

REPORT OF THE 19TH MEETING OF THE UNAIDS INDEPENDENT EXTERNAL OVERSIGHT ADVISORY COMMITTEE (IEOAC)

Date: 29 - 31 October 2025

Venue: Virtual

PARTICIPANTS

Committee Members: Ms Ana-Mita Betancourt, Ms Agnieszka Golebiowska, Mr David Kanja, Ms Bushra Malik, Mr Benoit de Schoutheete (Chair), Mr Suresh Sharma

Secretariat: Mr Tim Martineau, Director of Management; Mr Morten Ussing, Director of Governance and Multilateral Affairs; Mr Kodo Ngabane, Governance Officer

DAY ONE

29 October 2025

After the Chair called the meeting to order, the IEOAC members reported that they had no conflicts of interest to report. The report for the 18th meeting and the agenda for the 19th meeting were approved. The Committee expressed appreciation for Secretariat staff who engaged with the Committee at a challenging time of organizational change and transition, including submission of meeting materials in a timely manner to enable advance preparation.

SESSION 1: Update on UNAIDS financial situation and resource mobilization

In previous meetings, the IEOAC acknowledged efforts being made by Management to close the resource gap, agreed with Management's proposal to use a portion (US\$ 10 million) of the fund reserve to address the funding gap, encouraged implementation of the outstanding long-term recommendations of the Multistakeholder Task team on the UNAIDS Financial Situation, and encouraged Management to develop a clear, compelling value proposition for the Joint Programme.

On 18 September 2025, prior to the 19th meeting of the IEOAC, the UN Secretary-General's report on the UN80 initiative proposed the sunseting of UNAIDS by end of 2026, which caused considerable discussion and uncertainty within the Joint Programme and among its many stakeholders.

The Director of Finance and Accountability presented the latest information on the financial situation, including projections of income of US\$ 62.2 million in 2025 and approx. US\$ 63 million in 2026. Management expects to request the PCB to approve in December the use of US\$ 15 million from the reserve fund towards restructuring costs in 2026. Based on information provided by donors, a high degree of confidence was expressed that donors will follow through on their contribution commitments for 2025 and 2026 to achieve the anticipated income targets.

The Department of Resource Mobilization reported on efforts to mobilize non-core funding for the Joint Programme. The Committee was informed that a new resource mobilization strategy is being developed along with an updated value proposition for UNAIDS.

The IEOAC made the following observations and recommendations on the financial situation and resource mobilization:

- **Organizational sustainability will depend on the expected timelines for UNAIDS to ensure the responsible handover of its responsibilities. Despite the current uncertainties and the lack of visibility on the future of the Joint Programme, the Committee encourages Management to develop a strategy and a roadmap towards the sunseting of UNAIDS, including clarity regarding anticipated timelines.**
- **The Committee recommends that UNAIDS develop contingency plans in case the expected level of revenues is not fully realized in 2025 and 2026.**
- **The Committee received confirmation that it will have the opportunity to review and provide its opinion on any future proposal to set a new level of operating reserve fund before it is finally submitted to the PCB.**

SESSION 2: Update on the implementation of the Secretariat restructuring process in line with High Level Panel recommendations on a revised UNAIDS operating model and UN80 process

The Committee was briefed at its 18th meeting, in May 2025, on the restructuring of the Secretariat, which aims to enable UNAIDS to lead on implementation of the new Global AIDS Strategy and to operate within the projected financial envelope. The Committee advised, at the 18th meeting, that the restructuring provides an opportunity for a strategic re-set of the organization while also presenting considerable organizational risks. In its annual report to the PCB, the Committee expressed its expectation that the restructuring would be based on a mapping of skills and competencies required for the Secretariat to fulfil its new strategic vision and minimize both reputational risks and the loss of capacity.

During the 19th IEOAC meeting, the Director of Management reported on the process of downsizing the Secretariat and implementing the new operating model, including procedures to address cash flow as payments associated with staff separations are made. The Director of Management noted that Management is working to mitigate the effects of funding reductions through diversification of contributors to the Joint Programme and has also prioritized transparent communication with staff regarding the restructuring.

