Mr Chairman, Board Members, colleagues,

1. It is a pleasure to report back to the Executive Board on the work of the Organization since the last Executive Board session and Health Assembly in May 2006.

2. As we all recall, the Organization at that time was put under enormous stress due to the untimely death of Dr Lee. I believe that the Organization’s ability to meet this challenge and persevere under these circumstances was, in a large part, due to his dedication, commitment, and vision. He left a strong base from which we could continue our important work.

3. It has been a year of collaboration and I am very grateful to Member States and staff in responding to this challenge with their compassion, dedication and continued hard work. I am therefore proud to report to you what we as an Organization have been able to achieve since May of last year, continuously focusing on improving the health of people across the world.

4. I would like to start by recalling some of the key decisions from the Fifty-ninth World Health Assembly:

**Fifty-ninth World Health Assembly: key decisions**

- Early voluntary compliance with the International Health Regulations with respect to the risk from avian and human pandemic influenza. This puts us in a stronger position to detect and react quickly to public health emergencies.

- Substantive discussions on HIV/AIDS, and very strong engagement. WHO is now moving ahead with the new five-year strategy towards universal access.

- The strategy on sexually transmitted infections was endorsed. Progress in this area will have a major impact on the health of adolescents.

- The report from the Commission on Intellectual Property Rights, Innovation and Public Health: work on the plan of action has now started. I will come back to this.
• Approval of the Eleventh General Programme of Work “Engaging for Health”. We are now working on the implementation and dissemination with all of you, and with other key partners to global health. The Global Health Agenda for the next 10 years is now in front of us all.

• The launch of the Health Workforce Alliance. This is now an important mechanism to address the current human resources crisis.

Collaboration with partners in the United Nations system and the World Bank

5. In June we held an important meeting with UNFPA on how we can better collaborate on issues relating to sexual and reproductive health. As a result, we sent a joint letter from the heads of the two agencies to staff in our respective organizations. This is just one example of the importance of collaboration and coordination within the United Nations system.

6. We continue to be an active cosponsor of UNAIDS. The new building here on site that we now share with UNAIDS was opened by the Secretary-General in November.

7. We have had very useful discussions with Louise Arbour, the United Nations High Commissioner for Human Rights, on how best to work on health related human rights.

8. Close working relations with UNICEF continue to be key to the success of many of WHO’s programmes, including polio eradication efforts, immunization activities more broadly, and child and adolescent health, to mention but a few of our areas of collaboration.

9. The last six months have been an especially active time for United Nations reform efforts. The report of the High-level Panel on System-wide Coherence was issued in late 2006, and raises a number of issues of importance for organizations of the United Nations system active in development efforts at country level. WHO has remained engaged in the discussions both in preparation of and in follow up to the Panel’s report. The paper on WHO and United Nations reform that will be considered by you later in the week highlights a number of the aspects which most directly affect WHO’s work and that of specialized agencies more generally.

10. Through meetings with the senior leadership at the World Bank we have laid the foundation for closer collaboration. We are focusing on overall synergy and complementarity, joint country actions and a special focus and interest in malaria control as well as strengthening of health systems.

11. WHO was invited to participate in the G8 Summit, in Saint Petersburg. The G8 leaders expressed their continued determination to make tangible progress with the challenges of infectious diseases, and other major global health challenges. Some 60 concrete commitments were made, and we will be actively following up on these.

12. Most recently, a joint letter from WHO, UNAIDS, GAVI and The Global Fund was sent to the Chancellor of the Government of Germany, Angela Merkel, on the importance of keeping health high on the G8 agenda. The German Government has responded positively, and indeed, health will also be on the next Summit’s agenda.

Engaging in partnerships

13. Engaging in and providing leadership in health partnerships is becoming more and more important for WHO. The Secretariat has during the last months started developing a policy for WHO’s
engagement in partnerships as well as for how WHO can best, when so appropriate, provide for hosting arrangements.

14. I am happy to report that we have, after a long but constructive discussion, signed a Memorandum of Understanding with the Roll Back Malaria Partnership. The main purpose of the Memorandum is to agree on the administrative arrangement for WHO’s hosting of the Secretariat. This Memorandum also clarifies the roles and responsibilities between the WHO Global Malaria Programme and the Secretariat of the Roll Back Malaria Partnership.

15. WHO has continued a strong engagement on the Board of the Global Alliance for Vaccines and Immunization (GAVI) and WHO strongly supported and was instrumental in the launch of the International Finance Facility for Immunization (IFFIm) as a new financial mechanism.

