

Report of the Programme, Budget and Administration Committee of the Executive Board

1. The ninth meeting of the Programme, Budget and Administration Committee of the Executive Board was held in Geneva on 14 and 15 January 2009, under the chairmanship of Dr M. Dahl-Regis (Bahamas). The list of participants is attached at Annex 1. The Committee adopted its provisional agenda.¹
2. The Committee elected Dr H. Abdesselem (Tunisia) as Vice-Chairman.

Agenda item 2 Strategic directions

Management reforms: review of progress (Document EBPBAC9/2)

Global Management System and the Global Service Centre

3. The Committee noted that the implementation of the Global Management System had involved some difficult months with a significant workload, above normal for staff, and a hiatus in some operations. Members of the Committee also noted the importance of ensuring that the System did not give rise to any disruption in the implementation of programmes in countries. Problems on the financial side were progressively being resolved, but those in the human resources module remained. Overall, more time was still needed for the system to work as intended. The introduction of the system to the remaining regions had been postponed until the system was stable.
4. Members asked about the funding of the additional costs incurred in resolving the problems and whether problems were foreseen in the light of the severe corporate difficulties recently reported by one of the main contractors, Satyam. There was no indication at present of any disruptions in services to WHO, but contingency planning was under way in order to prepare for any unfavourable developments. In response, the Secretariat stated that the additional costs were being met from existing funding for regional introductions and system enhancements. The Organization had been in contact with the senior management of Satyam. The Committee noted that the Global Management System underpinned the achievement of many strategic management objectives, and that the Organization should persevere with its implementation.

¹ Document EBPBAC9/1.

Security

5. The Committee was informed that WHO's ability to implement its health programmes depended on a safe and secure working environment for its staff. WHO worked closely with other agencies of the United Nations system to maintain a coordinated approach to security matters. Resources to implement all necessary security requirements were not, however, available. Action was taken when funding allowed. The Committee expressed disappointment that the Organization was unable to comply with the United Nations Minimum Operating Security Standards and to finance the Capital Master Plan (which included activities related to safety and security).

6. In response to questions, the Secretariat stated that line responsibility for security of WHO staff and premises rested with the Director of Operational Support and Services, to whom a team of professional staff with security expertise, headed by a Coordinator, reported. In addition, some regional offices had field security offices.

7. In view of the fact that the United Nations system Chief Executives Board for Coordination would be discussing the issue of safety and security of United Nations personnel and premises at its session in a few months' time, the Secretariat would prepare a paper on the subject for consideration by the Health Assembly in May 2009.

The Committee noted the report and the intention of the Secretariat to prepare a paper on safety and security of staff for consideration by the Sixty-second World Health Assembly in May 2009.

Agenda item 3 Matters for review by, and/or recommendation to, the Executive Board

3.1 Programme budget 2006–2007: performance assessment (Documents EB124/12 and EBPBAC9/3)

8. The Committee noted that a summary version of the Programme budget 2006–2007: performance assessment report had been discussed at its seventh meeting¹ and that the full assessment report had been discussed at regional committee meetings in 2008 on the request of the Committee.

9. The Committee expressed appreciation for the full performance assessment report, noting its utility and comprehensiveness.

10. Some members of the Committee noted that, for those expected results that had not been fully achieved in the biennium 2006–2007, it would be useful to elaborate the reasons behind the difficulties faced. Important lessons could then be learnt for the preparation and implementation of subsequent programme budgets. The Committee emphasized that such assessment findings should be made available in good time in order to provide information for governing body discussions on programme budgets.

11. Comments were also made on the relatively low level of implementation in 2006–2007 as revealed by comparison of actual expenditure with the approved programme budget. Emphasis had to be placed on improving the Organization's implementation rates.

¹ Document EB122/3.

12. The Committee endorsed the proposal to change the time frames for, and format of, monitoring and assessment of Programme budget 2008–2009, as described in document EBPBAC9/3. It noted that the revised timelines would allow for presentation by the Secretariat of a summary mid-term review to the Committee at its tenth meeting and to the Executive Board at its 125th session in May 2009 and of a summary programme budget performance assessment report in May 2010.

3.2 Programme budget 2008–2009: update (Document EBPBAC9/4)

13. The Committee welcomed the information provided in the document and in the update given by the Secretariat at the meeting. The tables presented gave estimated information for the biennium 2008–2009 based on data for the first year; estimated expenditure for 2008–2009 fell in the range of US\$ 3300–3600 million compared with expenditure in 2006–2007 of US\$ 3100 million.

14. The Committee also noted that funding levels to date were not distributed across strategic objectives in a manner that reflected WHO's priorities. For example, strategic objective 4 on issues relating to reproductive, maternal and child and adolescent health, and strategic objective 9 relating to nutrition were relatively underfunded even though they were crucial to the attainment of the Millennium Development Goals. One member asked for a breakdown of strategic objective 4 into specific elements of reproductive, maternal and child and adolescent health. The Secretariat assured the Committee that it would consider the matter.

15. Some members of the Committee noted the difficulties occasioned by the Organization's reliance on specified voluntary contributions, including ensuring alignment of resources to the programme budget, and they welcomed the core voluntary funding mechanism as a useful means of attaining better alignment.

16. Members also noted that, as in the biennium 2006–2007 estimated expenditure for the biennium 2008–2009 was less than the revised programme budget of US\$ 4900 million. That imbalance also underlined the importance of consolidating WHO's budget and putting greater emphasis on implementation in 2009 and future bienniums.

The Committee noted the report.

3.3 Medium-term strategic plan 2008–2013 and Proposed programme budget 2010–2011 (Document EB124/20)

17. The Committee considered the draft amended Medium-term strategic plan 2008–2013 and the draft Proposed programme budget 2010–2011. It commended the work of the Secretariat in preparing the two documents, expressing appreciation for their level of detail, clarity and transparency.

18. The Committee noted that the substance of the amended Medium-term strategic plan remained largely unchanged, with revisions in content limited to four additional Organization-wide expected results in order to specify outcomes relating to climate change and patient safety, and to delineate more clearly work relating to outbreak and crisis response under strategic objectives 1 and 5.

19. The Committee welcomed efforts undertaken by the Secretariat to improve indicators for Organization-wide expected results in the draft amended Medium-term strategic plan and the draft Proposed programme budget in order to increase the relevance of the Secretariat's performance measures and their ability to be calculated.

