

Independent Expert Oversight Advisory Committee: annual report

The Director-General has the honour to transmit herewith to the Programme, Budget and Administration Committee of the Executive Board, for the Committee's consideration at its forty-fourth meeting, the report submitted by the Independent Expert Oversight Advisory Committee (see Annex).

Annex

Report of the Independent Expert Oversight Advisory Committee (IEOAC) to the Programme, Budget and Administration Committee, May 2026

Background

1. This report covers the forty-ninth meeting of the Independent Expert Oversight Advisory Committee (IEOAC), held in March–April 2026, and is supplementary to the annual report presented in January 2026.¹ The main recommendations from this meeting are indicated below.
2. The members of the IEOAC who participated in this meeting were: Mr Greg Johnson (Chair), Mr Rob Becker, Ms Beatriz Sanz Redrado and Mr Darshak Shah. Given the uncertain security situation in her region, Ms Aseya Galadari could not join the meeting in person and participated in some of the sessions remotely.
3. The Committee received the required support from the Secretariat, including a comprehensive overview, by senior management, on major developments and key challenges. In addition, it had the opportunity to brief the Director-General on the discussions held and the main observations of the Committee.
4. Ahead of the opening of each meeting, all members of the Committee submitted their Declaration of Interest to the WHO Office of Ethics, Risk Management and Due Diligence and Non-State Actors, and confirmed that no conflict existed with their current mandate.
5. The remainder of this report consists of the following chapters:
 - (a) Financial situation and strategic realignment exercise
 - (b) Financial Statements for 2025
 - (c) External audit
 - (d) Internal audit and investigations
 - (e) Evaluations
 - (f) Risk management
 - (g) Prevention of sexual exploitation, abuse and harassment (PRSEAH)
 - (h) Business Management System (BMS)
 - (i) Other matters reviewed by the Committee
 - (j) Summary of highlighted recommendations.

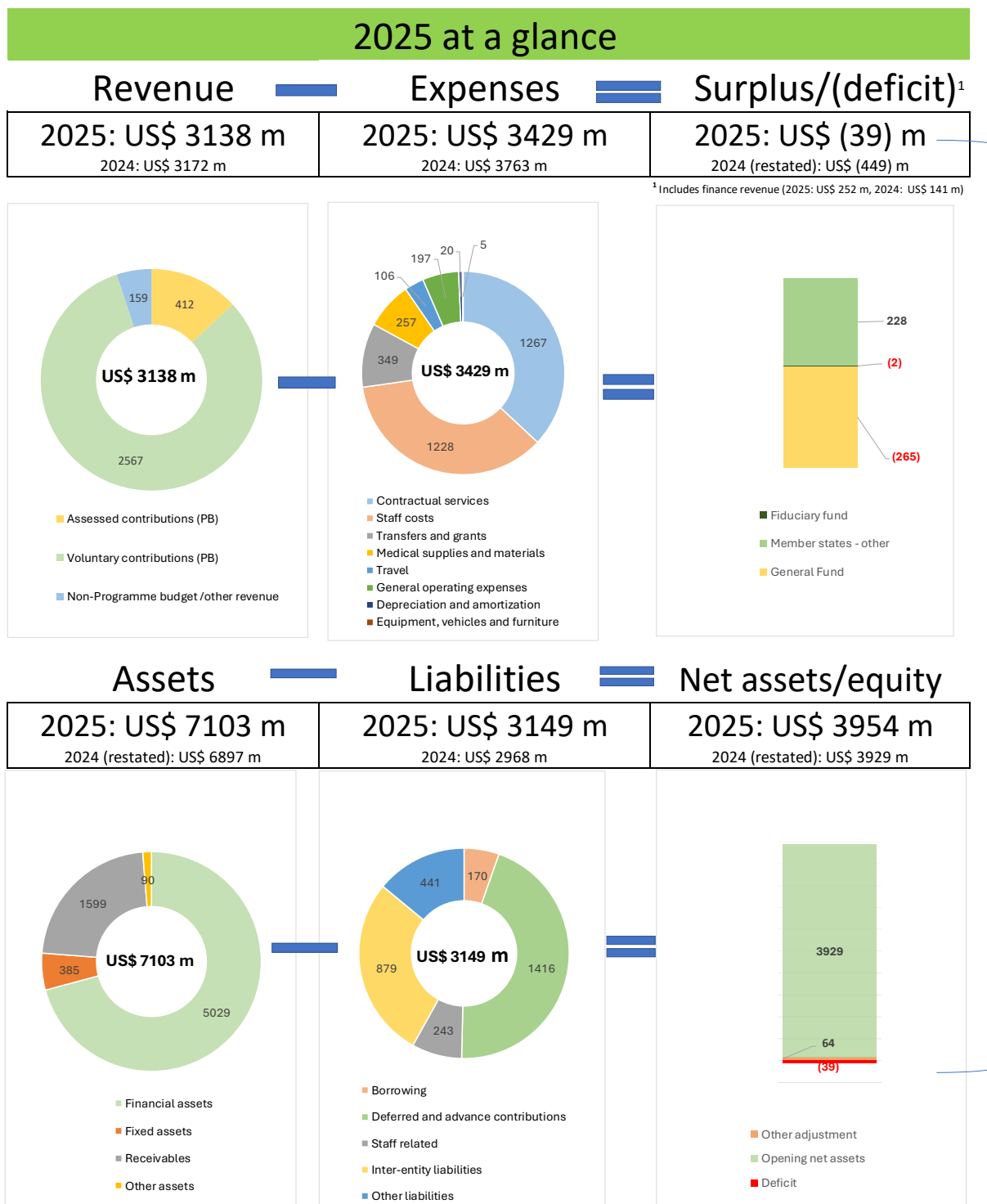
¹ See document EBPBAC43/2.

