

**REPORT OF THE INDEPENDENT
EXTERNAL OVERSIGHT ADVISORY
COMMITTEE (IEOAC)
Organizational oversight reports**

Additional documents for this item:

Report of the work of the Office of Internal Oversight Services for 2025 (UNAIDS/PCB (58)/26.12)

Report of the External Auditor (UNAIDS/PCB (58)/26.13)

Report of the Ethics Office (UNAIDS/PCB (58)/26.14)

Management Response to the Organizational Oversight Reports (UNAIDS/PCB (58)/26.16)

Action required at this meeting—the Programme Coordinating Board is invited to:

53. *Welcome* the report of the UNAIDS Independent External Oversight Advisory Committee and *look forward* to the next report in 2027.

Cost implications for the implementation of the decisions: none

Table of contents

Executive summary.....	4
Introduction	5
IEOAC sessions, composition and working methods	5
IEOAC sessions	5
Composition.....	5
Working methods.....	6
Key matters reviewed and advice provided	7
PCB Working Group on the further transition and integration of UNAIDS	7
External oversight.....	7
Internal oversight.....	7
Management oversight.....	8
Other matters.....	10
Closing remarks.....	10
Proposed decision points.....	10

Executive summary

1. This is the fifth annual report of the Independent External Oversight Advisory Committee of the Joint United Nations Programme on HIV/AIDS. The report was prepared in accordance with the terms of reference of the Committee, which were approved at the 47th meeting of the UNAIDS Programme Coordinating Board in December 2020 and revised at the Board's 52nd meeting in June 2023.
2. The Committee is a subsidiary body of the Board and provides independent, external, expert advice to the Board and the UNAIDS Executive Director for fulfilment of their governance and oversight responsibilities. The role of the Committee is to strengthen accountability and oversight within UNAIDS, with reference to the specific responsibilities and authority outlined in the Committee's terms of reference.
3. This report covers the period from 1 June 2025 to 31 May 2026, a period of substantial change, downsizing and uncertainty for the Joint Programme, and significant challenges for the United Nations system overall. The Committee considered the substantial changes that have been made to UNAIDS, since the process of rationalizing the Joint Programme commenced, prior to the UN80 initiative.
4. The Committee acknowledged the ongoing commitment and dedication of management and staff despite the current uncertainty regarding the future of the organization and its wide-ranging impacts. The Committee observed that having clarity on the future of the organization is essential for an orderly and sustainable transition.
5. During the reporting period, the Committee reviewed each of the areas addressed in its terms of reference. The Committee's observations and advice on these areas are summarized in this report to the Board. Among them, the Committee recommended that:
 - management address, on a priority basis, outstanding internal audit recommendations with a high level of residual risk;
 - the WHO Office of Internal Oversight Services, in consultation with UNAIDS, adjust the funding and resources requirements for the audit and investigation functions, in alignment with the current size and scope of UNAIDS;
 - management collaborate with the Office of Internal Oversight Services to provide information on the full life cycle of investigations—from initial complaint to disposition to actions by management;
 - UNAIDS continue applying a risk-based approach to identify which recommendations of the Joint Inspection Unit are most relevant to UNAIDS; and
 - management formalize the incorporation of the risk management committee into the Cabinet, and that Cabinet periodically review (at least quarterly) top organizational risks and associated mitigation strategies.
6. The Committee also encouraged management to develop contingency arrangements to mitigate risks associated with the implementation of the different modules of the WHO Business Management System.
7. The Committee will conduct its next annual self-assessment, which will include engagement with key stakeholders, by November 2026 and will report the results to the Board.