The UN Secretary-General's proposal to sunset UNAIDS in 2026 had created some uncertainty about the future of the Joint Programme, but there are expectations that there will be greater clarity in the coming months. In June 2025, the PCB asked the Executive Director to define a process for reviewing the revised operating model, with the review to be completed by June 2027 to inform the PCB's decision-making, subject to ECOSOC decisions, on the further transition of the Joint Programme within the wider UN system to sustain global progress towards ending AIDS as a public health threat.

The IEOAC acknowledged the substantial work that has been undertaken to restructure the Joint Programme and implement the new operating model.

SESSION 3: Update on the 2026 workplan and budget and development process of the next UBRAF

At its 18th meeting in May 2025, the Committee was informed that staffing and funding reductions associated with implementation of the new operating model would likely to require a simpler, more streamlined version of performance reporting against the Unified Budget, Results and Accountability Framework (UBRAF).

At its 19th meeting, the IEOAC was informed by the Senior Advisor for Programme Planning and Field Support on the structure and approach of the new Global AIDS Strategy, with seven new result areas and six specific outputs and seven milestones identified for 2027. A new workplan and budget for 2026 are being developed to reflect and advance implementation of the new Global AIDS Strategy.

The Director of Finance and Accountability reported on the process of assembling a budget to implement the 2026 workplan. For purposes of budgeting, at least two scenarios are being taken into account – one that reflects the currently projected funding outlook for 2026 (with a core budget of US\$ 63 million) and another more ambitious scenario in the event that UNAIDS is successful in mobilizing funding above the core budget.

SESSION 4: Session with the UNAIDS Secretariat Staff Association (USSA)

The Committee has made a practice of meeting with the USSA annually. The IEOAC met with the USSA Chair, who reported that numerous members of the USSA are leaving the organization as a result of the restructuring. The agreement of cooperation between Management and USSA is being revised, and discussions are ongoing regarding the negotiation of a new Memorandum of Agreement. The USSA reported that it has been engaged in the restructuring through consultative processes and that it has supported staff through this process by way of legal support, townhalls, surveys and other forms of transition support. The USSA expressed concern about the UN80 proposal for a 2026 sunset of UNAIDS and appreciation for the PCB's suggestion of a pragmatic way forward for the Joint Programme.

The IEOAC made the following observation based on its meeting with the USSA:

- **The IEOAC appreciates the opportunity to engage with the UNAIDS Secretariat Staff Association (USSA). The Committee recognizes the important role of the USSA, which is crucial for delivering on the new Global AIDS Strategy despite limited resources and current challenges and uncertainties.**

DAY TWO

30 October 2025

SESSION 5: Update on implementation of the UNAIDS/WHO new BMS ERP system; cyber security and ICT risk management

In previous meetings, the Committee has received several updates on the status of the new ERP system implemented by WHO as well as on preparations by UNAIDS to implement the system. UNAIDS relies on the WHO ERP system for a range of data collection, processing and monitoring processes, including financial statements, payroll, purchases, supply chain, travel and meetings, and workforce planning. The Committee repeatedly recommended that WHO involve UNAIDS in a timely manner in each phase of the implementation for the new ERP system, including testing and training. The Committee has encouraged Management to consider risks related to implementation of the new ERP in the context of reviewing the top organizational risks and related mitigation strategies.

At the 19th meeting of the IEOAC, the Acting UNAIDS Director of Digital Technology Solutions (DTS) and the WHO Director of Budget Management Systems reported on the status of developing and rolling out the new ERP system: In October 2024, WHO decided not to continue with the implementation of the new system for finance and payroll and, instead, to remain with

the legacy system. It was also determined that the project of full implementation of the new ERP in 2025 was too ambitious, resulting in new plans to implement various ERP components in 2026. The UNAIDS Secretariat continues to monitor and plan for the phases of implementation of the new ERP, with the goal of avoiding organizational disruption, and identifying where resources should be focused to ensure a smooth transition to the new system.

The Committee also received a report on efforts to strengthen cyber security defenses within the UNAIDS Secretariat. The Acting DTS Director reported that staff behaviour on cyber security has improved and that an audit of cyber security by the WHO Office of Internal Oversight Services (WHO/IOS) found a clear improvement in organizational cyber security. A new roadmap for cyber security is being developed and launched in 2026, with total budget, trends and timelines.