A – Financial situation and strategic realignment exercise

6. Consistently with the last few meetings, the Committee was briefed on the prevailing financial situation and received an update on the outcome of the strategic realignment exercise.
7. The Committee took note of the fact that the current financial outlook showed an improved level of funding (at 85%) of the Programme budget 2026–2027, compared to previous bienniums. At the same time, it concurred with the Secretariat that the remaining unfunded portion (15% or US\$ 660 million) could be more difficult to close than in the past, given the global economic situation. In addition, misalignments of available funding still existed across major offices and results. Further, the supply chain disruptions resulting from the current geopolitical circumstances were likely to put additional pressure on the cost of the Secretariat's operations in the coming months. Management was aware of these issues and was closely monitoring the situation.
8. The Committee commended the Secretariat for its efforts to reduce the funding gap that had emerged over the past 15 months, including through the investment round, the cost containment measures and the strategic realignment of its workforce. In parallel, it recommended that the Organization continue to seek efficiencies, through business process re-engineering and digitalization.
9. The Committee supported the Secretariat's approach to prioritize its technical programmes. On the other hand, it recognized the challenges in scaling down certain programmes, as this would require a broad agreement among all internal and external stakeholders and their full commitment to this process. The Committee reminded the Secretariat of the need to ensure that sufficient resources continued to be provided for accountability and oversight functions, particularly during periods of financial disruptions.
10. The Committee was pleased to hear of the near completion of the strategic realignment process of the WHO workforce, as part of the Organization's effort towards longer-term sustainability. Available information showed that by the end of June 2026, the Secretariat's workforce would have reduced by approximately 23% compared to 1 January 2025, without a negative impact on gender or geographical balance.
11. Finally, noting that interim measures continued for vacant senior positions, the Committee reiterated its view that key vacant positions in the accountability functions should be urgently filled.

B – Financial Statements for 2025

12. The Committee is pleased to report that despite the disruptions related to the restructuring undergone during the strategic realignment exercise, the Secretariat was nevertheless able to complete the biennial closure and deliver the Financial Statements for the year 2025 on time, with indications from the External Auditor that an unqualified opinion was expected.
13. The following figure provides an overview of the information contained in the Financial Statements.

Fig. Financial Statements for 2025: summary

14. The Committee welcomed the early availability of the External Auditor's long-form report, in line with one of its previous recommendations,² which had greatly facilitated the work of the Committee and of WHO management.