20. The Committee welcomed the innovation of breaking the draft Proposed programme budget 2010–2011 into three segments – WHO programmes, outbreak and crisis response, and partnerships and collaborative arrangements – especially because it introduced greater transparency into the programme budget.

21. Some Committee members expressed concern about the growing imbalance between assessed and voluntary contributions, as well as WHO's increasing reliance on specified voluntary contributions, especially as that limited the Organization's ability to manage effectively and achieve fully the expected results included in the programme budget.

22. Some members welcomed the development of the core voluntary contributions account and expressed appreciation to those Member States that were making increasing use of that new mechanism to provide flexible funding to the Organization, as well as to the Member States making multiyear pledges of voluntary funds.

23. Some members asked why 44% of the draft Proposed programme budget 2010–2011 was allocated to strategic objectives 1 and 2 (communicable diseases) and called for a more equitable distribution across other strategic objectives, including those associated with noncommunicable diseases.

24. Some members of the Committee expressed concern that budget allocations for strategic objectives 4, 7 and 9 were insufficient to allow for the attainment of related Millennium Development Goals, and requested that the allocations concerned should be reviewed by the Secretariat and that the draft Proposed programme budget 2010–2011 should be adjusted accordingly before its submission to the Sixty-second World Health Assembly.

25. Concern was also expressed by some members of the Committee about the uneven distribution of the budget across geographical regions.

26. Some members of the Committee further expressed concern over the Organization's ability to raise sufficient income and its capacity to implement fully the draft Proposed programme budget 2010–2011 in the current economic climate; others questioned the absorptive capacity of the Organization and called for more budgetary discipline and realism in the draft Proposed programme budget 2010–2011.

27. Some members maintained that the Secretariat should explore the possibility of establishing a revolving fund in order to allow for more predictable funding of emergency response operations. The Secretariat undertook to keep the matter under review.

28. Although they recognized that carrying funds over from one biennium to another was required in order to ensure continuity of operations, some Committee members emphasized the importance of limiting the amounts concerned to those warranted by financial and operational prudence, while appreciating that higher levels of specified funding also lead to higher levels of carry-over.

29. One member of the Committee expressed concern about the proposed reallocation of assessed contributions to cover the shortfall in resources for strategic objectives 12 and 13, and encouraged WHO to develop and implement a policy for sustainable cost-recovery, taking into account the work of the United Nations High-Level Management Committee.

30. Some members of the Committee asked for further clarification on specific aspects of the draft Proposed programme budget 2010–2011, including projections of expected exchange rate fluctuations, before the document's submission to the Sixty-second World Health Assembly. The importance was again stressed of the Organization focusing on improving implementation and, with that aim in mind, reviewing the overall level of the proposed programme budget.

The Committee recommended that in its consideration of, and recommendations concerning, the draft amended Medium-term strategic plan 2008–2013 and the draft Proposed programme budget 2010–2011, the Executive Board should take into account the comments recorded above.

3.4 Scale of assessments for 2010–2011 (Document EB124/21)

31. The Committee was briefed on the proposed scale of assessments to be applied to that part of the Proposed programme budget 2010–2011 consisting of assessed contributions. No change was proposed to the current scale.

32. The Committee noted that in December 2009 the United Nations was expected to adopt a new scale for the period 2010–2012. In accordance with past practice, in 2010 the Sixty-third World Health Assembly would be invited to consider whether the new United Nations scale would be used to calculate the WHO scale for the second year of the following biennium (that is to say, 2011).

The Committee recommended that the Executive Board should propose that the Sixty-second World Health Assembly adopt the proposed scale of assessments as set out in document EB124/21.

3.5 Amendments to Financial Regulations and Financial Rules (Document EB124/22)

33. The Committee noted that the document contained proposals for changes to WHO's Financial Regulations and Financial Rules primarily as a result of the implementation of the International Public Sector Accounting Standards (IPSAS), to be completed by 2010. As described in the report, the changes included a shift to annual financial statements; introduction of full accrual accounting; a new method for recognizing fixed assets; and some new terminology.

34. In response to detailed questions on the changes, particularly on interest earned and Miscellaneous Income, the Secretariat pointed out that interest earned on assessed contributions would continue to be credited to that account and would thus continue to be available for appropriation by Member States, in line with Regulation 5.1. Other questions were raised in regard to the term "surplus" and to a reference in the Financial Rules to the possibility of a separate budget for capital expenditure.

35. In response, the Secretariat proposed some amendments to the Financial Regulations, which were reviewed by the Committee. One further change was added. The full details of the proposed new text, as well as the existing text and comments are contained in Annex 2 to this report.

The Committee recommended that the Executive Board adopt the resolution contained in paragraph 5 of document EB124/22 with the amended Annex 1 to the resolution as contained in Annex 2 to this report.

3.6 Partnerships (Document EB124/23)

36. The Committee welcomed the report and the draft policy guidelines, and expressed satisfaction with them.

37. WHO's long tradition of working collaboratively with multiple stakeholders and sectors was noted along with the fact that that work was grounded in WHO's Constitution, the Eleventh General Programme of Work, the Medium-term strategic plan 2008–2013, and the Director General's priorities.

38. The importance and complexity of the issues surrounding the large number of current collaborations, involving various partnering types and with arrangements both within and external to WHO, were noted in the discussion. The Committee noted the Secretariat's proposed approach to deciding on involvement in partnerships and managing that involvement, the issues associated with WHO-hosted formal partnerships (with separate governance), the application of WHO's accountability and managerial frameworks to all partnerships and collaborative arrangements in WHO, and the new approaches contained within the Proposed programme budget 2010–2011 concerning various partnerships and collaborative arrangements. Committee members acknowledged and welcomed this new approach to the programme budget. They recognized that each partnership was responsible for mobilizing its own resources and that, in the future, partnering arrangements would need to have an evaluation component to enable decisions to be made on whether to continue within WHO, or whether the partnership should be changed, integrated into WHO's accountability framework, separated from the Organization or terminated.

39. The Committee noted with appreciation the provision in the draft guidelines for the Executive Board regarding their use in any future consideration of WHO-hosted partnerships. Committee members requested clarification on the applicability of the guidelines to formal as opposed to informal partnerships, noting that looser arrangements within WHO were already covered by the Organization's normal accountability and managerial framework.

40. Noting the Paris Declaration on Aid Effectiveness, one Committee member drew attention to the plethora of partnerships devoted to health and operating at country level. Synergy and complementarity of action were needed between partnerships and national health systems, and the Paris Declaration should be applied in order to improve harmonization and alignment. That member called for the Secretariat to provide support for strong coordination among partnerships within the Organization and at the country level.

