



Office of the External Auditor
World Health Organization
(Commission on Audit, Republic of the Philippines)

LETTER OF TRANSMITTAL

17 November 2017

Dear Dr. Salama:

We have the honour to transmit the Report of the External Auditor on the implementation of the Pandemic Influenza Preparedness Framework – Partnership Contribution (PIP-PC) as at 31 December 2016.

The audit was conducted in line with the recommendation of the 70th World Health Assembly to conduct a financial audit on the PIP Partnership Contribution funds. The scope of the audit covers accounts and balances as at 31 December 2015 (covering the 2014-15 biennium) and 2016 with the main objective of providing: (a) assurances that the WHO financial regulations have been appropriately applied in the use of funds and that the financial information reported is accurate and reliable; and (b) recommendations to further increase the transparency of reporting on the linkages between expenditure and technical impact.

The report contains the results of our audit of the 2015 and 2016 Interim Certified Financial Statements as well as our observations and recommendations on the review of the adequacy of operations and financial management systems including monitoring and reporting of programme implementation, and alignment of expenditures for the achievement of program's goal and objectives. Value-adding recommendations were communicated and discussed with the Department of Finance (FNM) and PIP Secretariat to further enhance efficient and effective management of the fund.

We wish to express our appreciation for the cooperation and assistance extended to our External Auditor by WHO Management during the conduct of the audit.

Yours sincerely,


Lito Q. Martin
Director, External Audit

Dr. Peter Salama
Executive Director
WHO Health Emergencies Programme
WHO Headquarters, Geneva, Switzerland

C.c. **Dr. Sylvie Briand**
Director, Department of Infectious Hazard Management
WHO Headquarters, Geneva, Switzerland

**Republic of the Philippines
COMMISSION ON AUDIT
Quezon City**



**Report of the External Auditor
on the
Implementation of the Pandemic Influenza
Preparedness Framework - Partnership
Contribution
(PIP-PC)**

As at 31 December 2016

**REPORT OF THE EXTERNAL AUDITOR
ON THE IMPLEMENTATION OF THE
PANDEMIC INFLUENZA PREPAREDNESS FRAMEWORK-
PARTNERSHIP CONTRIBUTION (PIP-PC)**

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List of Acronyms

AAR	Award Activation Request form
ACT	Awards and Accounts Unit
AMR	Award Amendment Request form
DFC	Direct Financial Contribution
DI	Direct Implementation
ECM	Enterprise Content Management
GISRS	Global Influenza Surveillance and Response System
GSM	Global Management System
HLIP	High Level Implementation Plan
HQ	WHO Headquarters
ICFS	Interim Certified financial Statement
IPSAS	International Public Sector Accounting Standards
IVTM	Influenza Virus Traceability Mechanism
OGA	Oracle Grant Accounting module in GSM
PC	Partnership Contribution
PB	Programme Budget
PIP	Pandemic Influenza Preparedness
PIP BM	PIP Biological Materials
PRP	Department of Planning, Resource Coordination and Performance Monitoring
PSC	Programme Support Costs
SMTA	Standard Material Transfer Agreement
SOP	Standard Operating Procedure
WHO	World Health Organization

REPORT ON THE AUDIT OF PIP PARTNERSHIP CONTRIBUTION

I. INTRODUCTION

1. In 2016, the PIP Framework was reviewed by a Review Group as provided under Section 7.4.2 of the Framework which states that the PIP Framework and its Annexes should be reviewed by 2016 with a view to proposing revisions reflecting developments as appropriate, to the World Health Assembly, through the Executive Board.
2. The 70th World Health Assembly, having considered the report of the 2016 Pandemic Influenza Preparedness (PIP) Framework Review Group and the report of the PIP Secretariat in collaboration with the Secretariat of the Convention on Biological Diversity and other relevant international organizations, decided, among others, to request the External Auditor to perform an audit of PIP Partnership Contribution funds in line with the Review Group's recommendation to provide: (1) assurances that the WHO financial regulations have been appropriately applied in the use of funds and that the financial information reported is accurate and reliable; and (2) recommendations to further increase the transparency of reporting on the linkages between expenditure and technical impact.¹
3. The WHO Management availed the services of the External Auditor and as part of its value-adding services to the Organization, we performed the audit from 18 September to 6 October 2017.

The PIP Partnership

4. During the outbreaks of H5N1 influenza cases in 2006, WHO Member States recognized the need for a formal arrangement to achieve two objectives: to increase more predictable, fair and equitable access to vaccines during influenza pandemics; and more rapid, systematic and timely sharing of influenza viruses with pandemic potential to ensure continuous global monitoring and risk assessment and aid in developing safe and effective pandemic influenza vaccines.
5. In 2011, WHO and Member States adopted the Pandemic Influenza Preparedness (PIP) Framework to improve pandemic influenza preparedness and response, and strengthen the protection against the pandemic influenza by improving and strengthening the WHO Global Influenza Surveillance and Response System ("WHO GISRS"),² with the objective of a fair, transparent, equitable, efficient, effective system for the sharing of H5N1 and other influenza viruses with human pandemic potential; and access to vaccines and other pandemic related supplies in the event of a pandemic.
6. The PIP Framework has two key components: Virus sharing and Benefit sharing, which should be implemented on an equal footing. Benefit sharing operates under two mechanisms: (i) through the payment to WHO of annual partnership contribution by

¹ WHA70(10) dated 29 May 2017, Paragraph 8(e)

² WHO GISRS is a WHO-coordinated network of public health laboratories. Under the Framework, Member States are expected to share their influenza viruses on a regular and timely basis with GISRS. GISRS laboratories use the viruses for risk assessment, and to develop candidate vaccine viruses and other products that are provided on request to influenza product manufacturers and institutions.

influenza vaccine, pharmaceutical and diagnostic manufacturers who use the GISRS³; and (ii) through the Standard Material Transfer Agreement 2 (SMTA2), which is a legally binding agreement between WHO and recipients of PIP Biological Materials (PIPBM)⁴ to provide to WHO specific items that may be used to prepare for or respond to pandemic influenza⁵. These items may be in the form of training, technical assistance, technology licenses, vaccines, antivirals, diagnostic kits, and the like.