15. The Committee was informed of the risks that the adoption of the BMS, the implementation of the new International Public Sector Accounting Standards (IPSAS standards) and the reduced

² See document EBPBAC40/2, paragraph 12.

headcount would present for processing the financial closure and preparing the Financial Statements for 2026. In this regard, the Committee suggested that these risks be carefully managed and that mitigating actions be taken. More information is contained in the subsequent sections of this report.

16. With regard to the new IPSAS standards, the Committee continues to closely monitor the Organization's readiness to adopt them, as this is a fundamental change affecting all UN system agencies. It is critical that all three levels of the Organization are ready for their adoption and that the relevant BMS modules are implemented.

17. A private session with the acting Comptroller was held.

C – External audit

18. The Committee was briefed by the External Auditor on the content, preliminary findings and recommendations contained in its draft report, the final version of which will be presented to the World Health Assembly, through the forty-fourth session of the Programme, Budget and Administration Committee (PBAC) in May 2026.³

19. In line with the External Auditor's workplan, the draft report covered the compliance and financial audit of WHO; performance audits of resource mobilization and strategic pillar 3 (One billion more people enjoying better health and well-being) under the Thirteenth Global Programme of Work, 2019–2025; and the audits of the Regional Office for the Western Pacific and of the Country Offices in Malaysia and Viet Nam.

20. The Committee was pleased to hear that nothing material had been raised by the External Auditor and that all recommendations had been accepted and responded to by the Secretariat. The Committee is of the opinion that this collaborative approach demonstrates a shared vision on how to address the issues identified. In relation to the compliance and financial audit for the year 2025, the Committee thanked the External Auditor for the early availability of the draft long report.

21. Finally, the Committee took note of the External Auditor's 2026 audit plan, with a focus on the audit of the Regional Office for South-East Asia, the strategic realignment exercise and the BMS. In this regard, as an internal audit had already been carried out on elements of the BMS in 2025, the Committee highlighted the need for the External Auditor to coordinate with the Office of Internal Oversight Services (IOS) on this, in line with its usual practice and the Committee's earlier recommendations.

22. As per past practice, a private session was held with the Director of External Audit, during which the Committee, inter alia, stressed the importance of ensuring the continuity of the External Auditor's staff.

D – Internal audit and investigations

23. In line with its mandate, the IEOAC was briefed on the status of internal audits and investigations by the IOS.

³ See document A79/18.

24. In relation to internal audits, the Committee was pleased with the quality of the information received and acknowledged the Office's ability to manage its workplan in an agile way, adapting it during the course of the year, as circumstances required.

25. The Committee took note of the reported effectiveness of internal controls for those offices and departments audited in 2025, which stood at 68%, showing a slight increase compared to 2024 and 2023. In presenting the relevant data, the Secretariat explained that audits are always being carried out on offices with the highest risks, in which issues are more likely to emerge.

26. The Committee welcomed the close coordination between the evaluation and audit functions and between internal and external audit functions. In addition, it noted the continuing constructive relationship between the Secretariat and the IOS, in full respect of the Office's independence.

27. While reviewing the list of internal audits carried out by the Office, the Committee took particular note of the preliminary observations emerging from the audit on the BMS. It noted the proposed rating of "satisfactory with major improvements required", which appeared comparable to findings at other UN system agencies going through an enterprise resource planning system (ERP) implementation of a similar complexity. The Committee looked forward to receiving the final report.

28. The IEOAC was pleased with the IOS plan to conduct outreach sessions in those offices in which recurring issues have been detected, in order to help mitigate the related risks and strengthen internal controls by promoting awareness, best practices and accountability.

29. Finally, the Committee was informed that the IOS had commenced the review of the Internal Oversight Services Charter. The Committee affirmed the need for the revised Charter to align with the revised Global Internal Audit standards by the Institute of Internal Auditors (IIA) and its terminology, and looked forward to the opportunity to review the Charter prior to its finalization.

30. As far as investigations are concerned, the Committee took note of the continuing high caseload (538), the declining number of new cases and the higher rate of substantiation, the latter being an indicator of improved triage during the preliminary review phase.