41. In response, the Secretariat undertook to provide additional clarification on the relationship between partnerships and WHO's core functions, on those partnerships and collaborative arrangements listed in the Proposed programme budget and those outside the programme budget, and on possible ways of coordinating partnerships with separate governance within WHO. The Secretariat also recognized the difficulty of coordination. Although formal partnerships that brought together Member States, the private sector, academia and civil society were appreciated for their contributions to global health, it was unclear how the Secretariat and the governing bodies could ensure coherence between them.

The Committee recommended that the Executive Board should consider endorsing the guidelines contained in document EB124/23 and, based on suggestions made during the Committee's discussion, give consideration to any other future action.

3.7 Multilingualism: implementation of action plan (Document EB124/24)

42. The Committee welcomed the report and noted the importance for WHO to follow United Nations rules on staff training, particularly regarding nationally recruited staff.

The Committee recommended that the Executive Board note the report.

3.8 Human resources: annual report (including employment and participation of women in the work of WHO) (Documents EB124/30 and EB124/30 Add.1)

43. The Committee welcomed the progress reported for the previous year and the activities planned for 2009 in the area of human resources management. In response to questions raised, the Secretariat noted that efforts would be made to ensure that recruitment made through rosters would avoid candidates remaining on rosters for long periods of time. The Organization had made progress in appointing professional-level staff at more junior grades and at younger ages, and as a consequence the age profile now showed that about 50% of staff in the professional category were under the age of 50 years. Little progress had been made towards gender equity, although the positive trend of previous years had been maintained and the proportion of women employed was now just under 38%. During the period covered by the report, the number of direct appointments was 13, five of which were from under-represented Member States and eight from over-represented Member States or Members within range. As regards the geographical distribution of staff, the main change expected when the desirable ranges were reviewed in the course of the coming year was the inclusion of an up-to-date figure for the total staff positions covered by the geographical distribution formula.

44. The Secretariat noted that issue of document EB124/30 Add.1 had been delayed but that it would be made available to the Board.

The Committee recommended that the Executive Board take note of the report contained in document EB124/30.

3.9 Report of the International Civil Service Commission (Document EB124/31)

The Committee recommended that the Executive Board take note of the report contained in document EB124/31.

3.10 Amendments to the Staff Rules and Staff Regulations (Document EB124/34)

45. The Committee queried the suggested amendment to Staff Rule 550.3 which proposed that staff members in the national professional officer category would be included among those considered eligible to receive the language allowance. The Secretariat was asked to confirm the extent of the practice elsewhere in the United Nations system. The result of the enquiry showed that the United Nations and its funds and programmes, apart from UNHCR, did not pay language allowance for national professional officers and information to date on the specialized agencies showed that ILO did and FAO did not do so. The Secretariat of the International Civil Service Commission, previously consulted informally, had said that the Commission seemed flexible on the use of language incentives for the national professional officer category in line with a similar scheme for internationally recruited staff in the professional category. After further debate, in which another member of the Committee highlighted the advantages of incentives for language skills, the Secretariat proposed to pursue the matter vigorously with the Commission in order to promote WHO's view of a common approach to

the payment of the language incentive to national professional officers throughout the United Nations system. The Committee decided to recommend that, pending a decision on the matter by the United Nations General Assembly, draft resolution 1 in document EB124/34 be amended to exclude reference to “language incentive”. Accordingly, the existing text of Staff Rule 550.3 should be retained.

The Committee recommended that the Executive Board adopt resolution 1 as revised, together with resolution 2 and resolution 3 as set out in document EB124/34.

Agenda item 4 Audit and other matters for information

4.1 Report of the Office of Internal Oversight Services (Document EBPBAC9/5)

46. The Committee reviewed the Internal Auditor’s comprehensive plan of work, which included various audits, evaluations and provision for investigations. It noted the staffing situation in the Office, that funding was available and that the plan of work allocated oversight resources to all levels of the Organization.

47. In questioning oversight work on partnerships, the Committee was assured that it did not diminish the time available for WHO’s core work and that any work devoted solely to a specific partnership would be reimbursed or paid for by that entity. The Committee noted that risk management processes at WHO were insufficient and was informed that implementation of risk management processes would be handled as a priority in 2009. The Committee also noted the involvement of the Office in reviewing issues related to the Global Management System.

The Committee noted the report.

4.2. External and internal audit recommendations: progress on implementation (Document EBPBAC9/6)

48. The Secretariat, in introducing the document, noted that further detailed information on implementing audit recommendations was available in the room in the form of an up-to-date tracking matrix.

49. The Secretariat agreed to the Committee’s suggestion that the matrix would in future be included in the relevant Secretariat document as an annex.

The Committee noted the report.

4.3 Independent Expert Oversight Advisory Committee (Document EBPBAC9/7)

50. The Committee welcomed the report and appreciated the information provided on the various options for establishing an independent expert oversight advisory committee. It agreed that such a move was in line with best practice in the United Nations system and stressed the need for the members of such a committee both to be independent and to have expertise in a variety of relevant fields.

51. There was considerable support for the fourth option, namely a committee separate from the Programme, Budget and Administration Committee, but some members also expressed interest in seeing additional information on the third option, namely a subcommittee of the Programme, Budget and Administration Committee. It was decided to take the matter forward by requesting the Director-

General to prepare draft terms of reference and to study issues related to lines of reporting, legal status and costs. The Secretariat would work with a group of interested Member States on those matters and submit its conclusions to the Committee for consideration at the tenth meeting of the Programme, Budget and Administration Committee in May 2009.

The Committee noted the report.

4.4 Reports of the Joint Inspection Unit (Document EBPBAC9/8)

The Committee noted the report.