7. The Partnership Contribution (PC) shall be used for improving pandemic preparedness and response, inter alia, for conducting disease burden studies, strengthening laboratory and surveillance capacity, access and effective deployment of pandemic vaccines and antiviral medicines.⁶
8. In May 2012, the Executive Board decided that for the period 2012-2016, 70 percent of resources should go to preparedness measures and 30 percent to response activities. In March 2013, the PIP Advisory Group⁷ further recommended to the Director-General that a portion of the PC funds, not exceeding 10 percent, averaged over 2013-2016 be used by the PIP Secretariat to enable work and support implementation of the Framework.⁸

PIP PC Implementation Plan 2013-2016

9. The PIP PC High Level Implementation Plan (HLIP) I was developed by WHO in consultation with the Advisory Group and interaction with industry and other stakeholders for the period 2013-2016, which was extended up to 2017. A second high level implementation plan is being developed for the period 2018-2023.
10. In accordance with the Plan, Preparedness funds are distributed across five Areas of Work (AOWs) for the purpose of strengthening overall preparedness and capacity of countries to respond to pandemic influenza. The outputs and key deliverables are identified with indicators to measure progress against the outcomes. The AOWs work toward objectives that are to be achieved over a decade's time.

a. Laboratory and Surveillance	The capacity to detect and monitor influenza epidemics is strengthened in developing countries that have weak or no capacity.
b. Burden of Disease	National policy makers will have influenza disease burden data needed for informed decision-making and prioritization of health resources.
c. Regulatory Capacity Building	Countries with weak or no regulatory capacity will be able to regulate influenza products, including vaccines, antivirals and diagnostics,

3 PIP Framework, section 6.14.3

4 PIP Biological Materials are influenza viruses or virus materials with human pandemic potential, such as H5N1, and include human clinical specimens, influenza virus isolates, extracted RNA, cDNA and influenza candidate vaccine viruses developed by GISRS laboratories

5 PIP Framework, section 5.4.2

6 PIP Framework, section 6.14.4

7 The Advisory Group (AG) is part of the PIP Framework's "Governance and Review" structure. It is comprised of 18 members drawn from three Member States in each WHO Region. Its functions include monitoring implementation of the PIP Framework, and providing evidence-based reporting, assessment and recommendations regarding its functioning.

8 See PIP PC Implementation Portal

- and to accelerate national approval of these commodities in case of an influenza pandemic.
- d. Risk Communications Global risk communications capacities are strengthened with a special focus on pandemic influenza communications.
 - e. Planning for Deployment Plans for deployment of pandemic supplies including vaccines, antivirals and diagnostics, will be developed and regularly updated.

The Partnership Contribution

11. The Partnership Contribution (PC) is an annual contribution paid to WHO by influenza vaccine, diagnostic and pharmaceutical manufacturers using the GISRS. Under the PIP Framework Partnership Contribution – Implementation Plan 2013-2016, WHO is to receive US\$ 28 million yearly which is based on the estimated costs to run the WHO GISRS.⁹
12. Every year WHO issues a questionnaire to identify potential contributors. The questionnaire is uploaded to the PIP Framework webpage and the link is sent to all previous year contributors, all companies and institutions that conduct research and development in the field of influenza, and all recipients of PIP Biological Materials are recorded in the Influenza Virus Traceability Mechanism (IVTM), with a request that they complete the questionnaire. WHO has developed a set of standard operating procedures and, industry associations, in collaboration with WHO, developed a formula for calculating an individual company's payment into the Partnership Contribution.¹⁰
13. Requests for Payment or Invoices are then issued to the identified contributors requesting payment of the amount due them for a given year.
14. In 2012, US\$ 18,121,000 was received as a voluntary contribution from seven manufacturers. From 2013-2016, it was expected that US\$ 28 million will be received annually so that by the end of 2016, a total of US\$ 130,121,000 will be available as the PIP PC Implementation Plan was built against that expectation.¹¹
15. As at 31 December 2015, total contributions collected from 41 contributors amounted to US\$ 84,160,814 and the amount increased to US\$ 117,598,179 paid by 31 contributors as at end December 2016.
16. Income and expenditure recorded in respect of the contribution shall be identified and kept separately by WHO in relevant accounts. An amount not exceeding 10 percent of total contributions is allocated to fund the operation of the PIP Framework Secretariat, which manages implementation of the PIP Framework. The balance is then split proportionately 70:30 between pandemic Preparedness and Response activities, with the indirect costs of WHO administrative support identified transparently as Program

⁹ As disclosed in footnote 1 of PIP Framework, section 6.14.3, the running costs of the GISRS for 2010 were approximately US\$ 56.5 million. The running costs of the WHO GISRS are understood to be a reference index for the partnership contribution of 50 percent. Such running costs may change over time and the partnership contribution will change accordingly. Such running costs are not to include the partnership contributions themselves.

¹⁰ PIP Framework Questions and Answers

¹¹ Partnership Contribution Implementation Plan 2013-2016, Executive Summary

Support Costs (PSC). The PC funds are managed through the three pools of funds for activities for Preparedness, Response and Secretariat.

17. The requirements of the WHO eManual and SOPs provide controls for the effective implementation of the programmes. Managers and supervisors implementing the PIP activities are responsible for complying with the policies and procedures; and staff must comply with the internal rules as set out in WHO rules, regulations and directives as well.
18. As provided in the PIP PC Implementation Plan (2013-2016), the PC preparedness funds shall be used for the purposes indicated in the Plan and shall be administered in accordance with the WHO financial regulations and rules, and other financial and administrative rules and practices.¹²
19. PIP PC is implemented as a Special Arrangement. Further to resolution WHA 63.10 (21 May 2010), WHO establishes global health partnerships, networks and alliances, and initiatives to raise visibility of an unmet need, support coordination, provide financial support to countries, and/or provide common platforms for working together by combining the relative strengths of different stakeholders including the public sector, private sector entities, nongovernmental organizations, philanthropic foundations and academic institutions. The term "formal partnerships" refers to partnerships with or without a separate legal personality and with a governance structure (for example, a board or steering committee) that takes decisions on direction, workplans and budgets. WHO's engagement in partnerships and other forms of collaborative arrangements, as well as hosting of formal partnerships is guided by its Constitution, the General Programme of Work and the WHO rules and regulations.¹³

II. AUDIT SCOPE, OBJECTIVES AND METHODOLOGY

20. Following the recommendation of the 70th World Health Assembly, WHO Management availed the services of the External Auditor to conduct a financial audit on the PIP Partnership Contribution funds. Accordingly, the External Auditor conducted an audit of the PIP PC implementation from 18 September to 6 October 2017. The scope of the audit covers accounts and balances as at 31 December 2015 (covering the 2014-15 biennium) and 2016 with the main objective of providing: (1) assurances that the WHO financial regulations have been appropriately applied in the use of funds and that the financial information reported is accurate and reliable; and (2) recommendations to further increase the transparency of reporting on the linkages between expenditure and technical impact.¹⁴
21. The audit was performed on the adequacy of the operations and financial management systems including monitoring and reporting of programme implementation, and alignment of expenditures for the achievement of program's goal and objectives. The purpose is to add value to the PIP PC's operational and financial management including accountability and consistency.

