

PROVISIONAL SUMMARY RECORD OF THE EIGHTH MEETING

**WHO headquarters, Geneva
Thursday, 26 January 2017, scheduled at 09:00**

Chairman: Dr R. BUSUTTIL (Malta)

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EIGHTH MEETING

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Chairman: Dr R. BUSUTTIL (Malta)

1. PROGRAMME AND BUDGET MATTERS: Item 12 of the agenda

Overview of financial situation: Programme budget 2016–2017: Item 12.1 of the agenda (document EB140/35)

The CHAIRMAN, introducing the item, recalled that the subject had been discussed in detail by the Programme, Budget and Administration Committee of the Executive Board, as reflected in its report (document EB140/5), and urged the Board to build on that discussion, rather than cover the same ground.

The representative of THAILAND, speaking in his capacity as Chairman of the Programme, Budget and Administration Committee, said that, following its discussions, the Committee had recommended that the Executive Board should note the report by the Secretariat providing an update on the financing and implementation of the Programme budget 2016–2017, which was contained in document EB140/35. It had also recommended to the Executive Board that further discussions with the Secretariat should take place on the Proposed programme budget 2018–2019, especially on the affordable level of assessed contributions, savings and efficiencies, the prioritization of activities, the impact of voluntary contributions, and resource mobilization.

The representative of the UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND called on WHO to undertake scenario planning, as suggested by the Independent Expert Oversight Advisory Committee, given the financial vulnerability that came from its dependence on voluntary funding and its small donor base. While her Government remained committed to the principle of zero budget growth across the entire United Nations system, it would support the proposed increase in assessed contributions on the understanding that such an increase neither represented a change in policy nor set a precedent.

Having scrutinized the Organization's operating model, she was confident that increased assessed contributions would be spent effectively for maximum impact. The Organization should continue its reform processes and reprioritize its work to ensure that it delivered on its core mandate. Scrutiny would continue; however, the Organization must have flexible funds to support its core work, and she urged other Member States to agree to the proposed increase in assessed contributions.

The representative of the NETHERLANDS expressed concern at the figures presented in the report contained in document EB140/35, particularly with respect to the predictability of funding. He called on more Member States to provide core voluntary contributions so as to make the Organization's funding more flexible. The decrease in flexible funding was a key reason to support the proposed increase in assessed contributions. He noted that, according to the report, in view of the potential impact of financial shortfalls, the Organization might have to plan for a range of scenarios, including a reduction in activities. Such a situation would be unfortunate, particularly as one of the objectives of the reform had been to shape a realistic, not an aspirational, budget. He expressed support for the development of a value-for-money plan, an initial outline of which would be submitted to the Seventieth World Health Assembly.

The representative of BURUNDI, speaking on behalf of the Member States of the African Region, expressed support for the proposed increase of at least 10% in assessed contributions recommended by the High-level Panel on the Global Response to Health Crises. Welcoming the efforts to identify new contributors, he encouraged the Secretariat to look to intergovernmental organizations and development banks. He called for the more transparent management of resources that were difficult to mobilize and for an increase in voluntary contributions, a broader donor base, and innovative financing solutions.

The representative of CHINA said that divergent views had been expressed on the proposed increase in assessed contributions during the recent meeting of the Programme, Budget and Administration Committee; however, there had been agreement that the Organization should continue to play a leading role in the global health sector, and that Member States should enhance their financial support to the Organization. She called on those Member States whose assessed contributions would decrease to increase their voluntary contributions and requested the Secretariat to continue its efforts to improve the funding situation, including with regard to predictability.

The representative of the UNITED STATES OF AMERICA, expressing concern regarding the funding shortfall for 2017, urged other donors to support the WHO Health Emergencies Programme and the Organization as a whole. The greater predictability of funding since 2013 was to be applauded but there was room for further improvement. Expectations of funding levels must be more realistic. Budgeting should not be aspirational. The Secretariat and Member States must consider whether programmes that were chronically underfinanced were being budgeted for, and funded, in a sustainable manner. Coordinating resource mobilization was critical to reducing the vulnerability of programmes. He welcomed the continued improvements made to the programme budget web portal, which contributed to the transparency needed to attract new donors, and commended the Organization on joining the International Aid Transparency Initiative.