The IEOAC made the following observation and recommendation regarding cyber security and the implementation of the new BMS ERP system:

- **The Committee acknowledges the important work done to strengthen cyber security.**
- **The Committee encourages Management to further develop contingency plans in case of serious disruptions in the implementation of the new ERP system, especially in light of reduced staffing at WHO and the Secretariat.**
- **The Committee encourages Management to closely monitor UNAIDS' actual cost versus targeted costs with regards to the implementation of the new ERP system.**
- **The Committee looks forward to receiving the detailed roadmap for ERP implementation and cyber security, including total budget, trends and timelines.**

SESSION 6: Annual report of the WHO Office of Internal Oversight Services (WHO/IOS): Update on internal audit and investigations workplans and related resources and 2025 activities

Through its Services Agreement and a specific Memorandum of Understanding (MOU) with WHO/IOS, UNAIDS relies on WHO/IOS for its internal audit and investigations functions. In previous meetings, the Committee expressed concerns about UNAIDS' audit coverage in WHO/IOS's annual internal audit plan, and acknowledged the progress that made in reducing the backlog of outstanding audit recommendations. With respect to investigations, the Committee advised WHO/IOS to finalize long-outstanding investigations as soon as possible, especially those related to retaliation, and to conclude investigations within the six-month deadline agreed in the UNAIDS MOU with WHO/IOS. Earlier in 2025, the IEOAC was informed that UNAIDS and WHO/IOS are in the process of negotiating a new MOU.

The WHO/IOS Head of Internal Audit reported, at the 19th meeting of the IEOAC, that three out of the four audits included in the internal audit plan for 2025 had been completed, with the effectiveness of controls increasing to 83%, compared to 73% in 2024. The number of outstanding audit recommendations increased to 53, including 32 that are overdue. WHO/IOS is currently developing its 2026 internal audit plan, which will be provided to the IEOAC for review in November 2025, and should take into account the top organizational risks identified by UNAIDS Management. WHO/IOS informed the IEOAC that it does not anticipate performing specific audits of country offices but instead plans to audit country-level performance in the context of cross-cutting audits.

The WHO/IOS Head of Investigations told the Committee that the number of investigations in 2025 (i.e., nine) remained steady compared with 2024 (10) but was notably smaller than in earlier years. Twenty cases remained open at the time of the 19th IEOAC meeting. The number of cases closed in 2025 (i.e., three as of the 19th IEOAC meeting) is lower than in previous years, and WHO/IOS aims to close as soon as possible all outstanding cases from 2021-2023.

Following the open session, the IEOAC held a closed session with the Acting Director of WHO/IOS and Heads of Internal Audit and Investigations.

The IEOAC made the following observations and recommendations regarding WHO/IOS:

- **The IEOAC reiterates the importance of regular (at least once a year) meetings between the UNAIDS Executive Director and the Director of WHO/IOS, to exchange on WHO/IOS's work at UNAIDS.**
- **The IEOAC invites Management to provide, at the next IEOAC meeting, an explanation for long outstanding (i.e., above three years) audit recommendations.**
- **The Committee looks forward to the opportunity to review the draft risk-based annual workplan of WHO/IOS for November 2026.**
- **The Committee was not consulted about changes made in the internal audit plan for 2025. It invites WHO/IOS to systematically consult the IEOAC prior to any change in its audit plans.**
- **The Committee appreciates the renewed efforts by WHO/IOS to clear long-outstanding UNAIDS investigations.**
- **Recognizing the organizational challenges being experienced by both WHO and UNAIDS, the Committee encourages the two organizations to finalize the negotiation of the new Administrative Services Agreement and the Memorandum of Understanding (MOU) for work by WHO/IOS. In addition to clarifying funding for audit and investigation functions, a new MOU is needed to specify timelines for delivery, targets for performance evaluations, and the framework for guiding the work together.**

SESSION 7: Update on enterprise risk management, including top risks and mitigation measures

In its report to the PCB in June 2025, the IEOAC acknowledged the progress that has been made in strengthening enterprise risk management, including the active and frequent engagement of the Cabinet, as well as the Risk Management Committee, in the management of organizational risks. The Committee encouraged Management to define the Organization's risk appetite, and to identify the owner(s) of each risk and the due date(s) for implementing mitigation action plans.