¹² WHO Programme Management Glossary of Terms available at: http://intranet.who.int/asp/datacol/answer_upload.asp?survey_id=6143&question_id=108659&answer_id=255057&respondent_id=295351

¹³ See WHO eManual for more details: Section XVIII.2 - Engagement with non-State actors, collaboration with the United Nations and other intergovernmental organizations and WHO health partnerships and collaborative arrangements.

¹⁴ WHA70(10) dated 29 May 2017, Paragraph 8(e)

22. We conducted our audit in accordance with International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board. Specifically, the External Auditor reviewed the financial reporting process and validated the accuracy and completeness of the financial data recorded in the books of accounts, and those which are included in relevant PIP PC-related reports. The audit also included examination of 25 sample workplans (18 percent of all workplans included in the audit timeframe with a total of US\$ 22 million in expenditures) to validate implementation of activities as contained in the planning document and determine compliance of work plan expenditures with WHO rules and regulations. The process of monitoring and reporting was likewise validated through interviews of responsible persons, and inspection of relevant documentation to obtain reasonable assurance that controls at the activity/task and supervisory levels are existing and operating effectively.

III. OVERALL CONCLUSION

23. Overall, based on the result of our audit, we noted that revenues/receipts and expenditures incurred were properly accounted and conform to WHO financial regulations and rules. Specifically:
- a. The sources (cash receipts/collections) and uses (expenditures) of the Partnership Contribution for financial year 2015 and 2016 are properly recorded in the GSM and reported in the ICFS and PIP PC Annual Report. We noted differences in these reports due to the different methodologies employed (e.g. inclusion of encumbrances and different cut-off dates) by the Awards and Accounts Unit (ACT) and PIP Secretariat in collecting and reporting financial information on PIP PC implementation. These are discussed in Part V, Section A;
 - b. The transactions that we have tested as part of our audit on the use of PIP PC funds generally conformed to applicable WHO financial regulations and rules. We noted some gaps that are discussed in Part V, Section B; and
 - c. The work plan development, approval, monitoring and reporting processes are regular and defined. Indicators are routinely reported (six-monthly and annually) and the annual reports provide linkages between technical and financial implementation. As a Special Arrangement outside Programme Budget, PIP PC implementation does not have access to corporate monitoring and reporting processes and tools that link the implementation of activities to progress on deliverables. Monitoring and reporting on key milestones would enhance stakeholder understanding of implementation and achievements.

IV. SUMMARY OF RECOMMENDATIONS

24. We recommended the following measures to WHO Management:

Recommendation No. 1

- a) To promote consistency in the reporting of accounts and amounts in the ICFS, annual reports and other PIP-related reports/publications, the ACT and/or PIP Secretariat should:

- i. Ensure that encumbrances are not reported in the PIP-PC AR as part of Expenditures for these are not yet expended and are only being recorded for monitoring of earmarked funds, but information on the encumbrances may be disclosed in the PIP-PC AR;
- ii. Append the ICFS in each PIP-PC AR to support and lend consistency between the reports; information on how PC collections and expenditures are recorded and reported may be included in the PIP-PC AR for ready reference of stakeholders;
- iii. Ensure that ending balances of preceding reporting period in the PIP-PC AR, tally with the beginning balances reflected in the report of immediately succeeding period;
- iv. Undertake reconciliation of records of the ACT and PIP Secretariat, as at the same cut-off dates, using the same methodology, which should coincide with the WHO accounting and reporting period, prior to the issuance of the ICFS and PIP-PC AR; and
- v. Ensure that reports and statements pertaining to the implementation of the PIP Framework are harmonized and reconciled, even if it delays publication, to ensure consistency in methodology.

Recommendation No. 2

- b) To maximize timely and complete collection of invoices, we recommended that the issue on PC collection be elevated to senior management for immediate and final resolution with contributors.

Recommendation No. 3

- c) Set a fixed timeframe within which to prepare and submit the AAR or AMR to the ACT, especially for contributions received near the end of the accounting/reporting year to ensure timely recording of contributions in the GSM and for a more accurate reporting of revenues from PC in the ICFS.

Recommendation No. 4

- d) For improved compliance with WHO financial regulations and rules in the implementation of the PIP PC Implementation Plan:
 - i. Monitor workplans and conduct regular periodic transaction monitoring to maintain correct reporting and charging to PC funds of implemented activities;
 - ii. Consistently perform the requisite review of work plan encumbrances so that appropriate action, which is either liquidation or cancellation, could immediately be done to ensure full carry forward of all unspent and available funds at the change of biennium and thus ensure timely funding and implementation of PIP activities;
 - iii. Circulate the new policy on use of DFC and DI with all WHO offices to maximize compliance with policy requirements and approvals;

- iv. Ensure that expenditure batches transferring expenses to PIP funds are supported with necessary documents bearing appropriate approvals and justifications. Further, expenditure batches should be created only for acceptable reasons/circumstances which should be described in accordance with the list of values for batch description provided under the SOP;
- v. Institute necessary review controls in ensuring that complete or satisfactory documents supporting expenditures are verifiable and available through attachments in the ECM; and
- vi. Ensure proper categorization of expenditure types to facilitate summary reporting. For the computer and communication equipment purchased, we also recommend completion of the requisite Declaration of Receipts by end-users for accountability purposes.

Recommendation No. 5

- e) To enhance monitoring and reporting on PIP-PC Implementation, the PIP Secretariat:
 - i. Harmonize with WHO monitoring and reporting SOPs, processes and tools to improve PIP PC program visibility. This includes use of Mid-Term Reporting and Program Budget Performance Assessment for monitoring and PB web portal for reporting; and
 - ii. Consider key HLIP milestone monitoring and reporting to provide a link between work plan implementation and achievement of deliverables for each output.