Agenda item 5 Adoption of report and closure of meeting

52. The Committee adopted its report.

ANNEX 1

LIST OF PARTICIPANTS

MEMBERS, ALTERNATES AND ADVISERS

Bahamas

Dr M. Dahl-Regis (Chairman)

Bangladesh

Mr S.M. Rahman (alternate to Dr A.F.M. Ruhul Haque)

Mr F.M. Kazi (alternate)

China

Dr R. Minghui

Dr Xing Jun (alternate)

Ms Han Jixiu (alternate)

Denmark

Ms M. Kristensen (alternate to Mr J. Fisker)

Mrs A.C. Christensen (alternate)

Ms M.K. Jørgensen (alternate)

Hungary

Dr M. Kökény

Indonesia

Dr T.Y. Aditama (alternate to Dr S.F. Supari)

Mr A. Somantri (alternate)

Malawi

Dr K. Kamoto

Mali

Mr I.O. Touré

Dr D.O.S. Maiga (alternate)

Mr A.H. Maiga (alternate)

Mr T. Sidibé (alternate)

Mr I. Sangho (alternate)

New Zealand

Ms D. Roche (alternate to Mr T. Ryll)

Tunisia

Dr H. Abdesselem (Vice-Chairman)

United Arab Emirates

Dr A. Shakar (alternate to Dr A.A. Bin Shakar)

Dr Y.A. Almulla (alternate)

United States of America

Mrs A. Blackwood (alternate to Mr J. Garcia)

Mrs A.L. Chick (alternate)

Mr D. Hohman (alternate)

Ex officio member

Mr N.S. de Silva (Chairman of the Executive Board)

MEMBER STATES NOT MEMBERS OF THE COMMITTEE

Mrs N.M. Saraiva (Angola)

Mr S. Commar (Australia)

Mr J. De Preter (Belgium)

Mr C.-E. Portaels (Belgium)

Mr G. Mundarain Hernández (Bolivarian Republic of Venezuela)

Mr J. Arias Palacio (Bolivarian Republic of Venezuela)

Mr J.L. Lobo (Bolivarian Republic of Venezuela)

Mr P. Oldham (Canada)

Mr P. Blais (Canada)

Dr F. Muñoz (Chile)

Mrs B. Quacoe (Côte d'Ivoire)

Mr C. Segura (Dominican Republic)

Miss L. Baquerizo Guzman (Ecuador)

Miss L. Alvarado (El Salvador)
Mr A. Allo (France)
Mr H. Martin (France)
Mr T. Ifland (Germany)
Mr U. Fenchel (Germany)
Mr J. Gerigh (Germany)
Ms L. Asiedu (Ghana)
Miss A.I. Carrino Fabian (Guatemala)
Mr U.A.I. Ibrahim (Iraq)
Mr N. Tagaya (Japan)
Ms M. Toyota-Imamura (Japan)
Mr T. Mboya (Kenya)
Mr T.K. Ould Abdi Salem (Mauritania)
Mrs M.A. Jáquez Huacuja (Mexico)
Mr J.R. Lorenzo Domínguez (Mexico)
Mrs M.E. Coronado Martinez (Mexico)
Mr A. Illo (Niger)
Mr R.F. Issaka Moussa (Niger)
Ms S. Hodne Steen (Norway)
Mr T.E. Lindgren (Norway)
Ms N. Dladla (South Africa)
Mr N. Plattner (Switzerland)
Dr M. Tseshkovskiy (Russian Federation)
Mr E. Kalugin (Russian Federation)
Mrs E. Shipileva (Russian Federation)
Dr R. Wimal Jayantha (Sri Lanka)
Dr D. Jayatileka (Sri Lanka)
Mr S. Ekanayake (Sri Lanka)
Mr O.L. Ameerajwad (Sri Lanka)
Mrs M. Mallikaratchy (Sri Lanka)
Ms A. Molin Hellgren (Sweden)
Ms S. Jerneck (Sweden)
Ms M. Lidskog (Sweden)
Mr S. Bland (United Kingdom of Great Britain and Northern Ireland)
Ms C. Kitsell (United Kingdom of Great Britain and Northern Ireland)
Mr A. Searl (United Kingdom of Great Britain and Northern Ireland)
Mr W. Nibblett (United Kingdom of Great Britain and Northern Ireland)

ANNEX 2

FINANCIAL REGULATIONS

| EXISTING TEXT AS OF 1 JANUARY 2008 | PROPOSED REVISED TEXT | COMMENTS |
|--|--|--|
| <i>Regulation I – Applicability and Delegation of Authority</i> | | |
| 1.1 These Regulations shall govern the financial administration of the World Health Organization. | | |
| 1.2 The Director-General is responsible for ensuring effective financial administration of the Organization in accordance with these Regulations. | | |
| 1.3 Without prejudice to Regulation 1.2 the Director-General may delegate in writing to other officers of the Organization such authority as he or she considers necessary for the effective implementation of these Regulations. | 1.3 Without prejudice to Regulation 1.2 the Director-General may delegate in writing to other officers of the Organization such authority and related accountability as he or she considers necessary for the effective implementation of these Regulations. | Ties in with Director-General's and other delegations of authority. |
| 1.4 The Director-General shall establish Financial Rules, including relevant guidelines and limits for the implementation of these Regulations, in order to ensure effective financial administration, the exercise of economy, and safeguard of the assets of the Organization. | | |
| <i>Regulation II – The Financial Period</i> | | |
| 2.1 The financial period shall be two consecutive calendar years beginning with an even-numbered year. | 2.1 The financial period for the programme budget shall be two consecutive calendar years beginning with an even-numbered year. | Annual financial statements will be prepared in accordance with IPSAS. |
| <i>Regulation III – The Budget</i> | | |
| 3.1 The budget estimates for the financial period, as referred to in Article 55 of the Constitution (hereinafter referred to as “budget proposals”), shall be prepared by the Director-General. | 3.1 The budget estimates for the financial period, as referred to in Article 55 of the Constitution (hereinafter referred to as “budget proposals”), shall be prepared by the Director-General. The budget proposals shall be presented in United States dollars. | |

| EXISTING TEXT AS OF 1 JANUARY 2008 | PROPOSED REVISED TEXT | COMMENTS |
|---|---|---|
| <p>3.2 The budget proposals shall cover gross income and gross expenditure for the financial period to which they relate, and shall be presented in United States dollars.</p> | <p>3.1 bis The Director-General may also present estimates for a separate budget for capital expenditure.</p> | <p>Introduces the concept of a capital budget outside the programme budget so as to avoid distortion of the latter.</p> |
| <p>3.3 The budget proposals shall be divided into parts, sections and chapters, and shall include such information, annexes and explanatory statements as may be requested by, or on behalf of, the Health Assembly and such further annexes or statements as the Director-General may deem necessary and useful.</p> | <p>3.2 The budget proposals shall cover gross income and gross expenditure for the financial period to which they relate, and shall be presented in United States dollars.</p> | <p>Limits Regulation III to budget; funding/income covered later.</p> |
| <p>3.4 The Director-General shall submit the budget proposals at least 12 weeks before the opening of the regular session of the Health Assembly, and before the opening of the appropriate session of the Executive Board, at which they are to be considered. At the same time, the Director-General shall transmit these proposals to all Members (including Associate Members).</p> | | |
| <p>3.5 The Executive Board shall submit these proposals, and any recommendations it may have thereon, to the Health Assembly.</p> | | |
| <p>3.6 The budget for the following financial period shall be approved by the Health Assembly in the year preceding the biennium to which the budget proposals relate, after consideration and report on the proposals by the appropriate main committee of the Health Assembly.</p> | | |
| <p>3.7 Should the Director-General, at the time of the session of the Executive Board that submits the budget proposals and its recommendations thereon to the Health Assembly, have information which indicates that there may,</p> | | |

EXISTING TEXT AS OF 1 JANUARY 2008

before the time of the Health Assembly, be a need to alter the proposals in the light of developments, he or she shall report thereon to the Executive Board, which shall consider including in its recommendations to the Health Assembly an appropriate provision therefore.

