



PAN AMERICAN HEALTH ORGANIZATION
WORLD HEALTH ORGANIZATION



27th PAN AMERICAN SANITARY CONFERENCE **59th SESSION OF THE REGIONAL COMMITTEE**

Washington, D.C., USA, 1-5 October 2007

Provisional Agenda Item 5.6

CSP27/21 (Eng.)

9 July 2007

ORIGINAL: ENGLISH

APPOINTMENT OF THE EXTERNAL AUDITOR

(Financial Periods 2008-2009 and 2010-2011)

1. The audit of an organization by an external entity is one of the key instruments ensuring transparency and oversight in its operations. The appointment of the current External Auditor of the Pan American Health Organization will expire at the completion of the audit of the 2006-2007 financial period. The current External Auditor, the National Audit Office of the United Kingdom of Great Britain and Northern Ireland, has held the appointment for nearly 30 years.
2. Therefore, in an effort to ensure the quality and objectivity of the audit product, as well as to introduce competitive pricing, the Secretariat proposed that the nomination process be open to all Member States, Participating States, and Associate Members.
3. Regulation 14.1 of the Financial Regulations of the Pan American Health Organization (PAHO) stipulates that the Conference or Directing Council shall appoint an External Auditor(s) of international repute to audit the accounts of the Organization. By Resolution CD46.R3, the 46th Directing Council reappointed the Organization's current External Auditor for the 2006-2007 financial period and requested the Director to submit to the 47th Directing Council a call for bids from qualified external auditors of international repute to be considered for appointment as the External Auditor of the accounts of the Organization for the 2008-2009 and 2010-2011 financial periods.
4. As a result, the 47th Directing Council in Resolution CD47.R14 approved a procedure for the nomination and appointment of the External Auditor of the Pan American Health Organization for the 2008-2009 and 2010-2011 financial periods. The procedure identified the following steps:

- The process would be initiated by a note verbale which would be sent to Member, Participating, and Associate States in October 2006, requesting nominations be submitted to the Secretariat by 30 April 2007.
 - The Secretariat would prepare a document for submission to the 27th Pan American Sanitary Conference in October 2007, including all valid nominations.
 - The Members would appoint the External Auditor for the 2008-2009 and 2010-2011 financial periods at the 27th Pan American Sanitary Conference pursuant to the Rules of Procedure of the Conference.
 - The successful nominee would be notified by letter from the Director of the Pan American Sanitary Bureau in October 2007. If necessary, the current External Auditor would be notified that its appointment would end with the completion of the audit of the 2006-2007 financial period in April/May 2008, with the expectation of cooperation in the transition to the new External Auditor. The newly appointed External Auditor would meet with senior management to discuss the audit plan for the 2008-2009 biennium as soon as possible in the new financial period.
5. The Secretariat received one valid nomination, from the Government of the United Kingdom of Great Britain and Northern Ireland, which will be submitted to the 27th Pan American Sanitary Conference in October 2007 for the consideration of the Member States.

Action by the Pan American Sanitary Conference

6. The Conference may wish to adopt the following resolution:

Proposed Resolution

APPOINTMENT OF THE EXTERNAL AUDITOR

THE 27th PAN AMERICAN SANITARY CONFERENCE,

Having reviewed Document CSP27/21 and being satisfied that the procedure established by the 47th Directing Council in 2006 (Document CD147/25) has been followed in seeking bids from qualified external auditors of international repute to be considered for appointment as External Auditor of the accounts of the Pan American Health Organization; and

Noting that the Secretariat received one valid nomination, from the Government of the United Kingdom of Great Britain and Northern Ireland,

RESOLVES:

To appoint the United Kingdom National Audit Office as External Auditor of the accounts of the Pan American Health Organization for the financial periods 2008-2009 and 2010-2011.

Annex

Note Verbale: 39

Her Britannic Majesty's Embassy presents its compliments to the Pan American Health Organisation and makes reference to CE 138/22 regarding nominations for the appointment of the External Auditor.

The Embassy has the honour to transmit the application of the UK National Audit Office. This application has the full support of the Government of the United Kingdom of Great Britain and Northern Ireland.

Her Britannic Majesty's Embassy avails itself of this opportunity to renew to the Pan American Health Organisation the assurances of its highest consideration.



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NO