The UNAIDS Team Lead for Compliance reported that Management identified top risks in April 2025, and that the ongoing organisational changes and challenges resulted in the postponement of the development of a risk appetite statement. Management presented its initiative to disband the Risk Management Committee and fold its risk oversight functions into the ongoing work of the Cabinet, with risk management to serve as a standing Cabinet agenda item. The restructuring of the Secretariat has led to the creation of four dedicated work streams, focused on operational change, ways of working, finance and internal and external communications.

The IEOAC made the following observation and recommendation regarding enterprise risk management:

- **The IEOAC acknowledges the substantial work that has been done by the Secretariat to identify and monitor organizational risks, and encourages UNAIDS to continue its efforts to constantly monitor and assess the risks (and related mitigation strategies) associated with the evolving financial situation, the restructuring process and the implementation of the new operating model.**
- **The Committee reiterates its recommendations that (1) a corporate risk appetite statement be defined and (2) actions to mitigate top organizational risks be incorporated in workplans and monitored on a regular basis. The risk management process should contribute to continuous learning across the organization.**
- **Given the changes in the financial situation and the organizational structure of UNAIDS, the IEOAC considers that the proposal of Management to transfer the responsibilities of risk management committee to the Cabinet is reasonable.**

SESSION 8: Update from UNAIDS Evaluation Office

The Head of Evaluation reported that five of the eight planned evaluations for 2024-2025 have been conducted (with one in progress and two planned evaluations cancelled due to lack of funding). Ongoing evaluations, which are due to be completed by end of year, focus on the role of the Joint Programme in achieving and sustaining gains in the global HIV response (as a follow-up to the Multilateral Performance Network (MOPAN) evaluation) and the placement of HIV advisors within UN Resident Coordinator's offices.

As a result of UNAIDS' restructuring, the Evaluation Office lost one of its two staff members. With respect to the impact of restructuring, the Evaluation Office seeks to promote adaptive learning (to enable real-time decision-making as restructuring unfolds), advance efficiency and value for money (including as a means for retaining the confidence of donors), contribute to sustainability and enable the leveraging of partnerships and technology to maximize organizational effectiveness and reduce costs.

The IEOAC made the following observation and recommendation regarding the evaluation function:

- **The IEOAC appreciates the opportunity to meet with the Evaluation Office on an annual basis, and looks forward to receiving the Evaluations annual plan.**
- **The Committee invites the Evaluation function to coordinate with WHO/IOS, through regular communication, on the respective annual work plans, to avoid overlapping or duplication of work and reduce oversight fatigue.**

DAY THREE

31 October 2025

SESSIONS 9-11: Internal IEOAC matters

Session 9 focused on the election of Chair and Vice Chair, Session 10 on a review of the draft IEOAC 2026 workplan and Session 11 on preparation for the Committee's final session with Senior Management.

The Committee elected Ms Ana-Mita Betancourt as Chair and Mr Suresh Sharma as Vice Chair. The Committee proposes to have three meetings in 2026: a virtual one-day meeting on 30 March 2026, a face-to-face meeting in Geneva on 19-23 May 2026 and a virtual three-afternoon meeting on 2-4 November 2026. With respect to the 2026 workplan, it was agreed that IEOAC members would review and comment on the draft workplan and approve its annual workplan by and at the March 2026 meeting.

SESSION 12: Final session to discuss/review main issues with UNAIDS Senior Management (Cabinet Members) on anticipated preliminary recommendations from the 19th meeting

For the final session of its 19th meeting, the IEOAC was joined by the two UNAIDS Deputy Executive Directors and other members of Management. The Chair reviewed the observations and recommendations of the Committee at its 19th meeting and invited comments and feedback from Senior Management.

The Deputy Executive Directors welcomed the IEOAC's findings and recommendations. Noting the high degree of uncertainty facing the Joint Programme, they advised that some flexibility would be needed with respect to preparation of a roadmap on UNAIDS sunsetting, as recommended by the IEOAC. Agreement was expressed regarding the need to develop a risk appetite statement for the organization. It was also noted that renegotiation of the UNAIDS Services Agreement with WHO would likely precede finalization of a new MOU with WHO/IOS.

On behalf of the Committee, the Chair expressed good wishes to departing staff who have engaged with the IEOAC. Best wishes were also extended to Ms Agnieszka Golebiowska, who is leaving the Committee at the end of 2025.

SESSION 13: Any other business

With no further business, the Chair adjourned the meeting.