3.8 Should developments subsequent to the session of the Executive Board that considers the budget proposals, or any of the recommendations made by it, necessitate or render desirable in the opinion of the Director-General an alteration in the budget proposals, the Director-General shall report thereon to the Health Assembly.

3.9 Supplementary proposals may be submitted to the Board by the Director-General whenever necessary to increase the appropriations previously approved by the Health Assembly. Such proposals shall be submitted in a form and manner consistent with the budget proposals for the financial period.

Regulation IV – Regular Budget Appropriations

4.1 The appropriations approved by the Health Assembly shall constitute an authorization to the Director-General to incur contractual obligations and make payments for the purposes for which the appropriations were approved and up to the amounts so approved.

4.2 Appropriations shall be available for obligation for the financial period to which they relate. The Director-General is authorized to charge, as an obligation against the appropriations during the current financial period, the cost of goods or services which were contracted during the current financial period, and which are contractually due to be delivered during that period.

4.3 The Director-General is authorized, with the prior concurrence of the Executive Board or of any committee to which it may delegate appropriate authority, to transfer

PROPOSED REVISED TEXT

4.2 Appropriations shall be available for ~~obligation for~~ **making commitments in** the financial period to which they relate **for delivery in that financial period or the subsequent calendar year.** ~~The Director-General is authorized to charge, as an obligation against the appropriations during the current financial period, the cost of goods or services which were contracted during the current financial period, and which are contractually due to be delivered during that period.~~

COMMENTS

Enables a budget carry forward into the third year. Expenditure will be recognized on the delivery principle in that third year – against the previous biennium's budget carry over. This gives the transparency that was lacking with unliquidated obligations.

EXISTING TEXT AS OF 1 JANUARY 2008

credits between sections. When the Executive Board or any committee to which it may have delegated appropriate authority is not in session, the Director-General is authorized, with the prior written concurrence of the majority of the members of the Board or such committee, to transfer credits between sections. The Director-General shall report such transfers to the Executive Board at its next session.

4.4 At the same time as budget proposals are approved an exchange rate facility shall be established by the Health Assembly, which shall set the maximum level that may be available to protect against losses on foreign exchange. The purpose of the facility shall be to make it possible to maintain the level of the budget so that the activities that are represented by the budget approved by the Health Assembly may be carried out irrespective of the effect of any fluctuation of currencies against the United States dollar at the official United Nations exchange rate. Any amount unused during the biennium shall be credited to Miscellaneous Income.

4.5 Appropriations in respect of the regular budget for the current financial period may remain available for the following financial period to pay for all goods and services resulting from legal commitments that were made before the end of the financial period, for completion the following year.

4.6 At the end of the financial period, any unobligated balance of the appropriations shall be credited to Miscellaneous Income.

4.7 Any claims for goods and services contractually due to be delivered in a subsequent financial period that exist against the Organization at the end of a financial period shall be established as obligations against appropriations

PROPOSED REVISED TEXT

4.4 At the same time as budget proposals are approved an exchange rate facility shall be established by the Health Assembly, which shall set the maximum level that may be available to protect against losses on foreign exchange. The purpose of the facility shall be to make it possible to maintain the level of the budget so that the activities that are represented by the budget approved by the Health Assembly may be carried out irrespective of the effect of any fluctuation of currencies against the United States dollar at the official United Nations exchange rate. ~~Any amount unused during the biennium shall be credited to Miscellaneous Income~~

~~4.5 Appropriations in respect of the regular budget for the current financial period may remain available for the following financial period to pay for all goods and services resulting from legal commitments that were made before the end of the financial period, for completion the following year.~~

~~4.6 At the end of the financial period, any unobligated balance of the appropriations shall be credited to Miscellaneous Income.~~

~~4.7 Any claims for goods and services contractually due to be delivered in a subsequent financial period that exist against the Organization at the end of a financial period shall be established as obligations against appropriations~~

COMMENTS

~~Miscellaneous Income deleted as any unused amount will automatically be recognized in the surplus.~~

Covered in Regulation 4.2 as revised.

Deleted as no accounting credit required. ~~The uncommitted balance will be reflected in the surplus.~~

Covered in Regulation 4.2.

EXISTING TEXT AS OF 1 JANUARY 2008

established for the relevant subsequent financial period and shall be disclosed as a note to the Financial Statements.

Regulation V – Provision of Regular Budget Funds

5.1 Appropriations shall be financed by assessed contributions from Members, according to the scale of assessments determined by the Health Assembly, and by Miscellaneous Income.

5.2 The amount to be financed by contributions from Members shall be calculated after adjusting the total amount appropriated by the Health Assembly to reflect that proportion of the regular budget to be financed by Miscellaneous Income.

5.3 In the event that the amount realized as Miscellaneous Income is greater than the amount approved by the Health Assembly under the regular budget proposals, any such surplus shall be credited to Miscellaneous Income for the following financial period, and shall be applied in accordance with the budget approved for that financial period.

5.4 In the event that the amount realized as Miscellaneous Income is less than the amount approved by the Health Assembly under the regular budget proposals, the Director-General shall review implementation plans for the regular budget in order to make any adjustments that may be necessary.