V. DETAILED RESULTS OF AUDIT

A. FINANCIAL REPORTING

25. Interim Financial Statements for PIP PC (by fund pool for Preparedness, Response and PIP Secretariat) as at end of a given year, showing the Revenue/Receipts and Expenditure are prepared and certified by the Director, Accounts of WHO Headquarters (ACT). Since the start of the PIP Program, there were three Interim Certified Financial Statements (ICFS) issued by ACT for the financial reporting periods as at 31 December 2014, 2015 and 2016. These were issued in February 2015, April 2016 and July 2017 respectively. The ICFS as at 31 December 2014 was appended in the PIP PC Annual Report (PIP-PC AR). For the 2015 and 2016 ICFS, they were not appended in the PIP-PC AR to prevent delays in report issuance. For 2015, the Oracle Grants Accounting (OGA) records served as the basis for reporting in the PC Annual Report. In 2016, the GSM records as at 31 January 2017 served as the basis for reporting in the PC Annual Report.
26. Based on the ICFS for PIP PC for 2015 (Annex A) and 2016 (Annex B), the total PC collected amounted to US\$ 117,598,179, distributed and utilized, as shown in table below:

Based upon the ICFS for PIP (Secretariat, Preparedness and Response), 2015 and 2016									
PIP Funds Pool	Amounts in US\$ (including PSC)								
	2012-2015			2016*			Total (2012-2016)		
	Funds received	Expenditure (as at 31 Dec 2015)	Percent of Implementation on funds received	Funds received	Expenditure (as at 31 Dec 2016)	Percent of Implementation on funds received	Funds received	Expenditure (as at 31 Dec 2016)	Percent of Implementation on funds received
Preparedness	53,021,302	26,730,454	50%	21,065,534	17,061,691	81%	74,086,836	43,792,145	59%
Secretariat	8,416,088	4,753,422	56%	3,343,741	3,459,628	103%	11,759,829	8,213,050	70%
Response	22,723,424	0		9,028,090	0		31,751,514	0	
Grand Total	84,160,814	31,483,876	51%	33,437,365	20,521,319	84%	117,598,179	52,005,195	61%

* 1) In 2016 the PIP Framework underwent a comprehensive review. The process required establishment of a) an expert group of 8 people; b) a separate secretariat. The process involved many meetings and consultations with Member States and stakeholders. The process was entirely funded through PIP Secretariat funds which explains the higher implementation in 2016.

2) Two large payments (for 2015 and 2016 PC invoices) were received from one company in calendar year 2016 and both were recorded in 2016.

27. The Response fund has accumulated to US\$ 31,751,514 as at 31 December 2016. The Response fund is set aside as a contingency fund to enable rapid response at the start of a pandemic.

Financial figures in the ICFS and PIP PC Annual Report

28. We compared and test validated the figures and balances presented in the ICFS and the PIP-PC ARs for (a) Revenue/Receipt of PC and (b) Expenditures for 2015 (end of first biennium of PIP PC implementation) and 2016 (first year of second biennium of PIP PC implementation).

On revenue/receipt of partnership contributions

29. The total contributions collected and reported in the ICFS and PIP PC AR as at 31 December 2015 and 31 December 2016 were validated and found reconciled with accounting records.

On expenditures

30. Validation and comparison of expenditures showed that the amounts in the 2015 PIP-PC AR reconciled with the accounting records. For 2016, discrepancies were noted because (i) encumbrances amounting to \$3,193,747 were included in the reported expenditure in the PIP-PC AR, and (ii) financial data cut-off dates were different between the ICFS (31 December 2016) and PIP-PC AR (31 January 2017). The use of different methodologies resulted in the ICFS and PIP-PC AR not being comparable. Nevertheless, test validation of the amounts reported in the ICFS and PIP PC AR 2016 from their own respective sources (OGA and GSM) was validated.
31. Expenditures for 2014 and 2015 as reported in the 2015 PIP-PC AR did not match with the total amount of expenditure for the same biennium as presented in the 2016 PIP-PC AR. This was due to the different reporting systems used to re-extract 2014/15 amounts for the purpose of the 2016 PIP-PC AR.

Recommendation No. 1:

32. **We recommended and Management agreed, that to promote consistency in reporting of accounts and amounts in the ICFS, annual reports and other PIP-related reports/publications, the ACT and/or PIP Secretariat should:**

- a. Ensure that encumbrances are not reported in the PIP-PC AR as part of Expenditures for these are not yet expended and are only being recorded for monitoring of earmarked funds, but information on the encumbrances may be disclosed in the report;
- b. Append the ICFS in each PIP-PC AR to support and lend consistency between the reports; information on how PC collections and expenditures are recorded and reported may be included in the PIP-PC AR for ready reference of stakeholders;
- c. Ensure that ending balances of preceding reporting period in the PIP-PC AR, tally with the beginning balances reflected in the report of immediately succeeding period;
- d. Undertake reconciliation of records of the ACT and PIP Secretariat, as at the same cut-off dates, using the same methodology, which should coincide with the WHO accounting and reporting period, prior to the issuance of the ICFS and PIP-PC AR; and
- e. Moving forward, ensure that reports and statements pertaining to the implementation of the PIP Framework are harmonized and reconciled, even if it delays publication, to ensure consistency in methodology.

Collection of Partnership Contributions

33. The total PC collections as at 31 December 2016 amounted to US\$ 117,598,179. In addition, US\$ 7,288,152 was received in June 2017 as payment of a 2016 invoice, thus, the total PC collected as of June 2017 was US\$ 124,886,331. Records of PIP Secretariat showed a total unpaid amount of US\$ 5,103,321 consisting of balances from the yearly invoiced amounts, as shown in the following table:
34. The uncollected PC consisted mainly of an unpaid 2015 Invoice of US\$ 2,123,346 from a vaccine manufacturing company while US\$ 2,979,975 represented total uncollected amounts from other vaccine manufacturing and diagnostic companies.

Unpaid Contributions 2013-2016				
Year of Invoice	Anticipated Annual Contribution	Unpaid Contributions (in US\$)	No of Companies not paid	Percent unpaid collection (on US\$ 28 million)
2013	28,000,000	461,414	9	2%
2014	28,000,000	1,035,935	19	4%
2015	28,000,000	2,762,310	13	10%
2016	28,000,000	843,662	12	3%
Total Unpaid Contributions		5,103,321		

35. Considering that the Organization will plan and implement activities only on the basis of cash received, and as future PC amounts and timing are uncertain, the uncollected PC may affect the timely achievement of the expected Preparedness outcomes.
36. The PIP Secretariat employs a number of measures to maximize timely and complete PC collection: reminders and flexible payment options; escalation to senior management; meetings with senior executives of defaulting companies or

associations; and informing/meeting with relevant Member State Ministry of Health and Foreign Affairs officials.

37. We were informed that the four manufacturer associations (AdvMedDx, BIO, DCVMN and IFPMA) representing contributors are in the process of revising the formula needed to determine individual manufacturers' contributions. The revision process commenced nearly two years ago but the formula has not yet been revised. A revised formula acceptable to all manufacturers may result in more timely and complete contributions.