31. Also, reflecting on the current caseload, the Committee is of the opinion that investigations represent a significant source of knowledge about the way the Organization operates and the challenges it faces. It was therefore suggested that learnings emerging from investigations be consolidated and shared with senior management periodically, as part of the Organizational learning process.

32. The Committee welcomed the fact that the investigation key performance indicators (KPIs) were being regularly monitored but commented that some targets (e.g., 120 days to conduct sexual misconduct-related investigations) may not be achievable, given the amount of work required. Consequently, the Committee encouraged the Secretariat to review these targets, in line with the best practices in this area.

33. Finally, the Committee was informed that the new case management system had been piloted, and looked forward to receiving more information and a demonstration during a dedicated intersessional meeting.

34. Noting that the position of Head of Investigation remains vacant at the time of the preparation of this report, the Committee stressed the importance of accelerating the selection process of this position, in conjunction with that of the Director, IOS.

35. A private session with the Director IOS a.i. was held.

36. **Recommendation 1: The Committee recommends that management review the KPIs for both assessment and the investigation of allegations received, and that it establish revised targets, by category, that are fair to all parties, reflecting best UN system practice.**

E – Evaluations

37. The Committee received an update on the progress made in the area of evaluations, highlighting the importance of this accountability function in building trust and confidence with Member States and donors. In this regard, it expressed its appreciation for the informative content, the quality of the documentation submitted, and the improvements made in this area.

38. The Committee was pleased to see that 96% of its recommendations had been accepted by management. At the same time, it observed that formal management responses were still being developed in many cases. In particular, it was noted that there had not been responses to the evaluation observations issued in the last 12 months, and that the historical implementation rate of the recommendations issued by the Evaluation Office was only 65%. The Committee observed that the recently adopted evaluation policy established a target date of two months for the issuance of management's responses.

39. As a consequence, the Committee emphasized the need for the Secretariat to accelerate its response and implementation rates so that the results of evaluations were integrated in future programme designs. At the same time, it acknowledged the recent challenges of the strategic realignment exercise that might explain the lack of responses in 2025.

40. To address the gaps identified, the Committee suggested that evaluation officers conduct capacity-building exercises to support technical units in developing responses to evaluation observations. The importance of analysing and communicating trends and recurring issues by the evaluation function has been highlighted as a way that management could effectively address these gaps.

41. The Committee further stressed that following the adoption of the revised evaluation policy in 2025, the Secretariat should create an implementation plan for the policy, including a road map to improve the quality of the decentralized evaluations and clarify the role of the central Evaluation Office in this context.

42. In parallel, it was suggested that the Director-General communicate the importance of the evaluation function to senior managers in order to enhance their response and implementation rates, including through the introduction of relevant indicators in their accountability compacts.

43. In presenting its work, the Secretariat explained that joint activities were carried out on a number of projects by the Evaluations Office in collaboration with the internal audit function. The Committee was pleased to hear this and encouraged these synergies to continue.

44. **Recommendation 2: The Committee recommends that management collaborate with the Evaluation Office to establish deadlines for management responses and implementation dates for the outstanding evaluation recommendations.**

45. **Recommendation 3: The Committee recommends that the IOS and the Evaluation Office develop guidance and conduct capacity-building training to promote compliance, in line with recommendation 2.**

46. **Recommendation 4: The Committee recommends that management consider including evaluation response and implementation rates in the senior managers accountability compact and the Country Office KPIs Dashboard.**

F – Risk management

47. Noting with appreciation the achievement of the “established” level on the Reference Maturity Model for Risk Management adopted by the United Nations High-Level Committee on Management (HLCM), the Committee continued to review the implementation of the WHO risk management framework and acknowledged that significant progress had been made since previous iterations, with the next challenge being the advancement towards a more measurable, decision driven model.

48. In this context, it observed that the process of identifying and prioritizing the principal risks appeared to have matured and was now a truly global process, involving senior management from headquarters and all the WHO regions. The revised principal risks catalogue (expanded from 14 to 21 risks) and the heat map were seen as clearer, more coherent and more operational than before.