8. The Board is invited to welcome the report of the Committee and to look forward to the next report.

Introduction

9. The Independent External Oversight Advisory Committee (IEOAC) of the Joint United Nations Programme on HIV/AIDS (UNAIDS) is an advisory body that is mandated to provide independent, external, expert advice to the UNAIDS Programme Coordinating Board (PCB) and Executive Director for fulfilling their oversight responsibilities, including assessing the effectiveness of internal control systems, risk management and governance processes of UNAIDS. The IEOAC was established at the 47th meeting of the PCB to implement Formal Recommendation 5 of the Joint Inspection Unit (JIU) review of the management and administration of UNAIDS.
10. As outlined in the terms of reference that were approved at the 47th meeting of the PCB in December 2020 and revised at the PCB's 52nd meeting in June 2023, the IEOAC provides advice to the PCB and Executive Director on:
 - the quality and level of financial reporting, governance, risk management and internal controls within the UNAIDS Secretariat;
 - the responses and actions taken by the UNAIDS Secretariat management on internal and external audit recommendations;
 - the independence, effectiveness and objectivity of the internal and external audit functions; and
 - the interaction and communication between the PCB, the External Auditor, the Internal Auditor, the Ethics Officer and UNAIDS Secretariat management.
11. This report covers the period from 1 June 2025 to 31 May 2026, and focuses on the IEOAC's work since its fourth annual report, which was submitted to the PCB at its 56th meeting in June 2025.

IEOAC sessions, composition and working methods

IEOAC sessions

12. During the reporting period, the Committee held three sessions: on 29–31 October 2025 (19th session); on 30 March 2026 (20th session); and on 19–22 May 2026 (21st session). The Committee's 21st session was held in person in Geneva, while the 19th and 20th sessions were held virtually. Reports of the sessions of the IEOAC are available on the UNAIDS website.

Composition

13. The seven members of the IEOAC in 2025 were:
 - Ana-Mita Betancourt;
 - Agnieszka Slomka Golebiowska;
 - Anuradha Gupta (Vice Chair);
 - David Kanja;
 - Bushra Malik;
 - Benoit de Schoutheete (Chair); and

- Suresh Raj Sharma.
14. The composition of the IEOAC was reduced to five members in 2026, as follows:
- Ana-Mita Betancourt (Chair)
 - David Kanja;
 - Bushra Malik;
 - Benoit de Schoutheete; and
 - Suresh Raj Sharma (Vice Chair).

Working methods

15. To develop its independent, external, expert advice to the PCB and the Executive Director, the Committee reviews a broad range of information, and also engages with the Executive Director, Secretariat officials, the WHO Office of Internal Oversight Services (WHO/IOS) and the External Auditor (Supreme Audit Institution of India), mainly on the basis of discussions, reports, presentations and information with which it is provided. It further deliberates on relevant matters internally to reach its assessments and conclusions.
16. Since the submission of its previous report to the PCB in June 2025, the Committee examined the following areas (a non-exhaustive list):
- Review of UNAIDS' operating model, organizational restructuring, and efforts to chart a way forward towards further transition and integration of UNAIDS into the UN system and beyond;
 - Financial reporting, statement of internal controls and resource mobilization;
 - Performance reporting, including the performance monitoring report under the UNAIDS Unified Budget, Results and Accountability Framework (UBRAF);
 - Enterprise risk management;
 - Internal audit;
 - External audit;
 - Investigations;
 - Ethics;
 - Status of implementation of internal and external oversight recommendations;
 - Information (cyber) security, and implementation of the new enterprise resource planning system (ERP/BMS).
17. The Committee also received an update on human resources management issues and had the opportunity to interact twice in the past year with the UNAIDS Secretariat Staff Association.
18. Three members of the IEOAC (including the Chair and Vice Chair) participated in the 10th meeting of chairs of UN oversight committees in December 2025.

Key matters reviewed and advice provided

19. The IEOAC addressed each of the oversight areas set out in its terms of reference. The Committee's key findings, observations and advice are summarized below. These findings are not presented in priority order but instead are categorized to align in accordance with the hierarchy of control: external oversight, internal oversight and management oversight.