Recommendation No. 2:

38. **To maximize timely and complete collection of invoices, we recommended that the issue on PC collection be elevated to senior management for immediate and final resolution with contributors.**

Recording of revenues for Partnership Contribution

39. The Organization uses the cash basis of accounting in recording revenues for PIP PC wherein the full invoice amounts are not recognized as revenue in the GSM but only the actual cash received from contributors. This is in line with its accounting policy on revenue recognition that: "Revenue from voluntary contributions is recorded when a binding agreement is signed by WHO and the contributor. Where there are "subject to" clauses in an agreement, WHO does not control the resource and does not record the revenue and amount receivable until the cash is received." With the cash basis of accounting, revenues are recognized at the time physical cash is actually received.
40. Verification showed that PC totaling US\$ 84,424 received from three contributors in December 2015 were recorded only in February 2016 because the Award Activation Request (AAR) or Award Amendment Request (AMR) for these contributions were prepared and submitted to the Awards and Accounts (ACT) only in February 2016.
41. Under the FIN.SOP.IV.010 (Award End to End), the creation of a new award or amendment (e.g., increase in amount) of an existing award in GSM can be done only based on the AAR or AMR, as the case may be. There are no set timeframes within which the AAR or AMR for the PC should be prepared after actual receipt of the contributions.
42. Considering that the receipts are detailed per contributor in the ICFS, the concerned contributors/donors can easily confirm if their contributions in a given year were recorded in the WHO books of accounts by looking at the ICFS. Thus, with the non-recognition of the above-cited receipts in 2015, some were not reported in the ICFS as at 31 December 2015.
43. Although the subject contributions were eventually included in the ICFS as at 31 December 2016, said report was issued only in 2017 or after more than one year from the actual receipt of cash.

Recommendation No. 3:

44. **We recommended and Management agreed to set a fixed timeframe within which to prepare and submit the AAR or AMR to the ACT, especially for contributions received near the end of the accounting/reporting year to ensure timely recording of contributions in the GSM and for a more accurate reporting of revenues from PC in the ICFS.**

B. COMPLIANCE WITH WHO REGULATIONS AND RULES

45. Out of the 65 workplans for biennium 2014-15 and 76 workplans for 2016-17, we selected 25 workplans and reviewed sample transactions to determine compliance of work plan expenditures with WHO financial and administrative rules and regulations. Workplans reflect the agreed manner in which results are to be achieved within authorized resources, provide a basis for monitoring and assessing the performance of teams, and individual staff members, and form the basis for resource allocation. The workplans sampled represented 18 percent of all workplans (141 workplans), and included total expenditures of approximately US\$ 22 million. Our review revealed that 14 out of the 25 workplans sampled had exceptions, as discussed below.

PIP work plan activities

46. The PIP Framework specifies that the PC fund shall be used to improve pandemic preparedness and response. As required in PRP.SOP.II.012 (Workplan Monitoring), the Task Managers will ensure expenditure charges to the PIP PC workplans are correct, appropriate and consistent with the detailed workplans.
47. Two transactions (US\$ 43,200 and US\$ 22,163 representing 0.3 percent of the expenditures of the workplans sampled i.e. US\$ 22 million) were not aligned with the approved PIP workplans.
48. Management confirmed the exceptions noted and informed that inappropriate charges are captured through compliance checks. The two transactions stated above were found to be temporary charges under the PIP award due to technical problems at the Regional Offices at the time of restructuring of the WHO Health Emergencies Programme (WHE). For both transactions, corrective actions have been taken to charge the transactions to other appropriate WHO awards.

Recommendation No. 4a:

49. **We recommended and Management agreed that PIP Responsible Officers at all levels of WHO continue to monitor workplans and conduct regular periodic transaction monitoring to maintain correct reporting and charging to PC funds of implemented activities.**

Closure of encumbrances

50. The PRP.SOP.II.003 on Budget Monitoring states that encumbrances are legal commitments to vendors for goods or services that are not yet delivered. It is important to review open encumbrances regularly, at least on a quarterly basis (or more often for expiring awards), to ensure that fully served purchase orders (POs) are closed in order to fully use available funds. Regular review of encumbrances is necessary to determine if liquidation or cancellation has to be done to determine unspent amounts, actions and decisions on carrying forward in preparation for the closure of the work plan at the end of a biennium.
51. We examined through the GSM, related encumbrances of sample workplans and found that most of the transactions pertain to activities to be implemented until end of 2017. We, however, noted that some of the encumbrances have activities with start and end dates in 2016 or early 2017.

52. There remained seven open encumbrances more than six months past due amounting to US\$ 111,036 (representing 0.6 percent of the US\$ 22 million implemented in the 25 workplans sampled), which should have been addressed.

Recommendation No. 4b:

53. **We recommended and Management agreed that PIP Responsible Officers continue to consistently perform the requisite review of work plan encumbrances so that appropriate action, which is either liquidation or cancellation, could immediately be done to ensure full carry forward of all unspent and available funds at the change of biennium and thus ensure timely funding and implementation of PIP activities.**

Direct Financial Contribution (DFC) and Direct Implementation (DI)

54. As of September 2016, Direct Financial Contribution (DFC) and Direct Implementation (DI) must only be issued by Country Offices (CO) provided that the funding is included in the relevant CO level budget and work plan. Any exception to using the CO work plan must be approved in advance by the ADG GMG (HQ) for DFC and by WHO Comptroller for DI.
55. One DI (US\$ 17,262) was raised in 2016 without the supporting approvals from ADG GMG (HQ) and WHO Comptroller respectively.

Recommendation No. 4c:

56. **We recommended and Management agreed to circulate the new policy on use of DFC and DI with all WHO offices to maximize compliance with policy requirements and approvals.**

Expenditure batch

57. Transfer of expenses for the purpose of making adjustments and amendments within projects/workplans/awards is allowed through the Expenditure Batch System with standard operating procedures under FIN.SOP.X.006. Under the SOP, an expenditure batch can only be prepared for acceptable reasons/circumstances for which a list of acceptable values is available in the eExpenditure batch initiation page for the user to select the appropriate reason from. The SOP also requires that eExpenditure batches should be supported with documents to evidence appropriate approvals and other relevant justification relating to the transfer of expenditure.
58. One expenditure batch (US\$ 337,927) did not use a standard batch description. Five other expenditure batches (total US\$ 144,831) had incomplete supporting documentation (justification or approvals).