The representative of THAILAND asked what specific measures had been taken to close the funding gap for the Programme budget 2016–2017. His Government had already agreed to the proposed 10% increase in assessed contributions and would consider contributing the same amount in unearmarked voluntary funding if the proposal was not approved by Member States.

The representative of the DEMOCRATIC REPUBLIC OF THE CONGO emphasized that the Programme budget 2016–2017, which was based on the acknowledged needs of Member States and reflected realistic aims, must be implemented. Efforts should be redoubled to that end.

The representative of MEXICO, while welcoming the steps taken to increase predictability, flexibility and transparency in the allocation and use of funds, said that more information was needed on the current problems and possible solutions, including better prioritization. Member States should not be asked to increase their assessed contributions without guarantees of predictability, savings, alignment and flexibility in resources. Further dialogue with the Secretariat was needed with the aim of reducing the increase sought.

The representative of CANADA expressed satisfaction at the Organization's commitment to consultative, transparent budgeting and at its having joined the International Aid Transparency Initiative. She echoed calls for scenario planning on how the Organization anticipated dealing with the current budget shortfall, which should also inform the Secretariat's planning for the 2018–2019 biennium. Welcoming efforts to broaden the Organization's donor base, she called for more ambitious outreach to that end.

The representative of BHUTAN, expressing concern regarding the funding gap and the number of activities that might be affected, raised the issue of implementation being impeded by the release of funds in instalments. An increase of up to 10% in assessed contributions would be difficult for small and developing countries to absorb, and he urged the Secretariat to be rigorous in its efforts to narrow the funding gap and improve the situation for the 2018–2019 biennium, ensuring that all programme areas received funding.

The representative of the RUSSIAN FEDERATION said that, despite the Secretariat's commendable efforts, the 2016 funding shortfall did not look set to improve markedly in 2017. She asked how the Secretariat planned to solve the problem and called for realistic and priority-driven scenario planning as a matter of urgency. At the meeting of the Programme, Budget and Administration Committee the previous week, there had been calls for further discussions to tackle the budget issues raised within the Committee. The WHO Health Emergencies Programme was a matter of particular concern and any review of that Programme should include consideration of the resources available to it, including in-kind contributions. The gap in funding for noncommunicable diseases was also worrying. She requested the Secretariat to submit an amended and more realistic budget for 2017 to the Seventieth World Health Assembly, together with an implementation report for the first four months of the year.

The representative of COLOMBIA¹ said that a road map would enable Member States to reach consensus on the draft proposed programme budget 2018–2019 and on how it would be funded, thereby guaranteeing the financial sustainability of the Organization. The Executive Board should be considering how the Secretariat was planning to make the adjustments required for that draft programme budget to be adopted at the Seventieth World Health Assembly. The Secretariat should develop a revised budget scenario, based on Member States' comments, which clarified financing strategies, cost-saving proposals, and improved alignment with the 2030 Agenda for Sustainable Development. Informal consultations should be held with Member States on a revised version of the draft proposed programme budget, in order to encourage discussion on how it could be funded through increases in assessed contributions, more flexible voluntary contributions, improved resource mobilization and good governance. All proposals should be considered, to enable the next Director-General to implement the future programme budget in a sustainable manner.

The representative of MONACO,¹ encouraging further progress towards increased predictability and transparency in funding, expressed concern about the Organization's capacity for budget implementation, particularly at the country level. Budget implementation analysis for a given biennium should serve as the basis for planning the subsequent biennium properly; that should be taken into account in planning for 2018–2019. The proposed increase in assessed contributions would be considered, but more information in support of the proposal would be welcome. Any increase should be accompanied by greater transparency and accountability, particularly with regard to implementation.

The representative of AUSTRALIA¹ said that the chronic underfunding of programme areas such as noncommunicable diseases and the WHO Health Emergencies Programme remained a matter of concern. Member States had given the Organization the mandate to develop and implement that Programme and must ensure that it had the resources to act. Scenario planning on how shortfalls would be managed in all budget areas, including how work would be prioritized if additional funding

¹ Participating by virtue of Rule 3 of the Rules of Procedure of the Executive Board.

could not be secured, would be welcome. Further action was also needed to widen the contributor base and encourage donors to provide flexible voluntary core funding.

