



REGIONAL COMMITTEE FOR AFRICA

ORIGINAL: ENGLISH

Fifty-seventh session
Brazzaville, Republic of Congo, 27–31 August 2007

Provisional agenda item 8.4

**WHO INTERNAL AND EXTERNAL AUDIT REPORTS:
IMPLICATIONS FOR THE AFRICAN REGION**

Information Document

CONTENTS

	Paragraphs
BACKGROUND	1–2
INTERNAL AUDIT REPORTS.....	3–6
EXTERNAL AUDIT REPORTS	7–8
CONCERNS AND RECOMMENDATIONS FROM THE WORLD HEALTH ASSEMBLY AND THE EXECUTIVE BOARD.....	9
ACTIONS TAKEN BY THE REGIONAL OFFICE FOR AFRICA.....	10
WAY FORWARD	11–14
ACTION BY THE REGIONAL COMMITTEE	15

BACKGROUND

1. In 2006, four internal audits and three external audits were conducted in the African Region. The audits were conducted at the Regional Office and in four country offices.
2. This report provides highlights of the reports of the internal and the external auditors to the Sixtieth World Health Assembly concerning the African Region. The Regional Committee is invited to note this report.

INTERNAL AUDIT REPORTS¹

3. During 2006, the following internal audits were conducted in the African Region:
 - WHO Country Office in Dakar, Senegal
 - WHO Country Office in Monrovia, Liberia
 - Epidemic Alert and Response, Regional Office for Africa, Harare, Zimbabwe
 - Regional Office for Africa.
4. The audits conducted in the WHO country offices focused on the basic internal controls that mitigate risks associated with administering the WHO Representative's Office and its related expenditures. The audits found weaknesses in the areas of financial and administrative controls and non-compliance with WHO policies, regulations and levels of authority. Overall, the results of the audits could not provide assurance that risks have been mitigated or that controls were effective.
5. The audit conducted on the Epidemic Alert and Response area of work at the Regional Office concluded that the unit has effectively supported countries in the Region in strengthening communicable disease surveillance systems and in providing technical support during disease outbreaks. However, the audit described the shortage of funds that affects performance of the unit and identified the need for better strategic planning, monitoring and reporting to donors.
6. An on-site review of the Regional Office in Brazzaville was conducted to determine the status of the issues raised in internal audit reports 2003-2005. This work found that significant recommendations made in these reports remained un-implemented and noted the continuing weaknesses in addressing risks.

EXTERNAL AUDIT REPORTS²

7. During 2006, the following external audits were conducted in the following WHO offices in the African Region:
 - WHO Country Office in Luanda, Angola
 - WHO Country Office in Addis Ababa, Ethiopia
 - Regional Office for Africa.

¹ See Health Assembly document A60/34, Report of the Internal Auditor

² See Health Assembly document A60/31, Interim Report of the External Auditor

8. These audits covered areas related to budget management, treasury management, personnel management, contracts for services, procurement, inventory management and programme management. Weaknesses were identified in these areas and management has accepted the recommendations made in these reports. Necessary actions are being taken.

CONCERNS AND RECOMMENDATIONS FROM THE WORLD HEALTH ASSEMBLY AND THE EXECUTIVE BOARD

9. After considering the results of the Internal Auditor's work in the African Region, both the World Health Assembly and the Executive Board have expressed their concern over the lack of progress in responding to the various audit recommendations and addressing areas of risk. It was noted, however, that the Regional Director has already started reviewing budget and financial management arrangements in order to strengthen professional staffing, provide training and re-organize the provision of services. The Regional Director also established a post for dealing with compliance-related matters.

ACTIONS TAKEN BY THE REGIONAL OFFICE FOR AFRICA

10. The Regional Director and senior management in the African Region take audit recommendations very seriously and have started addressing shortfalls by:

- Expediting the recruitment of qualified staff: recruitment for both professional and general service staff in the Region has accelerated, especially in the Budget and Finance Unit. It is hoped that all vacant positions will have been filled by July 2007.
- Intensifying the training and capacity-building for relevant staff at Regional and country office levels: with the assistance of WHO headquarters, training sessions on budget and finance, personnel management, procurement and general administration issues were conducted for all administrative officers in the African Region and Intercountry Support Teams in May/June 2007.
- Budget monitoring will be considered more systematically by the Management Development Committee.
- More visits will be made to countries to offer technical expertise.
- A qualified professional has been recruited as compliance officer on a full-time basis to be in charge of monitoring the progress of implementation of the audit recommendations in the Region.

WAY FORWARD

11. The Regional Office for Africa is committed to ensuring that proper internal controls are put in place to ensure transparent and accountable utilization of funds provided by Member States and donor organizations.

12. A mechanism is being established in the Office of the Regional Director to monitor regularly and thoroughly the implementation of audit recommendations.

13. The Regional Office for Africa will be among the two first WHO Regional Offices to adopt the Global Management System (GSM) for its programme, administrative and financial operations as of early 2008 which will help improve accountability by further segregating and clarifying internal budget, financial and administrative authorities.

14. An annual report on external and internal audits in the WHO African Region will be prepared regularly and for each session of the Regional Committee.

ACTION BY THE REGIONAL COMMITTEE

15. The Regional Committee is invited to note this Report.