16. WHO has also been a partner to the launch and establishment of UNITAID and we have signed a Memorandum of Understanding regarding WHO hosting the Secretariat. UNITAID is an international drug purchase facility and is an innovative financing mechanism, originally proposed by President Chirac of France with support by the governments of Brazil, Chile, Norway and the United Kingdom of Great Britain and Northern Ireland.

17. The Global Fund to fight AIDS, TB and Malaria remains a strong partner to WHO and we have during the year deepened our technical cooperation. WHO has also engaged with the Global Fund secretariat regarding the future hosting arrangements.

18. Work with the private sector partners has continued to be important for WHO. The Accelerating Access Initiative meeting in New York in July under the chairmanship of the United Nations Secretary-General provided a very useful opportunity for discussion with some of the key pharmaceutical companies.

19. We have also pursued our discussion with the food and non-alcoholic beverage industry as part of the implementation of the WHO Global Strategy on Diet, Physical Activity and Health, which I will come back to. Consultations with representatives of the alcohol beverage industry and the agricultural and trade sectors were undertaken by the Secretariat as part of an intensive consultation process with different stakeholders on public health problems caused by harmful use of alcohol.

20. In collaboration to fight neglected tropical diseases, we have renewed the agreement with a pharmaceutical company to provide medicines and financial support to prevent deaths due to sleeping sickness. Since 2001, this work has saved the lives of an estimated 110,000 people who would otherwise have died from sleeping sickness.

Regional committees

21. With respect to our work with member States, I witnessed the strong interaction between Member States and the Secretariat at all six regional committees. One of the main take-aways was the importance of chronic, noncommunicable disease and the growing epidemic of obesity.

22. There is an increase in awareness of the magnitude of the shift in the health and disease profile throughout the world – unless action is taken now, we will face the double burden of disease.

23. The amount of work and progress made throughout our Organization – in country offices, regional offices, and here in headquarters – has been impressive. It is not possible in this report to capture all single achievements or constraints, but this is my summary of our collective work.
Chronic, noncommunicable diseases

24. Following the adoption of the resolution on cancer prevention and control in 2005, quick wins were achieved in 2006 by consolidating some of WHO’s diverse cancer control activities through a collaborative process extending across the Organization.

25. WHO released the first in a series of six modules offering guidance to governments and health planners on effective cancer control planning and implementation. The first module was released at the 2006 World Cancer Congress in Washington DC.

26. As mentioned, good progress was made throughout 2006 on the implementation of the recommendations of the WHO Global Strategy on Diet, Physical Activity and Health. Twenty-five countries have implemented policy options recommended by the global strategy, and 17 are planning to do so. Selected global food and non-alcoholic beverage manufacturers, food service providers and retailers have started to make changes to their products and services in 2006 in keeping with the recommendations.

27. The European Charter on Obesity was adopted in November at the European Ministerial Conference on Counteracting Obesity hosted by Turkey.

28. The end of 2006 saw 142 Parties to the WHO Framework Convention on Tobacco Control, making it one of the most successful treaties in United Nations history since entering into force for its first 40 Parties on 27 February 2005.

29. In August, philanthropist Michael R. Bloomberg, announced his commitment to donate US$ 125 million towards an initiative to end the global tobacco epidemic. This initiative presents an opportunity to immediately scale up tobacco control efforts in developing countries. WHO is one of five partners in the initiative.

30. The year 2006 saw adoption of a resolution on the prevention of avoidable blindness and visual impairment, which called for intensified support for the Vision 2020 Global Initiative. To date, 60% of all 150 Vision 2020 target countries have established national Vision 2020 committees, and 43% have drafted a national plan for the elimination of avoidable blindness by the year 2020.

Communicable diseases

31. WHO and a group of more than 25 partner organizations unveiled a new strategy in October to fight some of the most neglected tropical diseases. The approach focuses on how and when a set of low-cost or free drugs should be used in developing countries to control a set of diseases; river blindness, elephantiasis, schistosomiasis, and soil-transmitted helminthiasis.

32. HIV/AIDS – We now have a five-year strategy. The HIV/AIDS Conference in Toronto, Canada, was an important milestone for WHO in terms of highlighting our priorities and setting out this WHO five-year plan for working towards universal access. It was an opportunity to reposition, define and clarify WHO’s unique role within the universal access movement; and to draw attention to the interactions between tuberculosis and HIV.

33. Malaria – We also have a new malaria strategy incorporating a three-pronged approach to malaria control: use of bednets, effective treatment, and greater emphasis on vector control.
34. Tuberculosis and extensively drug-resistant tuberculosis – Countries in sub-Saharan Africa and elsewhere are now responding with urgency to new data on a serious threat which is extensively drug-resistant tuberculosis – known as XDR-TB. WHO has shown leadership in working with affected countries, organizing a Task Force with 100 experts and officials to craft a response agenda, and met with Southern African Development Community ministers of health to work further on responding to their needs.