The representative of JAPAN,¹ referring principally to the Organization's work on emergency preparedness and response, said that assuring donors that their contributions had been effectively managed, even if not allocated exactly as planned, would bolster donor confidence and increase the effectiveness of the Organization's work. The improved response to Zika virus and yellow fever had been a positive sign of successful reform in that area. The Secretariat should give due attention to reports by the Independent Expert Oversight Advisory Committee and the Independent Oversight and Advisory Committee for the WHO Health Emergencies Programme with a view to enhancing accountability and instilling confidence in a wider range of donors.

The representative of GERMANY,¹ expressing concern about the significant funding gap, said that the proposal to increase assessed contributions was directly linked to the need for funding predictability. He supported all efforts to achieve a fully funded programme budget and said that his Government would donate an additional €25 million in 2017 for work on antimicrobial resistance, health systems, and reform, particularly in the area of emergency reform.

Noting the sharp decrease in income from core voluntary contributions, he asked whether the Secretariat was expecting any future increase in that income, especially from Member States that had not provided such contributions in the past, in the light of the Programme, Budget and Administration Committee discussion on using core voluntary contributions to offset an increase in assessed contributions. He asked for clarification on any secured funding for the draft proposed programme budget 2018–2019. Budgetary priorities and resource allocation had to be improved, given the increasing absence of flexible funding. An Organization-wide operational resource mobilization mechanism should be implemented as soon as possible.

The representative of ANGOLA¹ agreed with the comments made by the representative of Burundi.

The representative of BRAZIL,¹ speaking on behalf of the Member States of the Region of the Americas, expressed concern about the funding shortfall in the Programme budget 2016–2017. The Secretariat should continue working with Member States to broaden the donor base, address flexibility, predictability, prioritization and alignment of funding, and identify additional cost savings and efficiencies. Member States and the Secretariat should closely analyse the resources required to respond to public health needs and emergencies. The increase in the strategic budget allocation to the Region had to be fully funded to tackle issues of regional and global importance. Further consultations were required to discuss the proposed 10% increase in assessed contributions if consensus were to be reached prior to the Seventieth World Health Assembly.

Speaking in his capacity as the representative of Brazil, he noted that his Government's assessed contribution to WHO had increased by over 30% following changes to the United Nations scale of assessments for the period 2016–2018. Notwithstanding, it had sought to bring its contributions to WHO up to date; however, a 10% increase in assessed contributions would represent a significant challenge. Other solutions should be considered before such an increase was decided upon, and further consultations should take place in that regard.

¹ Participating by virtue of Rule 3 of the Rules of Procedure of the Executive Board.

The representative of SPAIN¹ expressed concern about WHO's ongoing financial vulnerability, despite recent efforts, which resulted from problems relating to internal management, budget increases, resource mobilization and prioritization. He called on the Secretariat to make proposals on how to achieve specific and quantifiable efficiencies and said that cost-saving priorities should be set at the executive level. It was important to consider whether the Programme budget 2016–2017 was realistic; whether incorporating the WHO Health Emergencies Programme into the programme budget had led to resources being reallocated; and which of WHO's activities had a greater or lesser impact on public health. Answering those questions would make the budgeting process for the biennium 2018–2019 less onerous for donors. He noted that it was difficult to reach consensus on budgetary matters, and that further consultations would be welcome.

The representative of ECUADOR¹ urged the Secretariat to ensure that documents related to the programme budget were made available well in advance of the Seventieth World Health Assembly in order to ensure that dialogue continued. Further discussions to analyse the Organization's difficult financial situation were welcome as long as they remained open, transparent and accessible by all. Any proposals should be clearly aligned with the Sustainable Development Goals and take into account reforms under way at the regional levels. The Secretariat's proposed scenarios should be reviewed, and that should include operational and emergencies-related priorities and the 10% increase in assessed contributions. She encouraged the Secretariat to bolster efforts to achieve gender parity within the Organization, which would be possible with political commitment. The Proposed programme budget 2018–2019 and the draft thirteenth general programme of work should be aligned with the 2030 Agenda for Sustainable Development, with a particular focus on the Organization's own objectives.