49. The Committee supported the principle of a single risk ownership, as having more than one owner would dilute accountability. On the other hand, it agreed with the Secretariat on the need to establish closer links between the Global Risk Management Committee and the Regional Risk Management Committee to ensure increased accountability and engagement of the action owners, while maintaining global ownership at the Assistant Director-General level.

50. The Committee discussed how the risk management framework had been implemented across the Organization, especially in regions and countries, and it concluded that more work was required to align top-down risk identification with risk mitigation efforts at all levels, especially on the programmatic side.

51. At the same time, the Committee was pleased to hear that risks were increasingly embedded in planning further to the introduction of the planning module of the BMS, requiring risks to be linked to relevant products and services.

52. As a next step, the Committee was looking forward to being provided with a more comprehensive overview of the status of each principal risk, ensuring that mitigation actions were not just documented but tracked for effectiveness and linked to escalation and corrective measures. More information on the links between principal risks and risk appetite should be made available, accompanied by relevant key risk indicators, so that the Committee (and management) could clearly see where exposure exceeds risk appetite and could be alerted when this occurs.

G – Prevention of sexual exploitation, abuse and harassment

53. The Committee received a briefing on the progress made in this area and the draft Strategy for the Prevention and Response to Sexual Misconduct 2026–2029, and was pleased to hear that WHO is a recognized leader in PRSEAH across the UN system, as a result of the comprehensive actions taken to implement its three-year strategy.

54. In addition, in reviewing the results of the UN system-wide staff survey on sexual exploitation and abuse, the Committee noted the high level of participation by WHO staff, demonstrating their increased awareness of PRSEAH issues.

55. The Committee took note that for the first time, the number of reported allegations of sexual exploitation, abuse and harassment had declined in 2025 compared to previous years. At the same time, it was acknowledged that further analysis would be required to fully interpret this trend.

56. As part of its draft strategy for 2026–2029, the Secretariat presented the new PRSEAH business model, representing a shift from a centralized approach to a decentralized and mainstreamed model, embedded across the three levels of the Organization, while retaining central policy stewardship and quality assurance.

57. The Committee considered this an appropriate step towards the mainstreaming of the PRSEAH function. At the same time, recognizing that this new model brings some risk, the Committee recommended that the Secretariat carefully monitor the appropriate implementation of the policy.

58. Finally, the Committee was informed about the action being taken with regard to the cultural change initiative, which is central to the sustainable progress on PRSEAH, and encouraged the Secretariat to continue its work in this area under the leadership of the Office of the Director-General. This work should include the revision of the Organizational Accountability Framework, with a clearer articulation of expectations, roles and responsibilities (including where Member States have specific obligations), how compliance will be monitored and what follow-up occurs when expectations are not met.

H – Business Management System

59. The Committee received its regular update on the status of the implementation of the BMS, and acknowledged the continued progress and the Secretariat's high intensity effort to complete the rollout over the coming 18 months.

60. At the same time, the Committee took note of the preliminary conclusions of the draft internal audit report, highlighting the changes in scope compared to the original plan and the budgetary needs increase (both approved), coupled with the current challenges to stabilize the modules already launched in January 2026 (e.g., planning, travel and meetings management).

61. The Committee's review involved comprehensive discussions with management, the BMS project team, the Comptroller a.i. and the IOS. During this review, potential issues emerged with respect to the financial modules needed to support the financial closure and reporting for the year 2026; in particular, compliance with the new IPSAS standards. As a consequence, the release of the next BMS modules (release 4.2) needs to take place by early July 2026, at the latest. This timeline was already six months later than desirable.

62. The Committee was informed that the integration of BMS modules with the highly customized Global Management System (GSM) financial modules was presenting challenges due to a shortage of human resources with the appropriate skill set and specialized GSM knowledge, within both the Secretariat and its suppliers.

63. Given the severe risk of not complying with the new IPSAS standards, with the ultimate possible consequence of a 2026 closing with a qualified audit opinion, the Committee recommends that release 4.2 be prioritized, in combination with the stabilization of the essential components of the previous releases, and that it take precedence over preparatory work for future releases and other IT-related initiatives within the Secretariat. Management is fully aware of these risks and is actively considering its options to mitigate the risk.