PCB Working Group on the further transition and integration of UNAIDS

20. The Committee received updates at its 20th and 21st meetings regarding the creation and work of the PCB Working Group on the further transition and integration of UNAIDS into the UN system and beyond.
21. Taking account of the substantial risks of an abrupt sunseting of UNAIDS, the Committee considered that any transformation of UNAIDS should be undertaken in a manner that outlines a clear strategic direction, preserves robust community and civil society engagement, and sustains progress towards ending AIDS as a public health threat.

External oversight

External audit function

22. The Committee reviewed the 2025 report of the External Auditor, which included details on the financial audit, compliance audit and the status of implementation of previous external auditor recommendations. The report had an unqualified (clean) audit opinion on the financial statements for the year ended on December 31, 2025. The Committee held both formal and closed sessions with the External Auditor.

Joint Inspection Unit

23. The Committee reviewed an update on the status of JIU recommendations and agreed that UNAIDS should continue applying a risk-based approach to identify which JIU recommendations are most relevant to it. The Committee further suggested that UNAIDS reach out to comparable UN organizations to understand their approaches for responding to the substantial number of studies and recommendations issued by the JIU.

IEOAC

24. IEOAC was updated on management responses to the Committee's recommendations. The Committee conducts an ongoing review of management responses to IEOAC recommendations, and will report back on the status of implementation of these recommendations at the next PCB meeting.

Internal oversight

The work of the WHO Office of Internal Oversight Services (WHO/IOS)

25. The Committee was briefed by senior staff of WHO/IOS at its 19th, 20th, and 21st meetings, and reviewed the draft annual work plan and annual report of WHO/IOS. At

its 19th and 21st meetings, the Committee held both formal and closed sessions with the Director of WHO/IOS.

26. The Committee recommended regular engagements between the WHO/IOS Director and the Executive Director. The Committee was informed that they will be meeting in the near term.
27. The Committee reviewed the status of outstanding internal audit recommendations and recommended that management address, on a priority basis, overdue recommendations with a high level of residual risk.
28. The Committee requested that WHO/IOS communicate to the Committee the rationale and risk assessment of any delay in the execution of its annual internal audit workplan.
29. The Committee recommended that WHO/IOS, in consultation with the UNAIDS Secretariat, adjust the funding and resource requirements for the internal audit and investigation functions, in alignment with the current size and scope of UNAIDS. These changes should be reflected in a revised memorandum of understanding between the parties.
30. The Committee acknowledged the progress made by WHO/IOS in accelerating investigations and clearing the backlog of outstanding cases.
31. The Committee recommended that UNAIDS management collaborate with WHO/IOS to provide information on the full life cycle of investigations—from initial complaint to disposition to actions by management so that risks associated with the management of complaints can be properly assessed.

Evaluation function

32. The IEOAC received an update from the UNAIDS Evaluation Office at its 19th meeting. The Committee invited the Evaluation function to coordinate with WHO/IOS, through regular communication, on the respective annual work plans, to avoid unnecessary overlap or duplication of work and to reduce oversight fatigue.

Management oversight

Follow up of oversight recommendations

33. The Committee noted with appreciation the robust tracking system which management has implemented for monitoring responses to oversight recommendations from external audit, internal audit, the Joint Inspection Unit and IEOAC.

Financial reporting

34. The Committee reviewed the financial statements for 2025 and noted that they had a clean external auditor's opinion. The Committee further noted that the statements addressed the issue of After Service Health Insurance (ASHI) coverage in a note in the financial statements, whereas earlier financial statements (for example, in 2024) disclosed ASHI assets and liabilities in the balance sheet. The Committee advised that it is preferable that ASHI-related assets and liabilities be disclosed in the balance sheet itself, rather than only in an accompanying note of the financial statements. The

Committee was informed that UNAIDS management is engaging with WHO regarding the treatment of surplus ASHI assets.