The ASSISTANT DIRECTOR-GENERAL (General Management), responding to comments, said that the last fully funded Programme budget had been in the biennium 2014–2015, and since then, the Organization's mandate had increased, particularly in the areas of health emergencies and antimicrobial resistance. There had been a decrease in flexible funding, particularly from core voluntary contributions, limiting the strategic use of those flexible funds. No additional income from core voluntary contributions was expected and the increase in earmarked funding did not provide WHO with flexibility, leading to programmes being under- or overfunded. In preparing the draft proposed programme budget 2018–2019, it was important to remember that the Director-General would need flexibility, as it was not possible to predict fully what would be needed in the next biennium. The current budget was realistic, and WHO would not have the current level of financial problems if it received the flexible funding it required.

The Secretariat was working to mobilize resources, broaden the donor base, reduce staff costs by freezing or delaying recruitment, reduce the travel costs of headquarters staff, and find more cost-effective ways to convene meetings. In addition, the Secretariat had moved some functions to less expensive locations, and in that respect he recalled the launch of the WHO Budapest Centre. The Secretariat should continue to establish priorities across and within programme areas, identifying which activities were more or less urgent. WHO should consider contributions as investments, and be able to demonstrate potential return to donors. Therefore, in scenario planning, WHO had to be able to determine whether promised returns had been attained, whether there was room for improvement and whether its goals were realistic. Underfunded programmes should not be automatically cut; rather the Secretariat should redefine what those programmes were realistically able to achieve. There should be a continuing dialogue with Member States to address the current budgetary situation; problems should not be postponed to the biennium 2018–2019. Given the opportunities for dialogue, such as the

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programme budget web portal, the financing dialogue, mission briefings and joining the International Aid Transparency Initiative, it was possible to monitor progress made in implementing the programme budget.

The representative of NEW ZEALAND asked whether the Secretariat was committed to implementing all the recommendations made by the Programme, Budget and Administration Committee in its report, as they would provide a good framework for moving forward in 2017 and 2018.

The ASSISTANT DIRECTOR-GENERAL (General Management) recalled that the recommendations made by the Programme, Budget and Administration Committee primarily referred to the biennium 2018–2019. The Secretariat would hold further consultations on the draft proposed programme budget 2018–2019, which would also address concerns relating to the current biennium.

The Board noted the report.

Proposed programme budget 2018–2019: Item 12.2 of the agenda (documents EB140/36 and EB140/INF./5)

The representative of the UNITED STATES OF AMERICA said that the measures taken to provide greater transparency through the programme budget web portal were welcome. Given the trend towards greater dependence on voluntary contributions, a strategic approach to resource mobilization was crucial. He asked the Secretariat to prepare a report on the implementation of cost recovery policies since 2013, for submission prior to the twenty-sixth meeting of the Programme, Budget and Administration Committee. A value-for-money plan would be useful. Given the potential impact of a failure to agree on an increase in assessed contributions, he considered that the situation warranted further discussion, but he would favour an increase at a lower rate than 10%. The Secretariat should prepare a revised draft proposed programme budget 2018–2019 that reflected a lower increase.

The representative of CHINA welcomed the proposed additional investment in the WHO Health Emergencies Programme and in combating antimicrobial resistance. Given the unpredictable nature of health emergencies, it was important to maintain the basic structure of that Programme, while ensuring flexible funding through additional resources. Regional and national circumstances must be taken into account and continued WHO assistance was required to build national emergency response capacities.

The representative of the PHILIPPINES expressed appreciation for the proposed additional investment in the WHO Health Emergencies Programme. A predictable and prompt emergency response was crucial to offsetting reduced funding for country-level technical cooperation. She commended the emphasis on addressing antimicrobial resistance and the inclusion of Category 6 on corporate services and enabling functions. She supported the proposed 10% increase in assessed contributions.