Recommendation No. 4d:

59. **We recommended and Management agreed to ensure that expenditure batches transferring expenses to PIP funds are supported with necessary documents bearing appropriate approvals and justifications. Further, expenditure batches should be created only for acceptable reasons/circumstances which should be described in accordance with the list of values for batch description provided under the SOP.**

Documentation for transactions

60. Of the 65 transactions within the 25 sampled workplans, we found nine transactions (14 percent) amounting to US\$ 401,129 (2 percent of expenditures in 25 workplans sampled) with incomplete or without supporting documents uploaded into Enterprise Content Management (ECM), the records management portion of GSM.

Recommendation No. 4e:

61. **We recommended and Management agreed to institute necessary review controls in ensuring that complete or satisfactory documents supporting expenditures are verifiable and available through attachments in the ECM.**

Expenditure recording

62. Misclassifications in recording of expenditures will impact the completeness and accuracy of balances by expenditure type. It will also affect the level of comparability of pertinent accounts and balances from one financial reporting period to another.
63. We noted two expenditures to purchase a computer and a telephone in the aggregate amount of US\$ 1,960 charged to General Operating Costs instead of Equipment, Vehicle, and Furniture.

Recommendation No. 4f:

64. **We recommended and Management agreed to ensure proper categorization of expenditure types to facilitate summary reporting. For the computer and communication equipment purchased, we also recommend completion of the requisite Declaration of Receipts by end-users for accountability purposes.**

C. REPORTING OF PROGRAMME RESULTS

65. Under the results-based management, monitoring is an important task in the life of a programme or project. It involves regular and systematic assessment based on participation, reflection, feedback, data collection, analysis of actual performance (using indicators) and regular reporting. It helps understand where programmes are in relationship to results planned, to track progress (on the basis of intended results and agreed indicators), and to identify issues and analyze relevant information and reports that become available as implementation occurs. Monitoring fulfills accountability requirements; communicates, reviews and reports results to stakeholders; adjusts approaches to implementation if necessary; and inform decision-making.¹⁵
66. The PIP Preparedness work plan approval process, which consists of development of workplans at all levels of the organization, and review and approval of these plans by the PIP Secretariat and WHO leadership, ensured that products and services when completed, roll up to achieve the deliverables described in the Plan and have been formulated in a standardized PIP PC implementation activity work plan.
67. Operational Planning Guidance Notes were issued for 2014-2015 and 2016-2017 biennia to ensure that activities defined in workplans are correctly entered into the GSM system. Under the said Guidance Notes, all PIP PC GSM workplans must be in compliance with the planning framework and the ADG/HSE-approved activity plan.

¹⁵ Results-based Management Handbook, UNDP

Thus, GSM workplans are required to be communicated to the PIP Secretariat and Programme Management team of the Director HQ/PED for compliance checks. Regional and country GSM workplans will be approved by Regional Planning Officers, while PRP will approve HQ workplans.

68. Compliance checks ensure that the workplans entered in GSM match the approved workplans. Any noted discrepancies are documented by the Program Manager and/or PIP Secretariat, sent through email to the appropriate AOW or Regional Offices (RO) lead to effect rectifications as soon as possible, and these are being regularly followed up until the discrepancies are finally corrected. Deadlines to correct discrepancies are provided to the implementing units and follow-up is conducted on a periodic basis until completed or a change request is submitted.
69. To undertake changes to approved workplans, the Guidance Note for Baseline Work Plan Change Request Process (PIP-PRO-001 Rev 0) provides the steps to request, approve and record changes to the approved baseline work plan and to update work plan information in GSM accordingly. This has facilitated PIP Secretariat oversight at the Output level.
70. As a Special Arrangement, PIP's revenues are reported in the Programme Budget Performance Assessment (PBPA), but the budget and results framework are not included in the WHO Programme Budget. Therefore, PIP could not use the regular WHO monitoring and reporting tools and processes such as the Mid-Term Review and Programme Budget Performance Assessment. Thus, the PIP Secretariat has created alternative monitoring and reporting process/tools including the PIP Portal.
71. In 2015, the PIP Secretariat developed guidance notes for Monthly Financial Reporting, Annual and Quarterly Financial Reporting, and Quarterly Technical Reporting.
72. The Guidance Note for Monthly Financial Reporting is adhered to by the Secretariat. Confirmation was received from the one region queried that they also monitor financial implementation on a monthly basis.
73. The Guidance Note for Annual & Quarterly Financial Reporting is being implemented, although the frequency of Portal updates decreased due to limited staffing capacity at the Departmental and PIP Secretariat level.
74. The Guidance Note for Quarterly Technical Reporting was abandoned and the PIP Secretariat instead applied the *PRP.SOP.II.012 for Workplan Monitoring*. This SOP states "Work plan monitoring is considered a decentralized function and each Regional offices and Headquarters' cluster is responsible for determining the process, focus, content, tools and periodicity of work plan monitoring at the work plan level." For additional monitoring, the PIP Secretariat and other Responsible Officers use GSM to check activity implementation based on activity reports uploaded into the system upon their completion.
75. The PIP Secretariat does the high-level monitoring and reporting on progress in the implementation of the PIP PC. Presently, monitoring and reporting on PIP Implementation is done through the following stages:
 - a) **Monthly** monitoring and reporting is done for both the technical progress and financial implementation rate at the activity level. Monitoring of the project technical implementation is done through holding of monthly teleconferences with the AOW and RO leads via WebEx. Any issue or problem in the implementation

process is brought forward at this early stage and course of action to address/trouble shoot the same is discussed and decided upon. Minutes of the teleconferences are prepared and disseminated to all concerned staff/officers. In another vein, monitoring of utilization of funds to identify delays in project financial implementation, is also done by extracting pertinent data from GSM. Data obtained are used to develop a graphical summary which is disseminated internally to the PIP PC teams at the HQ and RO for their information and subsequent action. The PIP Secretariat uses these monthly AOW and RO inputs to prepare key highlights for the bi-monthly newsletter and which is published/uploaded in the PIP Framework Webpage. The newsletter contains the success stories or highlights of activity implementation at the three levels (HQ, RO and CO).

- b) **Six-Monthly** monitoring and reporting of implementation is done using a set of indicators for each AOW in order to register achievements against baseline conditions. Focal points for each AOW are requested to answer/complete scoring request sent by the PIP Secretariat. A validation step ensues and the final data are compiled in a data set. All supplementary information received by the HQ PIP Secretariat is logged in a specific SharePoint database. The validated data are reported to the Advisory Group, in a meeting, twice a year as well as in the Annual Reports.
- c) **Annual** monitoring and reporting is done to report progress on the five AOWs, using the HLIP I indicators, as confirmation of work plan implementation, and to report on a subset of activities that highlight progress and work plan implementation in order to show progress at the outcome level (impact). As per the six-monthly process, this is done by requesting AOW and RO leads to complete an update request (spreadsheet) and to provide information for the annual report. Annual financial reporting on PIP implementation is also made as explained in earlier sections of this report. This links technical to financial implementation and facilitates understanding of results.

