

Independent expert oversight advisory committee

Report by the Secretariat

1. The Sixty-first World Health Assembly, in discussing the report of the Internal Auditor, considered a proposal by some Member States to establish an independent expert oversight advisory committee.¹ The Secretariat followed up by submitting a document to the ninth meeting of the Programme, Budget and Administration Committee of the Executive Board in January 2009, which provided an overview of the previous experience with oversight committees within the Organization and the existing mechanism, centered on the Programme, Budget and Administration Committee. The Secretariat's report also set out, based on its past experience, the main issues that should be considered, in its view, in the creation of any new oversight advisory committee.
2. The Programme, Budget and Administration Committee welcomed the information provided in the report, including the four possible options on how to proceed further. Members of the Committee focused on two options, namely a subcommittee of the Programme, Budget and Administration Committee and an advisory body separate from that Committee. In noting the report, the Committee requested the Director-General to prepare draft terms of reference, to study issues related to lines of reporting, legal status and costs, to work on these matters in consultation with interested Member States and to submit its conclusions to the Committee for consideration at its tenth meeting in May 2009.²
3. As a first step, the Secretariat circulated possible draft terms of reference for the two options described above among the Geneva-based permanent missions. The Secretariat subsequently convened a special consultation in WHO headquarters on this topic for representatives of interested permanent missions in March 2009. The briefing, which was well received, generated a lively debate, and several suggestions for further revision of the draft terms of reference were made.
4. A general view emerged among the permanent missions consulted, without prejudice to the right of Member States to reflect further on this matter before sessions of the Executive Board or meetings of the Programme, Budget and Administration Committee. This view essentially consists of combining elements of both options, namely to retain as much independence and expertise for the new committee as possible, while ensuring that it should nevertheless report to the Programme, Budget and Administration Committee, whose own terms of reference were seen as consistent with this approach. Duplication would be avoided through the reporting process and the fact that both committees were looking at the issues under their remit from different perspectives.

¹ See document WHA61/2008/REC/3, summary record of the second meeting of Committee B, section 3.

² Document EB124/3.

5. On the basis of the above-mentioned consultation and subsequent written comments from several participants, the Secretariat has redrafted the proposed terms of reference (attached at Annex).

ACTION BY THE EXECUTIVE BOARD

6. The Board is invited to comment on this proposal and consider the attached terms of reference.

ANNEX

INDEPENDENT EXPERT OVERSIGHT ADVISORY COMMITTEE:

PROPOSED TERMS OF REFERENCE

PURPOSE OF THE COMMITTEE

1. As an independent advisory committee established by the Executive Board of WHO, and reporting to the Programme, Budget and Administration Committee, the purpose of the Independent Expert Oversight Advisory Committee is to advise the Programme, Budget and Administration Committee, and, through it, the Executive Board, in fulfilling their oversight advisory responsibility and, upon request, to advise the Director-General on issues within its mandate.

FUNCTIONS

2. The functions of the Committee shall be:
- (a) to review the financial statements of WHO and significant financial reporting policy issues;
 - (b) to advise on the adequacy of the Organization's internal controls and risk management systems, and to review risk assessment in the Organization and the comprehensiveness of existing process for risk management;
 - (c) to exchange information with, and review the effectiveness of, the Organization's internal and external audit functions, as well as to monitor the timely, effective and appropriate implementation of all audit findings and recommendations;
 - (d) to provide, upon request, advice to the Director-General on the matters under points (a) to (c) above;
 - (e) to prepare an annual report on its activities, conclusions, recommendations and, where necessary, interim reports, for submission to the Programme, Budget and Administration Committee by the Chairman of the Independent Expert Oversight Advisory Committee.

COMPOSITION

3. The composition of the Committee and the qualifications of its members shall be as follows.
- (a) The Committee shall comprise five members of integrity and objectivity and who have proven experience in senior positions in the areas covered by these terms of reference.
 - (b) Following consultations with Member States, the Director-General shall propose to the Executive Board candidates for membership of the Committee. Members of the Committee

shall be appointed by the Executive Board. No two members shall be nationals of the same State.

- (c) Members shall provide their services free.
- (d) Members must be independent. They shall serve in their personal capacity and shall neither seek nor accept instructions in regard to their performance on the Committee from any government or other authority external to or within WHO. All members will be required to sign a declaration of interest and a confidentiality agreement in accordance with WHO practice in this respect.
- (e) Members shall possess relevant professional financial qualifications and recent senior-level experience in accounting, auditing, risk management and other relevant and administrative matters.
- (f) Members shall have or acquire rapidly a good understanding of WHO's objectives, governance structure and accountability, the relevant regulations and rules, and its organizational culture and control environment.
- (g) The Committee's membership should have balanced representation of public- and private-sector experience.
- (h) At least one member shall be selected on the basis of his or her qualifications and experience as a senior oversight professional or senior financial manager in the United Nations system or in another international organization.
- (i) In the selection process, due regard shall be given to geographical representation and gender balance. In order to retain the most equitable geographical representation, membership should be rotated among the WHO regions to the extent possible.

TERM OF OFFICE

4. The term of office shall be four years, non-renewable, except that the term of office for two of the initial members shall be two years, renewable once only for four years. The Chairman of the Committee shall be selected by its members. He or she shall serve in this capacity for a term of two years.

ADMINISTRATIVE ARRANGEMENTS

5. The following arrangements shall apply:
- (a) Members of the Committee not resident in the Canton of Geneva or neighbouring France shall be entitled to the reimbursement of travel expenses in accordance with WHO conditions applying to members of the Executive Board.
 - (b) The Committee shall meet at least twice per year.
 - (c) The quorum for meetings of the Committee shall be three members.

(d) Except as provided for in its terms of reference, the Committee shall, *mutatis mutandis*, be guided by the Rules of Procedure of the Executive Board concerning the conduct of business and the adoption of decisions. The Committee may propose amendments to its terms of reference for consideration by the Executive Board, through the Programme, Budget and Administration Committee.

(e) The Committee may decide at any time to obtain independent counsel or outside expertise if necessary and shall have full access to all WHO files and archives, which shall be treated on a confidential basis.

(f) The WHO Secretariat will provide secretariat support to the Committee.

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