The representative of the UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND expressed support for the focus on antimicrobial resistance and public health emergencies. Her Government was a major contributor to the WHO Contingency Fund for Emergencies. Other Member States should follow suit to enable the Programme to realize its potential. WHO needed to prioritize its work and identify where other partners were better placed to deliver, where programmes lacked capacity to deliver and which should be discontinued. The draft proposed programme budget 2018–2019 should therefore contain clear information on budget choices, options considered and

value-for-money analyses and establish clear links with outcomes. She asked how WHO would make sure that reductions in some key corporate areas did not undermine progress on the reform agenda. A revised draft proposed programme budget 2018–2019 must be made available well in advance of the Seventieth World Health Assembly.

The representative of CANADA welcomed the explanation of the six main considerations that had shaped the draft proposed programme budget within the framework of the Sustainable Development Goals. She appreciated the proposed additional investment in the WHO Health Emergencies Programme and work on antimicrobial resistance, the focus on efficiency, and the idea of capitalizing on the expertise of Member States and partners. A successful financing model for WHO should be founded on the alignment of resources with priorities and their distribution across core mandates, while maintaining the agility to respond to new and urgent priorities. Different funding scenarios should be developed to inform Member States' deliberations. Notwithstanding the need for budgetary discipline, she acknowledged the additional work created by the new WHO Health Emergencies Programme and the recommendation by the High-level Panel on the Global Response to Health Crises to increase assessed contributions by at least 10%, which was supported by many Member States.

The representative of NEPAL said that the South-East Asia Region had learned lessons on emergency preparedness and response from its experience of natural disasters in recent years and, with WHO support, had put them into practice. Given that track record and the Region's vulnerability, the proposed disproportionate cut in budget allocations for the WHO Health Emergencies Programme in the South-East Asia Region was cause for grave concern. She called on the Secretariat to consider a more equitable distribution of that budget allocation.

The representative of the NETHERLANDS said that there was a clear need for increased funding for work on health emergencies and welcomed the increased funding for work on antimicrobial resistance and reproductive, maternal, newborn and child health. Given the persistent imbalance between assessed and voluntary contributions, he supported the proposed increase in assessed contributions, which would be a step towards greater financial sustainability for WHO. At the same time, it was crucial to set priorities in order to close the funding gap, by focusing on the Organization's core mandates.

The representative of the RUSSIAN FEDERATION emphasized that the draft proposed programme budget 2018–2019 should be realistic. It should contain detailed information on how programmatic priorities were funded – including the identification of assessed and voluntary contributions – and which level of the Organization was responsible for implementation. In the absence of such information, it would be impossible to make a decision on the proposed increase in assessed contributions.

The representative of LIBERIA, speaking on behalf of the Member States of the African Region, said that WHO should make full use of existing human resource capacities at the regional and country levels. It should also maximize the use of regular WHO employees, rather than temporary or consultant staff; establish close cooperation between the new WHO Health Emergencies Programme and the Health Systems and Innovations Cluster to avoid duplication; minimize travel-related expenditure, including by reducing the use of business class fares; and use existing WHO departments and units effectively to augment all aspects of preparedness and response to health emergencies. It might be advisable to put on hold all currently unfilled senior level vacancies and discuss the large budgetary commitments needed to fill those vacancies at the Seventieth World Health Assembly. Member States should liquidate and report on the finances received from WHO in a timely manner to enhance transparency and build donor confidence. She welcomed the continued emphasis on building

strong and resilient health systems for universal health coverage, which needed greater investment, and the gradual shift away from disease-specific programmes and budgeting. The African Region supported the proposed increase in assessed contributions. It would be useful to discuss innovative financing at the Seventieth World Health Assembly, in order to ensure continuous streams of funding beyond assessed contributions.

The representative of SWEDEN said that additional investment was required to enable WHO to deliver on the tasks entrusted to it by Member States. While her default position was to maintain zero nominal growth, she was willing to consider proposals for an increase in assessed contributions. To that end, reform efforts must continue to ensure improved results-based management. Emphasis should be placed on strengthened internal control systems and improved financial and results reporting, especially at the country level. Efforts should also be made to broaden the donor base. Donors that were unable to provide unearmarked funding should explore other options to increase flexibility. The Secretariat should prepare a scenario reflecting the potential impact of a shortfall in funding for the draft proposed programme budget 2018–2019. Funding for women’s sexual and reproductive health should be sustained.