76. PC work plan implementation started in 2014. The processes to monitor and report have been dynamic and evolved over time based on the scale up of activities implemented and PIP Secretariat staffing capacities. Changes in the monitoring and reporting processes have not been reflected in updated PIP guidance notes.

77. During validations made by the audit team with selected PIP implementing units in the HQ, only the reports on programmatic results (indicators) on the PIP implementation were easily accessible. The reporting process/documentation linking the implementation of activities under specific work plan to achieve desired outputs should be improved. A report on implementation of activities, through reporting on key HLIP milestones within each AOW, would provide the link between reported Plan achievements of the implementing units and the overall results of the PIP programme.

Recommendation No. 5:

78. **We recommended and Management agreed to:**

- a) **Harmonize with WHO monitoring and reporting SOPs, processes and tools to improve PIP PC program visibility. This includes use of Mid-Term Reporting and Program Budget Performance Assessment for monitoring and PB web portal for reporting; and**

- b) Consider key HLIP milestone monitoring and reporting to provide a link between work plan implementation and achievement of deliverables for each output.**

VI. ACKNOWLEDGEMENT

- 79. We wish to express our appreciation for the cooperation and assistance extended to the External Auditor by the Manager of the PIP Secretariat, the Directors of Finance and of Infectious Hazard Management and the members of their teams.

Annex A - Interim Certified Financial Statements as at 31 December 2015



**World Health
Organization**

Pandemic Influenza Preparedness (PIP) Secretariat – 10%

Interim Financial Statement as at 31 December 2015
(expressed in US dollars)

Revenue

Receipts from:

Adimmune Corporation	6,554
Alerre Inc.	7,809
Baxter International Inc.	20,921
Beijing Tiantan Biological Products Co. Ltd.	14,952
Cadila Healthcare Ltd. (R&D Center)	492
Cepheid	280
Changchun Institute of Biological Products Co., Ltd.	14,952
China National Biotec Group	2,000
CSL Limited	174,434
Denka Seiken Co. Ltd.	129,577
Focus Diagnostics, Inc.	8,385
Glaxosmithkline (GSK)	2,417,209
Government Pharmaceutical Organization (GPO)	281
Green Cross Corporation	102,386
Hoffmann - La Roche and Co. Ltd.	1,496,464
Indevr, Inc.	499
Institute of Vaccines and Medical Biologicals (IVAC)	280
Kaketsuken	190,555
Kitasato Daiichi Sankyo Vaccine Co. Ltd.	70,731
Lanzhou Institute of Biological Products	217
Medicago Inc.	498
Medimmune	249,198
Nanosphere Inc.	499
Novartis	1,529,273
Omninvest Vaccine Manufacturing, Researching and Trading Ltd.	14,943
Princeton Biomeditech Corporation	280
Protein Sciences Corporation	495
PT Bio Farma (Persero)	499
QIAGEN	280
Quidel Corporation	281
Response Biomedical Corporation	542
Saint-Petersburg Scientific Research Institute of Vaccines and Sera	3,079
Sanofi Pasteur	1,705,703
Serum Institute of India Ltd.	2,784
Shanghai Institute of Biological Products Co., Ltd.	24,920
Sinovac Biotech Ltd.	24,920
Takeda Pharmaceuticals International GmbH	545
The Research Foundation for Microbial Disease of Osaka University	169,449
UMIN Pharm INC.	280
United States - Becton Dickinson and Company (BD)	28,143
Vabiotech	497

Total Revenue 8,416,088

Expenditure

2012-2013	1,050,098
2014-2015	3,703,324
Total Expenditure	4,753,422

Balance

3,662,666

I certify that the above statement reflects correctly the revenue and expenditure recorded in the WHO Global Accounting System.

Jane Stewart
Chief Finance

14 April 2016

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World Health Organization

Pandemic Influenza Preparedness (PIP) Emergency Pool 30% - Response

Interim Financial Statement as at 31 December 2015
(expressed in US dollars)

Revenue

Receipts from:

Adimmune Corporation	17,697
Alerre Inc.	21,083
Baxter International Inc.	56,485
Beijing Tiantan Biological Products Co. Ltd.	40,370
Cadila Healthcare Ltd. (R&D Center)	1,330
Cepheid	756
Changchun Institute of Biological Products Co., Ltd.	40,370
China National Biotec Group	5,400
CSL Limited	470,974
Denka Seiken Co. Ltd.	349,859
Focus Diagnostics, Inc.	22,639
Glaxosmithkline (GSK)	6,526,465
Government Pharmaceutical Organization (GPO)	756
Green Cross Corporation	276,443
Hoffmann - La Roche and Co. Ltd.	4,040,454
Indevr, Inc.	1,346
Institute of Vaccines and Medical Biologicals (IVAC)	756
Kaketsuken	514,498
Kitasato Daiichi Sankyo Vaccine Co. Ltd.	190,974
Lanzhou Institute of Biological Products	587
Medicago Inc.	1,346
Medimmune	672,831
Nanosphere Inc.	1,346
Novartis	4,129,040
Omninvest Vaccine Manufacturing, Researching and Trading Ltd.	40,350
Princeton Biomeditech Corporation	756
Protein Sciences Corporation	1,334
PT Bio Farma (Persero)	1,346
Qiagen	756
Quidel Corporation	756
Response Biomedical Corporation	1,463
Saint-Petersburg Scientific Research Institute of Vaccines and Sera	8,314
Sanofi Pasteur	4,605,398
Serum Institute of India Ltd.	7,515
Shanghai Institute of Biological Products Co., Ltd.	67,283
Sinovac Biotech Ltd.	67,283
Takeda pharmaceuticals International GmbH	1,468
The Research Foundation for Microbial Disease of Osaka University	457,512
UMIN Pharma Inc.	756
United States - Becton Dickinson and Company (BD)	75,987
Vabiotech	1,342
Total Revenue	22,723,424

Expenditure

2014-2015

Balance

22,723,424

I certify that the above statement reflects correctly the revenue and expenditure recorded in the WHO Global Accounting System.

