

169th SESSION OF THE EXECUTIVE COMMITTEE

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Provisional Agenda Item 6.1

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LESSONS LEARNED ON PAHO GOVERNANCE REFORM

Background

1. In September 2020, the 58th Directing Council of the Pan American Health Organization (PAHO) adopted Resolution CD58.R3, PAHO Governance Reform (1). This document has been prepared in accordance with paragraph 2(b) of the resolution, which requested that the Pan American Sanitary Bureau (PASB) present a document to the Executive Committee describing lessons learned from the implementation of PAHO governance reform.

Situation Analysis

2. In order to further strengthen the management of technical cooperation projects funded by voluntary contributions, increase oversight and accountability to Member States, and protect the Organization from institutional risks, PASB has designed a new standardized business process for documenting institutional risks associated with project proposals funded by voluntary contributions. This business process, launched in February 2021, requires that all such project proposals be uploaded into a corporate project review workflow and be assessed against standard institutional risk criteria.

3. When a project proposal is found to generate one or more institutional risks, the process requires the completion of a corporate risk registration. Each proposal identifies a grant coordinator who is responsible for completing this task using the corporate risk register tool, which is administered by the Enterprise Risk Management (ERM) Program. The process includes identification, assessment, and mitigation actions for each risk. In cases where the profile identifies significant institutional risks, the ERM Senior Advisor convenes the Enterprise Risk Management and Compliance Standing Committee (ERMCS) to review the proposal, and the grant coordinator, with the support of the ERM Program, prepares an appropriate mitigation plan. If a project proposal involves annual expenditures of more than US\$ 25 million, or is deemed to generate significant institutional risks, the assessment is submitted to Executive Management for approval of a synopsis to be provided to the Executive Committee, in accordance with paragraph 2(a) of Resolution CD58.R3.

4. Since the launch of the new project review workflow, no project proposal meeting the criteria in paragraph 2(a) of Resolution CD58.R3 for reporting to the Executive Committee has been presented.

Lessons Learned

5. The lessons learned can be classified in three major areas: project management and corporate review, corporate risk management, and capacity building.

6. With regard to project management and corporate review, during the development and implementation of the new review process for voluntary contribution-funded projects, PASB was able to leverage the implementation of the project management framework, which details the steps and processes for the design, implementation, reporting, and closure of projects.

7. In terms of corporate risk management, the Enterprise Risk Management Program was able to expand the risk management process based on experience during the last three biennia with the assessment of institutional risks affecting the full range of corporate operations, as well as the experience accumulated by the ERMCS. In this context, PASB was able to formulate a standardized catalog of risks associated with voluntary contribution-funded projects and redesign the corporate risk register to include risk profiles for projects.

8. In relation to capacity building, thanks to progress in digitizing and automating the corporate risk register since 2015, PASB was able to integrate the project review workflow with the corporate risk register in a timely manner. The electronic platforms were developed in-house with the expertise of PASB staff. As part of the process of implementing the new features and protocols for project review and risk management, a cross-cutting team was established to train users and support this new mechanism. A total of 12 open training sessions were conducted, not including specific capacity building oriented to PASB technical departments or country offices.

9. It is anticipated that the new process will add value to the decision-making process for approval of voluntary contribution-funded projects, to the quality of project management, and to the results of completed projects.

Action by the Executive Committee

10. The Executive Committee is invited to take note of this report and provide any comments it deems pertinent.

References

1. Pan American Health Organization. PAHO Governance Reform. 58th Directing Council of PAHO, 72nd Session of the Regional Committee of WHO for the Americas; 2020 Sep 28-29; virtual. Washington, DC: PAHO; 2020 (Resolution CD58.R3) [cited 2021 Jul 30]. Available from:
<https://www.paho.org/en/documents/cd58-r3-e-paho-governance-reform>.

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