The representative of TURKEY said that the world needed a strong, well-funded WHO. In order to close the funding gap, the Secretariat must work to broaden the donor base and Member States must release additional funds. He supported the proposed increase in assessed contributions.

The representative of THAILAND said that she shared other Member States’ concern at the proposed reduction in the health and emergencies budget for the South-East Asia Region, in particular given the Region’s vulnerability to health emergencies, its high rate of implementation of health emergency-related funds and its progress in implementing the WHO reform agenda. It might be advisable to establish an informal group to further refine the draft proposed programme budget 2018–2019.

The representative of MEXICO said that the draft proposed programme budget 2018–2019 needed to take account of the lessons learned with regard to each programme category and global financial vulnerability. In addition to baseline and target outcome indicators, it might be useful to employ intermediate indicators to gain a better understanding of funding needs.

The representative of the DEMOCRATIC REPUBLIC OF THE CONGO said that the emphasis placed on public health emergencies, antimicrobial resistance and alignment with the Sustainable Development Goals had resulted in a greater need for funds. In order to ensure the financial viability of the draft proposed programme budget 2018–2019, Member States and partners must be made aware of that need and asked to contribute accordingly.

The representative of BHUTAN said that he shared the concerns expressed by the representatives of Nepal and Thailand about the proposed stagnation of the budget allocation for the South-East Asia Region in a context of increased budget allocations for other regions. In the light of the improved rate of implementation demonstrated by the Regional Office for South-East Asia and the transfer to that Region of the Asia Pacific Observatory on Health Systems and Policies, the Region’s budget allocation in the draft proposed programme budget 2018–2019 should be increased.

There was a mismatch between vulnerability to public health emergencies and the allocation of funding. Over the past decade, the South-East Asia Region had borne approximately 25% of the global emergency-related mortality burden; the proposed budget for the WHO Health Emergencies Programme did not reflect that vulnerability and should be reviewed. Emergency response capacities must be built where they were needed.

The representative of BURUNDI said that the Secretariat should revisit its staff travel policy to minimize business class travel and use modern means of communication to free up funds.

The representative of NEW ZEALAND said that he took note of the Secretariat's intent to provide information in a more timely manner and its efforts to align the workplan with the Sustainable Development Goals. The Goals had provided an opportunity to change WHO's thinking on prioritization, programme development, programme alignment and implementation, and to reduce the duplication of work across the United Nations system; more innovation and partnership development were required to take advantage of the available opportunities. Actively pursuing health in all of the Sustainable Development Goals through the thirteenth general programme of work would reduce waste and increase cost-effectiveness. It would also move the Organization away from its currently narrow programme funding criteria to focus on programmes that were designed and delivered locally and regionally by all parts of government and civil society and would achieve the highest health value possible as determined by individual Member States.

The representative of PANAMA¹ said that the draft proposed programme budget 2018–2019 lacked details of which priority actions would be affected by a budget shortfall. The current reliance on voluntary contributions was a source of uncertainty, and indicators were needed to facilitate monitoring, evaluation and accountability. It was not clear from the document how funding had been distributed between the different categories and across the levels of the Organization. Prioritization, which was key, had not been adequately reflected. She expressed support for the recommendation by the Programme, Budget and Administration Committee that further discussions with the Secretariat should take place on the draft proposed programme budget 2018–2019, which should lead to a realistic draft proposed programme budget based on the Organization's needs and the strategic use of resources.

The representative of ZAMBIA¹ expressed concern that the implementation of resolution WHA68.15 (2015) on strengthening emergency and essential surgical care and anaesthesia as a component of universal health coverage had not been addressed in either the current programme budget or the draft proposed programme budget 2018–2019. The resolution applied to all Member States, not just those in the African Region, and its implementation would be critical to attaining the targets of the Sustainable Development Goals, including those on road safety, violence against women and girls, and emergency care systems in hospitals. He urged the Secretariat to continue building capacity to help Member States achieve those targets and called for the resolution to be reflected in the draft proposed programme budget.

The representative of DENMARK¹ said that WHO should continue to aim for zero nominal growth. She expressed concern at the reduction in core voluntary contributions and urged donors to provide fully flexible funds. She questioned the need to increase the budget ceiling, given the 8% increase agreed two years before. Concerning the proposed increase in assessed contributions, she stressed the importance of improving effectiveness and efficiency within the Organization and noted that increased assessed contributions might not be the only way forward.