J. Stewart
Jane Stewart
Chief Finance

14 April 2016



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World Health Organization

Pandemic Influenza Preparedness (PIP) Pool 70% - Preparedness

Interim Financial Statement as at 31 December 2015

(expressed in US dollars)

Revenue

Receipts from:

Adimmune Corporation	41,292
Alerre Inc.	49,196
Baxter International Inc.	131,799
Beijing Tiantan Biological Products Co. Ltd.	94,196
Cadila Healthcare Ltd. (R&D Center)	3,102
Cepheid	1,763
Changchun Institute of Biological Products Co., Ltd.	94,196
China National Biotec Group	12,600
CSL Limited	1,098,940
Denka Seiken Co. Ltd.	816,338
Focus Diagnostics, Inc.	52,821
Glaxosmithkline (GSK)	15,228,419
Government Pharmaceutical Organization (GPO)	1,763
Green Cross Corporation	645,034
Hoffmann - La Roche and Co. Ltd.	9,427,727
Indevr, Inc.	3,139
Institute of Vaccines and Medical Biologicals (IVAC)	1,763
Kaketsuken	1,200,497
Kitasato Daiichi Sankyo Vaccine Co. Ltd.	445,605
Lanzhou Institute of Biological Products	1,369
Medicago Inc.	3,139
Medimmune	1,569,937
Nanosphere Inc.	3,140
Novartis	9,634,428
Omninvest Vaccine Manufacturing, Researching and Trading Ltd.	94,149
Princeton Biomeditech Corporation	1,763
Protein Sciences Corporation	3,115
PT Bio Farma (Persero)	3,139
Qiagen	1,763
Quidel Corporation	1,763
Response Biomedical Corporation	3,412
Saint-Petersburg Scientific Research Institute of	19,398
Sanofi Pasteur	10,745,928
Serum Institute of India Ltd.	17,533
Shanghai Institute of Biological Products Co., Ltd.	156,994
Sinovac Biotech Ltd.	156,994
Takeda Pharmaceuticals International GmbH	3,425
The Research Foundation for Microbial Disease of Osaka University	1,067,528
United States - Becton Dickinson and Company (BD)	177,302
UNMN Pharma Inc.	1,763
Vabiotech	3,130
Total Revenue	53,021,302

Expenditure

2014-2015

26,730,454

Balance

26,290,848

I certify that the above statement reflects correctly the revenue and expenditure recorded in the WHO Global Accounting System.

Jane Stewart
Chief Finance

14 April 2016



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Annex B - Interim Certified Financial Statements as at 31 December 2016



**World Health
Organization**

Pandemic Influenza Preparedness (PIP) – Secretariat, Preparedness and Response

Interim Financial Statement as at 31 December 2016
(expressed in US dollars)

	Secretariat - 10 %	Response - 30 %	Preparedness - 70 %	Total
Opening Balance - 1 January 2016	3,662,666	22,723,424	26,290,848	52,676,938
Revenue				
Receipts from:				
Alere Inc	3,907	10,549	24,615	39,071
Becton Dickinson and Company (BD)	1,500	4,050	9,450	15,000
Cadila Healthcare Ltd (R&D Center)	534	1,441	3,362	5,337
Cepheid	534	1,441	3,362	5,337
Changchun Institute Of Biological Products Co., Ltd.	5,871	15,853	36,989	58,713
CSL Limited	92,340	249,317	581,739	923,396
Denka Seiken Co. Ltd.	45,888	123,899	289,097	458,884
DiaSorin Molecular LLC	2,969	8,017	18,706	29,692
Fast Track Diagnostics	814	2,197	5,125	8,136
Fluart Innovative Vaccines LTD	16,013	43,234	100,880	160,127
GlaxoSmithKline (GSK)	593,850	1,603,393	3,741,251	5,938,494
Government Pharmaceutical Organization (GPO)	534	1,441	3,362	5,337
Green Cross Corporation	32,392	87,458	204,068	323,918
Hoffmann-La Roche and Co Ltd	1,174,270	3,170,528	7,397,898	11,742,696
Institute Of Vaccines And Medical Biologicals (IVAC)	264	712	1,662	2,638
Kaketsuken	67,483	182,204	425,142	674,829
Kitasato Daiichi Sankyo Vaccine Co. Ltd.	64,051	172,938	403,522	640,511
Medimmune	266,880	720,575	1,681,340	2,668,795
Nanotherapeutics Inc	534	1,441	3,362	5,337
NPO Petrovax Pharm	534	1,441	3,362	5,337
Princeton Biomeditech Corporation	534	1,441	3,362	5,337
Qiagen	5,871	15,853	36,989	58,713
Quidel Corporation	534	1,441	3,362	5,337
Research Foundation for Microbial Diseases of Osaka University	67,483	182,204	425,142	674,829
Saint Petersburg Scientific Research Institute of Vaccines and Sera	2,902	7,836	18,284	29,022
Sanofi Pasteur	500,000	1,350,000	3,150,000	5,000,000
Seqirus	377,904	1,020,341	2,380,797	3,779,042
Serum Institute of India Ltd.	534	1,441	3,362	5,337
Shanghai Institute Of Biological Products Co., Ltd.	16,013	43,234	100,880	160,127
Takeda Pharmaceuticals International GmbH	270	729	1,700	2,699
Vabiotech	534	1,441	3,362	5,337
Total Revenue	3,343,741	9,028,090	21,065,534	33,437,365
Expenditure				
2016	3,459,628	-	17,061,691	20,521,319
Balance as at 31 December 2016	3,546,779	31,751,514	30,294,691	65,592,984

I certify that the above statement reflects correctly the revenue and expenditure recorded in the WHO Global Accounting System.

Jane Stewart
Director Accounts

14 July 2017



Statement of Financial Performance-by Donor/Award Entity : 'WHO' , From date : '01-JAN-2016' , To date : '31-DEC-2016' , Award Number : '60478' - Pandemic Influenza Preparedness (PIP) Secretariat – 10%

Sum of Expense	
Expense Type	Total (USD)
Staff Costs	2,286,098
Medical Supplies and Materials	4,738
Equipment, Vehicles and Furniture	5,680
Contractual Services	396,156
Travel	329,102
General Operating Costs	39,843
Programme Support Costs (PSC)	398,010
Total	3,459,628



Statement of Financial Performance-by Donor/Award Entity : 'WHO' , From date : '01-JAN-2016' , To date : '31-DEC-2016' , Award Number : '61722' - Pandemic Influenza Preparedness (PIP) Pool 70% - Preparedness

Sum of Expense	
Expense Type	Total (USD)
Staff Costs	3,904,735
Medical Supplies and Materials	1,172,834
Equipment, Vehicles and Furniture	276,760
Contractual Services	5,186,739
Travel	2,519,143
Transfers and Grants	1,446,686
General Operating Costs	591,946
Programme Support Costs (PSC)	1,962,849
Total	17,061,691