes necessary to compete effectively	27	42	15	40	46	6

Source: Page 52 of the Volume 2: Annexes of DeftEdge report on Evaluation of WHO transformation.

Comparative analysis of the two external agency surveys

Total number of questions: 28

Sl No.	Analysis	No. of questions	Percentage of total questions
1	Questions where increase in disagreement level was more than change in agreement level, i.e. agreement level remained unchanged, agreement level decreased or increase in agreement level was less than increase in disagreement level	11	39.29
2	Questions where increase in agreement level was more than increase in disagreement level	12	42.86
3	Questions where agreement level increased whereas disagreement level decreased or remained unchanged	05	17.86
	Total	**28**	

APPENDIX 4

LIST OF 27 QUICK WINS

Timeline	Sl No.	GPG decision (November 2017)
Quick wins (implementation in 1–6 months)	01	that Delegations of Authority (DoAs) should be harmonized across Regions, giving greater accountability to WHO Representatives (while taking into account risk analysis, management and size of country office operations); an Inter-Regional Working Group (including DAFs/DPMs) to draft a proposal for GPG consideration.
	02	to re-classify all WHO Representatives who are currently serving at P6 grade to D1.
	03	that all WHO country office requests for temporary budget ceiling increases will be decided within 2 weeks.
	04	to ensure the prioritization for staffing the WHO Health Emergencies Programme (WHE) is country office, followed by Regional Office and then headquarters level.
	05	to create a mechanism to ensure direct WHO Representative engagement in the change process to ensure it remains focused on enhancing country level impact
	06	to reinforce and track compliance with WHO policy that headquarters not bypass or fail to inform regional offices, and regional offices not bypass or fail to inform WHO Representatives, when contacting governments and country office staff and undertaking travel to country level.
	07	to establish a mechanism to manage WHO's engagement in the UN reform process and ensure ongoing internal communications, especially to WHO Representatives, on the reform process and WHO's position(s).
	08	to ensure the representation of WHO Representatives at Regional Committees, World Health Assembly and Executive Board (e.g. rotating basis).
	09	that position descriptions will be standardized across WHO to facilitate mobility.
	10	to establish and implement a standard duration of assignment for WHO Representatives.
Potential quick wins to review at January 2018 GPG meeting	11	the potential for aligning WHO rules for contracting non-UN retirees with the United Nations system standard.
	12	the new proposed human resources policy for short term development assignments for National Professional Officers.
	13	the current distribution of staff across the 3 levels of WHO, to inform potential goals for future staffing of the Organization.
Medium-term change priorities (6–12 months)	14	to define goals for future staffing across the 3 levels of WHO, and establish a strong mobility implementation plan in support of those goals.
	15	to review options for the relocation of selected technical expertise and programmes closer to countries.
	16	to review the budget ceiling concept for WHO country offices.
	17	to implement the harmonized Delegations of Authority with more accountability to WHO Representatives.

Timeline	Sl No.	GPG decision (November 2017)
	18	to initiate and monitor the strengthening of communications and resource mobilization expertise at country level, based on a new Organization-wide strategy for WHO's external engagement.
	19	to establish a standardized grading of country office WHO Representative positions.
	20	to simplify internal FENSA business processes and standard operating procedures.
	21	to establish a platform to enable the rapid sharing of best practice between WHO Representatives.
	22	to review best practices from inter-regional, regional and country level and decide on priorities for Organization-wide scale-up.
	23	to analyse and provide guidance on linking the new GPW 13, the UNDAF and CCS processes, and future programme budget and operational planning.
Long-term change priorities (>12 months)	24	to increase mobility, especially out of Geneva.
	25	to create career pathways and mechanisms to advance staff development.
	26	to create individual accountability for results (performance management).
	27	to increase staffing and recruiting speed.

= = =