The representative of the CZECH REPUBLIC¹ drew attention to the joint statement delivered at the recent meeting of the Programme, Budget and Administration Committee on behalf of Austria, Bulgaria, the Czech Republic, Hungary, Latvia, Mexico, Poland, the Russian Federation, Slovakia and Spain, setting out the doubts felt about the proposed increase in assessed contributions. The statement

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had called for better prioritization and alignment, a broader donor base with equal treatment for non-State actors, action on inefficiencies and the implementation of WHO reform. The timing of the discussion and the role of new leadership were not insignificant. The draft proposed programme budget 2018–2019 was not realistic in a context of increasing financial constraints for Member States. He questioned whether it was the right time to consider increasing assessed contributions.

The representative of BELGIUM¹ said that, although the progress report on the implementation of the 2030 Agenda for Sustainable Development (document EB140/32) listed six instruments of change and enabling factors that could be considered priorities, they did not seem to be reflected in the draft proposed programme budget 2018–2019 and it was unclear whether they were indeed priority areas for WHO. It would be a missed opportunity if the Organization waited until the biennium 2020–2021 to fully align its programme budget with the Sustainable Development Goals.

The representative of INDIA¹ said that persistent funding gaps were mainly due to an increasing reliance on earmarked voluntary contributions and declining assessed contributions. When the WHO Health Emergencies Programme had been approved, it had been understood that the Programme would not have an adverse impact on the Organization's core functions. The budget allocated to tuberculosis, malaria and vaccine-preventable diseases – which continued to be major concerns for the South-East Asia Region – should therefore be maintained or increased. He expressed concern that, while resolution WHA69.23 (2016) had called for the mobilization of sufficient resources for the strategic workplan of the Consultative Expert Working Group on Research and Development: Financing and Coordination, the funds for that work had been reduced in the draft proposed programme budget 2018–2019.

The representative of MONACO¹ said that the draft proposed programme budget 2018–2019 lacked explanations as to why budget space had been reduced for certain categories and contained no information on the implementation levels attained in the preceding biennium. In particular, decreases in the budget lines for social determinants of health and health and the environment were hard to justify in view of the Sustainable Development Goals. She also noted that budget space for polio eradication had increased over the past biennium, even as regional offices were reducing polio-related activities. Although the situation had been explained in an information session the previous week, that information should have been included in the draft proposed programme budget 2018–2019. She called for a more detailed draft proposed programme budget 2018–2019 to be made available before the Seventieth World Health Assembly. She had no objection to the organization of further information sessions at which the Secretariat could respond to the questions that had been raised; however, she was not in favour of setting up a formal mechanism for that purpose, which might encroach on the work of the governing bodies.

The representative of LITHUANIA¹ said that WHO should continue work to improve accountability, transparency and efficiency and reduce administration and management costs. An increase in assessed contributions, which the Government of Lithuania did not support, could be avoided by broadening the donor base and increasing unearmarked contributions.

The representative of AUSTRALIA¹ praised efforts to align priorities with available resources and scale back the programme budget to present a more realistic budget pathway for the Organization given the ongoing funding vulnerabilities. The proposed increase in funding for health emergencies and antimicrobial resistance should nonetheless be safeguarded. Greater consideration should be given

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to the alignment of the draft proposed programme budget 2018–2019 with the Sustainable Development Goals. He shared the concern expressed by other Member States at the comparative lack of funding for the Western Pacific Region and the South-East Asia Region. The frequency and severity of natural disasters in the Western Pacific Region, which was an epicentre of emerging infection diseases, should be reflected in the allocation of resources. The Government of Australia was still considering the proposed increase in assessed contributions; to inform that process, an analysis of which categories would lose funding or otherwise be jeopardized if assessed contributions were not increased would be helpful in that regard.