35. Eradication of poliomyelitis – Independent review of the Global Polio Eradication Initiative took place in October and concluded that after three of the most challenging years ever in this programme, the number of poliomyelitis-infected areas is now at its lowest in history, with just four parts of four countries continuing to have endemic disease.

36. After many years of hard work and persistent efforts, Egypt and Niger succeeded over the poliomyelitis virus and were removed from the list of endemic countries, leaving Nigeria, India, Pakistan and Afghanistan as the only countries in which indigenous poliomyelitis is still present.

37. The countries’ capacity in implementing the International Health Regulations continues to improve with over half of all Member States having nominated National IHR focal points.

38. With avian influenza and the possible emergence of pandemic influenza virus, we continue to respond where needed to requests from Member States. During 2006, WHO launched over 30 field missions together with our partners in the Global Outbreak Alert and Response Network.

39. A capacity-building programme for influenza vaccine to help cope with a pandemic threat has been launched. The Influenza Pandemic Task Force met for the first time in September to provide advice to the Director-General on the level of pandemic threat, agreed on ways to strengthen the global system of influenza surveillance, and reviewed the best practices for sharing of influenza viruses.

Sexual and reproductive health

40. Good progress on sexual and reproductive health has been made. In addition to the ongoing work with UNFPA, senior WHO staff participated in the meeting of African Ministers of Health convened by the African Union in Maputo in September. Ministers at that meeting approved a comprehensive Plan of Action for Implementing the Continental Sexual and Reproductive Health and Rights Policy Framework 2007–2010.

Child health

41. In 2006 there was increased attention to child survival spurred by the countdown to 2015: child survival meeting held at the end of 2005. This included adoption at the African Regional Committee in August of a joint WHO/UNICEF, World Bank Regional Strategy for Child Survival, accompanied by an investment plan which has already attracted additional funding. A high-level symposium on Child Survival in September, gathered world leaders to focus on accelerating action to reduce child mortality towards achieving Millennium Development Goal 4.

Determinants of health, nutrition and gender

42. In 2006, the Commission on Social Determinants of Health saw a growing commitment among countries, working with 24 countries to support the national baseline assessment of health systems, and the incorporation of a health equity focus in national plans.
43. Well-targeted environmental interventions could save more than 13 million lives. The report, *Preventing Disease Through Healthy Environments* launched in June, is the most comprehensive assessment done on how preventable environmental hazards contribute to a wide range of diseases and injuries.

44. Two key sets of guidelines for air and drinking-water quality were published. For the first time, the air quality guidelines address all regions of the world and provides uniform targets for air quality. Both sets of guidelines provide solid, scientific evidence as the basis for all countries to build their own air and drinking-water quality standards and policies supporting health.

45. New International Child Growth Standards for infants and young children were published by WHO. They provide guidance for the first time about how every child in the world should grow. The new standards prove that differences in children’s growth to age five or more influenced by nutrition, feeding practices, environment and health care than genetics or ethnicity. They have been adopted by governments as well as other stakeholders such as the International Paediatric Association.

46. Gender strategy – A strategy to integrate gender analysis and actions into the work of WHO is being submitted in response to a request of the Board in May 2005. This strategy will further strengthen WHO work to integrate gender perspectives across the Organization, a specific mandate from Member States.

**Health emergencies**

47. WHO was on the alert in those parts of the world experiencing humanitarian crises, such as Sudan and in particular Darfur, the Occupied Palestinian Territories, Iraq, the Democratic Republic of the Congo and elsewhere.

48. WHO provided technical support, supplies of drugs and equipment, coordination among health partners and disease surveillance. During the war in Lebanon, which displaced hundreds of thousands of people and caused considerable damage to the health infrastructure, especially in the south, WHO mobilized to provide its assistance and to mitigate the suffering of the population.

49. High-profile natural disasters (the tsunami of 2004, the South Asia earthquake of 2005), have demonstrated that our normal procedures need to be more flexible to respond to large-scale emergencies. In response, emergency standard operating procedures were developed this year so that we are now better prepared for future crises. WHO’s logistics capacity has also been considerably improved through the partnership with WFP which enables health supplies to be delivered more promptly and effectively through five regional logistics hubs.

**Health systems strengthening**

50. A WHO strategy on health systems entitled “Everybody’s business” aims to clearly articulate what WHO is doing to strengthen health systems. It is WHO’s institutional response to the priority given to health systems in the Global Programme of Work and Medium-term strategic plan.