PROPOSED REVISED TEXT

~~established for the relevant subsequent financial period and shall be disclosed as a note to the Financial Statements.~~

5.1 Appropriations shall be financed by assessed contributions from Members, according to the scale of assessments determined by the Health Assembly, and by ~~Miscellaneous Income~~ **any available surplus projected interest earned on regular budget, prior period collection of arrears and any other income attributable to the regular budget.**

5.2 The amount to be financed by contributions from Members shall be calculated after adjusting the total amount appropriated by the Health Assembly to reflect that proportion of the regular budget to be financed by ~~Miscellaneous Income~~ **any available surplus the other sources noted in 5.1 above.**

~~5.3 In the event that the amount realized as Miscellaneous Income is greater than the amount approved by the Health Assembly under the regular budget proposals, any such surplus shall be credited to Miscellaneous Income for the following financial period, and shall be applied in accordance with the budget approved for that financial period.~~

~~5.4 In the event that the amount realized as Miscellaneous Income is less than the amount approved by the Health Assembly under the regular budget proposals, the Director-General shall review implementation plans for the regular budget in order to make any adjustments that may be necessary.~~ **In the event that the total financing for appropriations is less than the amount approved by the Health Assembly under the regular budget proposals, the Director-General shall review implementation plans for the regular budget in order to make any adjustments that may be necessary.**

COMMENTS

~~Under IPSAS, the concept of available surplus replaces Miscellaneous Income.~~

~~Not required since, with IPSAS, the concept of available surplus is being applied.~~

~~Not required since, with IPSAS, the concept of available surplus is being applied.~~

EXISTING TEXT AS OF 1 JANUARY 2008

PROPOSED REVISED TEXT

COMMENTS

Regulation VI – Assessed Contributions

6.1 The assessed contributions of Members based on the scale of assessments shall be divided into two equal annual instalments. In the first year of the financial period, the Health Assembly may decide to amend the scale of assessments to be applied to the second year of the financial period.

6.2 After the Health Assembly has adopted the budget, the Director-General shall inform Members of their commitments in respect of contributions for the financial period and request them to pay the first and second instalments of their contributions.

6.3 If the Health Assembly decides to amend the scale of assessments, or to adjust the amount of the appropriations to be financed by contributions from Members for the second year of a biennium, the Director-General shall inform Members of their revised commitments and shall request Members to pay the revised second instalment of their contributions.

6.4 Instalments of contributions shall be due and payable as of 1 January of the year to which they relate.

6.5 As of 1 January of the following year, the unpaid balance of such contributions shall be considered to be one year in arrears.

6.6 Contributions shall be assessed in United States dollars, and shall be paid in either United States dollars, euros or Swiss francs, or such other currency or currencies as the Director-General shall determine.

6.7 The acceptance by the Director-General of any currency that is not fully convertible shall be subject to a

EXISTING TEXT AS OF 1 JANUARY 2008

specific, annual approval on a case-by-case basis by the Director-General. Such approvals will include any terms and conditions that the Director-General considers necessary to protect the World Health Organization.

6.8 Payments made by a Member and/or credits from Miscellaneous Income shall be credited to the Member's account and applied first against the oldest amount outstanding.

6.9 Payments in currencies other than United States dollars shall be credited to Members' accounts at the United Nations rate of exchange ruling on the date of receipt by the World Health Organization.

6.10 The Director-General shall submit to the regular session of the Health Assembly a report on the collection of contributions.

6.11 New Members shall be required to make a contribution for the financial period in which they become Members at rates to be determined by the Health Assembly. When received, such unbudgeted assessments shall be credited to Miscellaneous Income.

Regulation VII – Working Capital Fund and Internal Borrowing

7.1 Pending the receipt of assessed contributions, implementation of the regular budget may be financed from the Working Capital Fund, which shall be established as part of the regular budget approved by the Health Assembly, and thereafter by internal borrowing against available cash reserves of the Organization, excluding Trust Funds.

7.2 The level of the Working Capital Fund shall be based on a projection of financing requirements taking into consideration projected income and expenditure. Any proposals that the Director-General may make to the Health Assembly for varying the level of the Working Capital Fund from that previously approved shall be accompanied by an

PROPOSED REVISED TEXT

6.8 Payments made by a Member ~~and/or credits from Miscellaneous Income~~ shall be credited to the Member's account and applied first against the oldest amount outstanding.

6.11 New Members shall be required to make a contribution for the financial period in which they become Members at rates to be determined by the Health Assembly. ~~When received, such unbudgeted assessments shall be credited to Miscellaneous Income.~~ **Such contributions shall be recorded as income in the year in which they are due.**

COMMENTS

Recorded as income, without an additional budget appropriation results in an increase in available surplus.

EXISTING TEXT AS OF 1 JANUARY 2008

explanation demonstrating the need for the change.

7.3 Any repayments of borrowing under Regulation 7.1 shall be made from the collection of arrears of assessed contributions and shall be credited first against any internal borrowing outstanding and secondly against any borrowing outstanding from the Working Capital Fund.

Regulation VIII – Miscellaneous and other Income

8.1 Miscellaneous Income shall be applied in accordance with Regulation V and shall include the following:

- (a) any unobligated balances within appropriations in accordance with Regulation 4.6;
- (b) any interest earnings or investment income on surplus liquidity in the regular budget;
- (c) any refunds or rebates of expenditure received after the end of the financial period to which the original expenditure related;
- (d) any proceeds of insurance claims that are not required to replace the insured item, or otherwise compensate for the loss;
- (e) the net proceeds generated on the sale of a capital asset after allowing for all costs of acquisition, or improvement, of any asset concerned;
- (f) any net gains or losses that may have arisen under operation of the exchange rate facility, or application of the official United Nations rates of exchange, or in revaluation for accounting purposes of the Organization's assets and liabilities;
- (g) any payments of arrears of contributions due from Member States that are not required to repay borrowings from the Working Capital Fund or internal borrowing in accordance with Regulation 7.3;

PROPOSED REVISED TEXT*Regulation VIII – ~~Miscellaneous and other Income~~
Revenue: Other Sources*

~~8.1 Miscellaneous Income shall be applied in accordance with Regulation V and shall include the following:~~

- ~~(a) any unobligated balances within appropriations in accordance with Regulation 4.6;~~
- ~~(b) any interest earnings or investment income on surplus liquidity in the regular budget;~~
- ~~(c) any refunds or rebates of expenditure received after the end of the financial period to which the original expenditure related;~~
- ~~(d) any proceeds of insurance claims that are not required to replace the insured item, or otherwise compensate for the loss;~~
- ~~(e) the net proceeds generated on the sale of a capital asset after allowing for all costs of acquisition, or improvement, of any asset concerned;~~
- ~~(f) any net gains or losses that may have arisen under operation of the exchange rate facility, or application of the official United Nations rates of exchange, or in revaluation for accounting purposes of the Organization's assets and liabilities;~~
- ~~(g) any payments of arrears of contributions due from Member States that are not required to repay borrowings from the Working Capital Fund or internal borrowing in accordance with Regulation 7.3;~~

COMMENTS

IPSAS 1 paragraph 119 states that “All items of revenue and expense recognized in a period shall be included in surplus or deficit unless an IPSAS requires otherwise.” The concept of Miscellaneous Income as understood in the Financial Regulations is no longer relevant. Members will have full control over the surplus related to assessed contributions.

