

REPORT OF THE 14TH MEETING OF THE UNAIDS INDEPENDENT EXTERNAL OVERSIGHT ADVISORY COMMITTEE (IEOAC)

Date: 18 March 2024

Venue: Virtual

PARTICIPANTS

Committee Members: Mr Saad Bounjoua, Ms Agnieszka Golebiowska, Ms Bushra Malik, Ms H  l  ne Rossert (Chair), Mr Benoit de Schoutheete (Vice Chair)

Secretariat: Ms Winnie Byanyima, Executive Director; Mr Morten Ussing, Director of Governance and Multilateral Affairs; Mr Tim Martineau, Director of Management; Ms Karusa Kiragu, Director of Change Management; Mr Kodo Ngabane, Governance Officer

The Independent External Oversight Advisory Committee (IEOAC, or Committee) met virtually with the Executive Director to discuss the Committee's findings and observations from its 13th meeting, held on 13 February 2024. The IEOAC Chair presented the observations and recommendations from the 13th meeting (see attached presentation), after which the Executive Director and Committee members engaged in a dialogue.

The Executive Director approved the suggestion from the 13th meeting by the Director of Governance and Multilateral Affairs that the IEOAC Chair and Vice Chair meet with the Directors of Management and External Relations as soon as the agenda for the upcoming IEOAC meeting is in place, with the aim of ensuring the adequacy, relevance and timeliness of information presented to the IEOAC. This would ensure that the presentations and supporting materials for agenda items will be available for the IEOAC members at least 10 days prior to the meeting.

The Executive Director and the IEOAC discussed the Committee's concerns regarding the adequacy of internal audit coverage. The Director of Management proposed that Management have further conversations with the IEOAC regarding the Committee's recommendation to better align internal audit coverage with a comprehensive organizational risk assessment. The Executive Director noted that diversity, equity and inclusion (DEI) had been retained as a focus of a 2024 audit due to the fact that improving DEI was one of the five objectives of the UNAIDS realignment process.

The Executive Director and the Committee discussed the organization's financial situation and resource mobilization efforts. Although financing for development remains tight nowadays, the Executive Director cited some promising developments for the Joint Programme, including obtaining the largest contribution increase from the USA for any international organization in the most recent fiscal year as well as an agreement by France (through Expertise France) to contribute  1.9 million to support the Joint Programme's work on the community-led response against stigma and discrimination in Western and Central Africa. The Executive Director noted the new UNAIDS value proposition, which will serve as the Joint Programme's pitch to current and potential donors, including at a structured funding dialogue scheduled in late March.

The meeting also focused on the outcomes of the organizational alignment process, which has formally concluded and has now transitioned into a change management process. The Executive Director noted that the organizational realignment, in addition to yielding financial

savings, had elevated organizational attention to HIV prevention, including through increased funding for human rights and gender equality activities.

The Executive Director agreed with the Committee's recommendation that UNAIDS document the outcomes of the organizational realignment, including a specific analysis of whether the exercise's objectives had been achieved. The Executive Director assured the Committee that UNAIDS would produce a report assessing what had been achieved through realignment.

The meeting was adjourned.

Independent External Oversight Advisory Committee

Debrief with senior management, from 13th
IEOAC meeting, 13 February 2024



Internal audit function (1/2)

- The Committee remains concerned with respect to the adequacy of audit coverage and requests additional information regarding the linkages between UNAIDS perceived risks and its audit coverage. The UNAIDS risk assessment should be the starting point for the development of future WHO/IOS audit plans. Where audits on their own cannot provide information pertinent to risks identified in the risk profile, clear efforts are needed to develop non-audit risk mitigation activities for these risks, across all three lines of defense (management activities, compliance and audit).
- The Committee recommends that UNAIDS management provide an explanation for recommendations from prior audits that are still pending. All future reporting to the IEOAC on past due “high risk” recommendations should include a description of these

recommendations, related action plans and a response by management explaining the delay in the implementation.

Internal audit function (2/2)

- **The Committee is concerned that the external quality assessment of the WHO/IOS audit function by KPMG did not solicit input from UNAIDS management. The Committee reiterates its recommendation that future external reviews should include at least two audits of UNAIDS and direct feedback from the UNAIDS leadership team. The Committee also requests that it (and UNAIDS management) receive a copy of the KPMG report and the WHO/IOS action plan to respond to recommendations from the external review.**
- **The Committee reiterates its request to receive internal audit reports in a timely manner.**

Investigations function

- **The Committee requests to receive a copy of the external quality assessment of the WHO/IOS investigation function.**
- **For its future meetings, the Committee asks for more comprehensive and granular information from WHO/IOS on investigations, including an analysis of cases as well as allegations, an aging analysis of outstanding cases, a timeline for completing investigations (to monitor adherence to the MOU between UNAIDS and WHO/IOS), and more complete information (e.g. number of intakes, etc.). The Committee seeks to work with WHO/IOS to obtain more detailed information on UNAIDS-related investigations.**

Financial situation and resource mobilization

- **The Committee appreciates the Secretariat's development of a budget that is more equilibrated and clearly aligned with projected available resources.**
- **UNAIDS should finalize its targets (or key performance indicators) in its Resource Mobilization Strategy and undertake benchmarking, monitoring and reporting, to enable an assessment of achievements against these indicators by the end of 2024.**

Organizational alignment

- **The Committee views the realignment exercise (and associated change management process) as a work in progress.**
- **The Committee recommends that UNAIDS collect evidence from relevant stakeholders, including donors and its workforce, to assess the degree to which the realignment has achieved its stated objectives.**
- **For each risk identified by UNAIDS with respect to its realignment, specific and tailored mitigation measures should be developed.**

Future work of the IEOAC

- **At the suggestion of management, the Committee intends to meet with the Directors of Management and External Relations as soon as meeting agendas have been agreed (at least 30 days prior to meeting dates) to clarify information requests and needs of the Committee. It is hoped that this process will help maximize the utility of IEOAC meetings.**
- **The Committee agreed on a process and timeline for ensuring completion of its report to the PCB at its meeting.**
- **The Committee discussed various options for an independent evaluation of the IEOAC, as required by the Terms of Reference, and will engage the PCB Bureau to discuss the optimal approach.**
- **The next IEOAC meeting will happen face-to-face in Geneva 20-22 May 2024.**