64. In this regard, specific risk mitigating measures were suggested, such as initiating financial “dry runs” during the year, proceeding with a provisional closure in November 2026 and engaging with the External Auditor, as appropriate, at a very early stage.

65. More generally, the Committee observes that the overall risk profile linked to the BMS implementation remains high, with the possibility of further delays and related increased costs, due to internal and external factors. The Committee considered it important to ensure predictability and increase stability of the various planned releases by allowing sufficient time for end-to-end testing, as previously recommended.

66. Recommendation 5: In the context of BMS development and implementation activities, the Committee recommends that priority be given to those elements of release 4.2 that will support compliance with the new IPSAS standards and any prerequisites in order to facilitate the financial closure and reporting for the period ending 31 December 2026.

I – Other matters reviewed by the Committee

67. The IEOAC received an overview of the outstanding open recommendations issued by the Committee and was pleased to see that many had been closed, despite the difficult situation the Organization faced in 2025. At the time of the preparation of this report, 93% of the Committee’s recommendations had been implemented. As per usual practice, full details will be reported to the forty-fifth meeting of the PBAC, to be held in January 2027.

68. The IEOAC reviewed the progress of implementation of the Joint Inspection Unit (JIU) recommendations and observed that, among all UN system agencies, WHO had one of the best performances in responding to these recommendations.

69. With regard to the UN80 Initiative, the Committee noted with appreciation that the Organization remained fully engaged with the process. At the same time, while taking note of the initiative’s proposals for structural and operational efficiencies, including at the country level, the Committee acknowledged that the WHO governance structure and mandate would need to be preserved to allow the Organization to continue to deliver its technical programmes effectively.

70. In relation to the World Health Assembly-approved process for handling potential allegations against the WHO Directors-General,⁴ the Committee noted that work is ongoing to develop standard operating procedures to operationalize this process and provided its guidance. In particular, the Committee was informed that in relation to the identification of the external

⁴ See decision WHA78(8) (2025).

investigative entities (EIEs), three memorandums of understanding have been established with as many entities at this stage, while two more are currently under negotiation.

71. Further, in application of decision WHA78(8), the Chair of this Committee was informed by the IOS that one set of related allegations against the current WHO Director-General had been received, which had been made from the subject of an ongoing investigation, alleging breach of confidentiality and improper handling of the situation surrounding the investigation[LC1]. The allegations had been closed following the preliminary review phase. The Committee reviewed the IOS conclusion and concurred.

72. Finally, in line with its terms of reference, the Committee conducted a self-assessment of its performance in 2025, with input from key staff in the Secretariat. The feedback received identified the positive contribution of the Committee in the area of accountability and highlighted the need to ensure diversity and complementarity of the Committee's skill set as new members are selected.

J – Summary of highlighted recommendations from the forty-ninth meeting of the Committee

Recommendation number	Recommendation	Reference
1	The Committee recommends that management review the KPIs for both assessment and the investigation of allegations received, and that it establish revised targets, by category, that are fair to all parties, reflecting best UN system practice.	Paragraph 36
2	The Committee recommends that management collaborate with the Evaluation Office to establish deadlines for management responses and implementation dates for the outstanding evaluation recommendations.	Paragraph 44
3	The Committee recommends that the IOS and the Evaluation Office develop guidance and conduct capacity-building training to promote compliance, in line with recommendation 2.	Paragraph 45
4	The Committee recommends that management consider including evaluation response and implementation rates in the senior managers accountability compact and the Country Office KPIs Dashboard.	Paragraph 46
5	In the context of BMS development and implementation activities, the Committee recommends that priority be given to those elements of release 4.2 that will support compliance with the new IPSAS standards and any prerequisites in order to facilitate the financial closure and reporting for the period ending 31 December 2026.	Paragraph 66

**Mr Greg Johnson (Chair), Mr Rob Becker, Ms Aseya Galadari,
Ms Beatriz Sanz Redrado, Mr Darshak Shah.**