35. The Committee also reviewed the Statement of Internal Control.

Ethics function

36. The Committee reviewed the draft annual report of the Ethics Office and held both formal and closed sessions with the Ethics Officer. The Committee encouraged the Ethics Office, which currently has only one staff person, to develop appropriate mechanisms for back-up support when the Ethics Officer is absent.

Resource mobilization

37. The Committee was informed that, with the reduction of core resources, UNAIDS is mobilizing noncore resources from a more diverse donor base. The Committee was informed that UNAIDS has measures in place to identify and manage potential risks associated with noncore funding.

Performance reporting

38. The Committee received an update at its 21st meeting regarding the Joint Programme's monitoring of performance under the UBRAF. The Committee was informed that UBRAF expenditures are now substantially in equilibrium with revenues.
39. At its 20th meeting, the Committee was briefed on the finalization and early implementation of the Global AIDS Strategy 2026–2031.

Enterprise risk management

40. The Committee examined enterprise risk management activities, including the identification of top risks and mitigation measures, during its 19th and 21st meetings. The Committee acknowledged the substantial work undertaken by the Secretariat to identify and monitor organizational risks. It encouraged UNAIDS to continually monitor and assess these risks, including those related to the financial situation and the future of the Joint Programme.
41. The Committee was previously informed that the UNAIDS Cabinet would serve as the risk management committee. The Committee encouraged management to formalize this arrangement. The Committee further recommended that the Cabinet, as the risk management committee, undertake periodic reviews (at least quarterly) of top organizational risks and mitigation actions.
42. The Committee noted that efforts were ongoing to develop a risk appetite statement in consultation with stakeholders. The Committee looks forward to the finalization and implementation of that statement.

Human resources

43. The IEOAC received an update on human resources management issues at its 21st meeting.
44. The Committee was informed that, even as total staffing had declined by more than half, the volume of work had not decreased commensurately. This may not be

sustainable and could pose considerable organizational risk, including increased risk of burnout and further departures of staff. The Committee was informed that management was aware of this challenge and was striving to keep staff motivated and engaged. The Committee encouraged management to align work targets and goals with available staffing, to the extent feasible, and to further consider the physical and mental well-being of staff.

45. During its 21st session, the Committee met with representatives of the UNAIDS Secretariat Staff Association and acknowledged the important role of UNAIDS staff.

Information technology

46. The Committee continued to monitor the implementation of the WHO Business Management System (BMS) and noted with concern the delays and implementation challenges of the new BMS modules. The Committee encouraged management to develop contingency arrangements to mitigate risks associated with BMS.
47. The Committee was informed that cybersecurity risks are increasing. The Committee was also informed that current cybersecurity risk mitigation measures include mechanisms for identifying and responding to incidents.

Other matters

Membership of IEOAC

48. All five current members of the Committee will complete their terms at the end of 2027, three of whom will have served for six years since the inception of the Committee and are not eligible for extension. Two Committee members are eligible for an additional three-year term. The terms of reference of the Committee describe in detail the processes for recruitment and appointment of Committee members by the UNAIDS Executive Director in consultation with the PCB Bureau.

IEOAC work plan

49. The IEOAC's work plan for 2026 was approved at its 20th meeting and can be found at IEOAC Workplan 2026. The Committee has developed a streamlined agenda which will guide its work for its 22nd meeting on 4 November 2026.

IEOAC self-assessment

50. As the Committee reported in the summary of its 20th meeting, the IEOAC will be conducting a self-assessment exercise and engage with key stakeholders by November 2026. The Committee will report the results to the PCB.

Closing remarks

51. The Committee appreciated the engagement of UNAIDS management and staff, the External Auditor as well as WHO/IOS in the work of the IEOAC and especially acknowledged the support of the UNAIDS Governance Team.

Proposed decision points

The Programme Coordinating Board is invited to:

52. *Welcome* the report of the UNAIDS Independent External Oversight Advisory Committee and *look forward* to the next report in 2027.

[End of document]