51. The four pillars of the strategy are: (a) getting the building blocks right; (b) health systems and programmes – more effective working relationships; (c) WHO and health systems at country level; and (d) health systems and the international agenda for WHO. Progress will be reported to this Executive Board.
52. The creation by WHO and other partners of the Global Health Workforce Alliance and the adoption by the Health Assembly of resolutions calling for a response to this crisis have paved the way towards better recognition for the vital role health workers play within health systems.

53. WHO is working closely with GAVI and its partners on a new financing vehicle for health systems, the “health system strengthening window”.

54. A joint OECD/WHO review of the Swiss health system was launched in Berne in October.

55. WHO prequalification activities are improving the quality of priority medicines and diagnostics, contributing to expanded access to priority diagnostics and medicines, increasing the number of good-quality products on the market, promoting competition (resulting in lowering of prices) and decreasing supply vulnerabilities. Organizations of the United Nations system (such as UNICEF) and international financing mechanisms for priority medicines (such as Global Fund to Fight AIDS, Tuberculosis and Malaria and UNITAID) use the prequalified by WHO products lists.

Public Health, Innovation and Intellectual Property Rights

56. Countries initiated discussions on public health, innovation and intellectual property through the Intergovernmental Working Group on Public Health, Innovation and Intellectual Property. The group was established by WHO in response to a Health Assembly resolution in May this year taking into account that current medical research and development often do not address the needs of developing countries.

57. Delegates from more than 100 countries and experts from civil society and academia met in December to discuss the principal elements which will form the basis of negotiations towards a global strategy and plan of action which will be presented to the Health Assembly in May 2008.

Progress on management issues

58. Continuously looking to improve the way the Organization functions in order to deliver better results is critical and very close to my heart, not least because of my role as Assistant Director-General for General Management. I am glad to report that significant progress has also been achieved in this area.

59. Building on the Eleventh General Programme of Work, we have devoted significant energy and effort to develop the first proposed Medium-term strategic plan (2008–2013) and Proposed programme budget (2008–2009). This is an important next step in results-based management. We will talk more about these critical documents over the coming days.

60. During the biennium 2004–2005, WHO was fully funded, in that it received a total of nearly US$ 3000 million against a budget of US$ 2800 million, although imbalances remained between Areas of Work and Offices with respect to both available resources and expenditure.

61. In order to address this imbalance the following measures were instituted:

- Closer monitoring and better analysis of financial situations across WHO and development of a standard Organization-wide financial management reports;

- Agreements with major donors to make voluntary contributions more flexible so as to ensure that critical gaps are funded according to the priorities approved by the governing bodies;
• An Advisory Group on Financial Resources to oversee the financial situation and make recommendations to the Director-General on allocations;

• Creation of Organization-wide corporate accounts linked to areas of work.

62. Consensus among all WHO stakeholders was reached on contract reform, which will provide a fairer and more equitable management of WHO’s most critical asset – its staff. Implementation will begin on 1 July, 2007.

63. Although still insufficient, some progress has also been made on improving human resources planning, through such exercises as the “strategic direction and competency review” in headquarters and other offices. This is critical to enable us to reach our programme results.

64. The Global Leadership Programme, begun in late 2004, has continued and now has 440 senior managers participating in it.

65. An improved performance appraisal system, which includes competencies, was piloted in 2006 and is now being rolled out globally.

66. We have agreed on how we will conduct business as one organization across all offices and programmes – common principles, common processes, common roles and responsibilities. The first tests of the new automated processes have been conducted simultaneously in headquarters and regional offices, and more tests will follow prior to the Global Management System going live during 2008.

67. The demand for information from WHO continues to increase and it is critical to ensure evidence-based public health information. It is also an integral part of technical cooperation and to be effective it must be part of policy formulation, implementation and evaluation. Towards that end, a department of communications in headquarters was established this year which will help to set the communications agenda, articulate priorities and key messages and ensure these are widely known internally and externally by target audiences, and provide public health information to Member States.

Conclusion

68. Much has been achieved throughout the year, and in a short period of time. When we were faced with the unusual circumstances of May 2006, I had agreed to three priorities for the rest of the year:

• to maintain momentum and direction of the high-level technical work of WHO

• to manage the election process efficiency and transparently

• to continue the management reforms initiated in recent years.
Together we have accomplished this and I would like to thank WHO staff and Member States for their assistance in fulfilling these priorities. I would like to also take this final opportunity to congratulate everyone on the smooth transition to this next Administration and again, to congratulate Margaret Chan on her election as Director-General.

Thank you.