EXISTING TEXT AS OF 1 JANUARY 2008

(h) any income not otherwise specifically referred to in these Regulations.

8.2 The Director-General is authorized to levy a charge on extrabudgetary contributions in accordance with any applicable resolution of the Health Assembly. This charge shall be used, together with any interest earnings or earnings from investments of extrabudgetary contributions, in accordance with Regulation 11.3(b), to reimburse all, or part of, the indirect costs incurred by the Organization in respect of the generation and administration of extrabudgetary resources. All direct costs of the implementation of programmes that are financed by extrabudgetary resources shall be charged against the relevant extrabudgetary contribution.

8.3 Any refund of expenditure, or reimbursement for services and facilities provided, received from third parties during the biennium in which the original expenditure was incurred or services and facilities were provided shall be credited against that expenditure.

8.4 Any payments received from insurance policies held by the Organization shall be credited towards mitigating the loss that the insurance covered.

8.5 The Director-General is delegated the authority, under Article 57 of the Constitution, to accept gifts and bequests, either in cash or in kind, provided that he or she has determined that such contributions can be used by the Organization, and that any conditions which may be attached to them are consistent with the objective and policies of the Organization.

PROPOSED REVISED TEXT

~~(h) any income not otherwise specifically referred to in these Regulations.~~

8.2 The Director-General is authorized to levy a charge on extrabudgetary contributions in accordance with any applicable resolution of the Health Assembly. This charge shall be **credited to the Special Account for Servicing Costs used**, together with any interest earnings or earnings from investments of ~~extrabudgetary~~ **extrabudgetary** contributions, ~~in accordance with Regulation 11.3(b), and used~~ to reimburse all, or part of, the indirect costs incurred by the Organization in respect of the generation and administration of ~~extrabudgetary~~ **such** resources. All direct costs of the implementation of programmes ~~that are financed by extrabudgetary resources~~ **that are financed by extrabudgetary resources** shall be charged against the relevant **budget.** ~~extrabudgetary contribution.~~

~~8.3 Any refund of expenditure, or reimbursement for services and facilities provided, received from third parties during the biennium in which the original expenditure was incurred or services and facilities were provided shall be credited against that expenditure.~~

~~8.4 Any payments received from insurance policies held by the Organization shall be credited towards mitigating the loss that the insurance covered.~~

COMMENTS

No longer needed. IPSAS 1 paragraphs 54–59 cover offsetting, which basically depends upon the substance of the transaction.

No longer needed. IPSAS 1 paragraphs 54–59 cover offsetting, which basically depends upon the substance of the transaction.

To be new Regulation 8.1

EXISTING TEXT AS OF 1 JANUARY 2008

PROPOSED REVISED TEXT

COMMENTS

Regulation IX – Funds

9.1 Funds shall be established to enable the Organization to record income and expenditure. These funds shall cover all sources of income: regular budget, extrabudgetary resources, Trust Funds, and any other source of income as may be appropriate.

9.2 Accounts shall be established for amounts received from donors of extrabudgetary contributions and for any Trust Funds so that relevant income and expenditures may be recorded and reported upon.

9.3 Other accounts shall be established as necessary as reserves or to meet the requirements of the administration of the Organization, including capital expenditure.

9.4 The Director-General may establish revolving funds so that activities may be operated on a self-financing basis. The purpose of such accounts shall be reported to the Health Assembly, including details of sources of income and expenditures charged against such funds, and the disposition of any surplus balance at the end of a financial period.

9.5 The purpose of any account established under Regulations 9.3 and 9.4 shall be specified and shall be subject to these Financial Regulations and such Financial Rules as are established by the Director-General under Regulation 12.1, prudent financial management, and any specific conditions agreed with the appropriate authority.

Regulation X – Custody of Funds

10.1 The Director-General shall designate the bank or banks or financial institutions in which funds in the custody of the Organization shall be kept.

*Regulation X – Custody of ~~Funds~~ **Cash and Cash Equivalents***

10.1 The Director-General shall designate the bank or banks or financial institutions in which ~~funds~~ **cash and cash equivalents** in the custody of the Organization shall be kept.

Avoids confusion of double meaning of “fund” by using the IPSAS terminology of “cash and cash equivalents”.

EXISTING TEXT AS OF 1 JANUARY 2008

10.2 The Director-General may designate any investment (or asset) managers and/or custodians that the Organization may wish to appoint for the management of the funds in its custody.

Regulation XI – Investment of Funds

11.1 Any funds not required for immediate payment may be invested and may be pooled in so far as this benefits the return that may be generated.

11.2 Income from investments shall be credited to the fund or account from which invested moneys derive unless otherwise provided in the regulations, rules or resolutions relating to that fund or account.

11.3(a) Income generated from regular budget resources shall be credited to Miscellaneous Income in accordance with Regulation 8.1.

(b) Income generated from extrabudgetary resources may be used to reimburse indirect costs related to extrabudgetary resources.

11.4 Investment policies and guidelines shall be drawn up in accordance with best industry practice, having due regard for the preservation of capital and the return requirements of the Organization.

PROPOSED REVISED TEXT

10.2 The Director-General may designate any investment (or asset) managers and/or custodians that the Organization may wish to appoint for the management of the ~~funds~~ **cash and cash equivalents** in its custody.

Regulation XI – Investment of ~~Funds~~–Cash and Cash Equivalents

11.1 Any ~~funds cash~~ not required for immediate payment may be invested and may be pooled in so far as this benefits the return that may be generated.

11.2 Income from investments shall be credited **as income to the Special Account for Servicing Costs in accordance with Regulation 8.2,** ~~to the fund or account from which invested moneys derive.~~ unless otherwise provided in the regulations, rules or resolutions relating to ~~that~~ **a specific** fund or account.

~~11.3(a) Income generated from regular budget resources shall be credited to Miscellaneous Income in accordance with Regulation 8.1.~~ **Interest income generated from regular budget resources shall be available for appropriation by the Health Assembly, as per Regulation 5.1**

~~(b) Income generated from extrabudgetary resources may be used to reimburse indirect costs related to extrabudgetary resources.~~

COMMENTS

EXISTING TEXT AS OF 1 JANUARY 2008**PROPOSED REVISED TEXT****COMMENTS***Regulation XII – Internal Control*

12.1 The Director-General shall:

- (a) establish operating policies and procedures in order to ensure effective financial administration, the exercise of economy, and safeguard of the assets of the Organization;
- (b) designate the officers who may receive funds, incur financial commitments and make payments on behalf of the Organization;
- (c) maintain an effective internal control structure to ensure the accomplishment of established objectives and goals for operations; the economical and efficient use of resources; the reliability and integrity of information; compliance with policies, plans, procedures, rules and regulations; and the safeguarding of assets;
- (d) maintain an internal audit function which is responsible for the review, evaluation and monitoring of the adequacy and effectiveness of the Organization's overall systems of internal control. For this purpose, all systems, processes, operations, functions and activities within the Organization shall be subject to such review, evaluation and monitoring.

Regulation XIII – Accounts and Financial Reports

13.1 The Director-General shall establish such accounts as are necessary and shall, in so far as is not otherwise provided for in these Regulations and any Financial Rules established by the Director-General, maintain them in a manner consistent with the United Nations System Accounting Standards.

*Regulation XIII – Accounts and Financial
~~Reports~~Statements*

13.1 The Director-General shall establish such accounts as are necessary and shall, ~~in so far as is not otherwise provided for in these Regulations and any Financial Rules established by the Director-General,~~ maintain them in a ~~manner consistent with the United Nations System Accounting Standards.~~ **accordance with IPSAS.**

EXISTING TEXT AS OF 1 JANUARY 2008

13.2 Final financial reports shall be prepared for each financial period, and interim financial reports shall be prepared at the end of the first year of each such period. Such financial reports shall be presented in conformity with – and in the formats established under – the Standards referred to in Regulation 13.1, together with such other information as may be necessary to indicate the current financial position of the Organization.

13.3 The financial reports shall be presented in United States dollars. The accounting records may, however, be kept in such currency or currencies as the Director-General may deem necessary.

13.4 The financial reports shall be submitted to the External Auditor(s) not later than 31 March following the end of the financial period to which they relate.

13.5 The Director-General may make such ex gratia payments as deemed to be necessary in the interest of the Organization. A statement of such payments shall be included with the final accounts.

13.6 The Director-General may authorize, after full investigation, the writing-off of the loss of any asset, other than arrears of contributions. A statement of such losses written off shall be included with the final accounts.

Regulation XIV – External Audit

14.1 External Auditor(s), each of whom shall be the Auditor-General (or officer holding equivalent title or status) of a Member government, shall be appointed by the Health Assembly, in the manner decided by the Assembly. External Auditor(s) appointed may be removed only by the Assembly.

14.2 Subject to any special direction of the Health

PROPOSED REVISED TEXT

13.2 ~~Final financial~~ **Financial statements** reports shall be prepared **annually in accordance with IPSAS**, ~~for each financial period, and interim financial reports shall be prepared at the end of the first year of each such period.~~ Such financial reports shall be presented in conformity with – and in the formats established under – the Standards referred to in Regulation 13.1, together with such other information as may be necessary to indicate the current financial position of the Organization.

13.3 The financial ~~reports~~ **statements** shall be presented in United States dollars. The accounting records may, however, be kept in such currency or currencies as the Director-General may deem necessary.

13.4 The financial ~~reports~~ **statements** shall be submitted to the External Auditor(s) not later than 31 March following the end of the ~~financial period~~ **year** to which they relate.

COMMENTS

EXISTING TEXT AS OF 1 JANUARY 2008

Assembly, each audit which the External Auditor(s) performs/performs shall be conducted in conformity with generally accepted common auditing standards and in accordance with the Additional Terms of Reference set out in the Appendix to these Regulations.

14.3 The External Auditor(s) may make observations with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of the Organization.

14.4 The External Auditor(s) shall be completely independent and solely responsible for the conduct of the audit.

14.5 The Health Assembly may request the External Auditor(s) to perform certain specific examinations and issue separate reports on the results.

14.6 The Director-General shall provide the External Auditor(s) with the facilities required for the performance of the audit.

14.7 For the purpose of making a local or special examination or for effecting economies of audit cost, the External Auditor(s) may engage the services of any national Auditor-General (or equivalent title) or commercial public auditors of known repute or any other person or firm that, in the opinion of the External Auditor(s), is technically qualified.

14.8 The External Auditor(s) shall issue a report on the audit of the biennium financial report prepared by the Director-General pursuant to Regulation XIII. The report shall include such information as he/she/they deem(s) necessary in regard to Regulation 14.3 and the Additional Terms of Reference.

PROPOSED REVISED TEXT

14.4 The External Auditor(s) shall be completely independent and solely responsible for the conduct of the audit **and, except as permitted under Regulation 14.7 below, any local or special examination.**

COMMENTS

Emphasizes the single audit principle.

EXISTING TEXT AS OF 1 JANUARY 2008

14.9 The report(s) of the External Auditor(s) shall be transmitted through the Executive Board, together with the audited financial report, to the Health Assembly not later than 1 May following the end of the financial period to which the final accounts relate. The Executive Board shall examine the interim and biennium financial reports and the audit report(s) and shall forward them to the Health Assembly with such comments as it deems necessary.

Regulation XV – Resolutions involving Expenditures

15.1 Neither the Health Assembly nor the Executive Board shall take a decision involving expenditures unless it has before it a report from the Director-General on the administrative and financial implications of the proposal.

15.2 Where, in the opinion of the Director-General, the proposed expenditure cannot be made from the existing appropriations, it shall not be incurred until the Health Assembly has made the necessary appropriations.

Regulation XVI – General Provisions

16.1 These Regulations shall be effective as of the date of their approval by the Health Assembly, unless otherwise specified by the Health Assembly. They may be amended only by the Health Assembly.

16.2 In case of doubt as to the interpretation and application of any of the foregoing regulations, the Director-General is authorized to rule thereon, subject to confirmation by the Executive Board at its next session.

16.3 The Financial Rules established by the Director-General as referred to in Regulation 1.4 above, and the amendments made by the Director-General to such rules, shall enter into force after confirmation by the Executive Board. They shall be reported upon to the Health Assembly for its information.

PROPOSED REVISED TEXT**COMMENTS**

To be effective as from 1 January 2010