The representative of SPAIN¹ said that he opposed an increase in assessed contributions. It was unfortunate that savings had not been linked to prioritization; in that respect, there was an ongoing misunderstanding of the term prioritization, which included de-prioritization and should lead to cost cutting. Member States should guide the Secretariat in establishing a priorities-based methodology, and cost-effectiveness indicators would be important in that respect. He stressed the need for specific numbers on the savings that could be achieved through efficiency measures, prioritization and cuts. Those amounts should be added together and subtracted from the proposed increase to assessed contributions, in order to determine what additional measures were needed.

The representative of LUXEMBOURG¹ said that she supported the proposed priorities. Her support for the proposed increase in assessed contributions would be dependent on good budget management and governance, based on transparency, the strategic use of funds, results-based management and accountability. She welcomed the initiative to produce a value-for-money-plan. In addition to its regular voluntary contributions – which were flexible and aligned with the programme budget – her country would be making an additional contribution of €1 million for the biennium 2018–2019 and an exceptional contribution of €500 000 in 2017 for the WHO Health Emergencies Programme. That was an increase of almost 10% compared to the previous biennium and testament to her Government's support of WHO and trust in its reform efforts.

The representative of SWITZERLAND¹ welcomed the alignment of the budget with the Sustainable Development Goals, which should be done more systematically in future. The financing gap was troubling and must be taken into account in the draft Proposed programme budget 2018–2019. The programme budget should reflect the priorities set by Member States and the Secretariat, rather than those indicated through voluntary contributions, and should not be based on which areas had previously been underfunded. He called for a realistic budget that would allow the Organization to respond to normal and crisis situations. The inclusion in the document of costed outputs had increased trust between Member States and the Secretariat. He called for long-term reflection that went beyond outsourcing and contracting to develop innovative reforms and cost-effective work methods. He noted the comments by the representative of Sweden on increasing the flexibility of voluntary contributions. He was willing to consider increases in the budget ceiling and assessed contributions.

The representative of NORWAY¹ said that, while she supported the increased budget space for antimicrobial resistance and the WHO Health Emergencies Programme, the decrease in budget space for health and the environment was unfortunate. She supported the proposed increase in assessed contributions and agreed with suggestions on the focus of further discussions on the draft proposed programme budget 2018–2019. However, those discussions should not determine cuts in specific areas or become a renegotiation of the entire document. She urged patience regarding financing for the WHO Health Emergencies Programme. A reduction in its budget space would be premature and could

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call into question WHO's commitment to meeting the world's post-Ebola expectations and have a negative effect on fundraising. Likewise, a reduction in budget space for antimicrobial resistance would compromise the Organization's ability to deliver on its commitments.

The representative of BRAZIL¹ expressed concern at the prospect of the shortfall in the Programme budget 2016–2017 carrying over into and having an impact on the next biennium. Although he supported the WHO Health Emergencies Programme, he expressed concern about its fundability at the levels proposed and the concentration of resources at WHO headquarters. Funding that Programme should not have a negative impact on other important areas of work, such as standards setting, access to medicines and health technologies, strengthening regulatory capacity and alignment with the 2030 Agenda for Sustainable Development. The reliance on voluntary funding would negatively affect programme coherence, as the earmarking of funds by donors tended to override the bottom-up priority setting process. A comprehensive discussion on the WHO funding model was needed to consider ways of overcoming systemic shortfalls, the inflexibility of voluntary funding, and achieving better alignment between priorities and the allocation of resources in the programme budget. At present, Brazil was not in a position to support the proposed increase in assessed contributions.

The representative of GERMANY¹ observed that there seemed to be consensus on a number of important points, including the need for the Organization's core mandate to be fully funded and recognition that its mandate had broadened over the previous 10 years, the need to ensure that WHO had the capacity to prevent, detect and respond to potential future health crises, and the need to prevent WHO from becoming primarily an implementing agency for individual voluntary donors. Member States also shared a number of concerns related to, inter alia, the ongoing trend of reduction of flexible voluntary resources, the financial vulnerability of WHO resulting from its reliance on a small number of voluntary donors and the unpredictability of WHO's finances, given the limited level of long-term predictable funding. Germany supported the proposed increase in assessed contributions. Although the increase would not solve all of the Organization's financial challenges, it would send a strong and much-needed political message of Member States' trust in WHO. Member States must shoulder their global responsibility.

The representative of FINLAND¹ reiterated calls for clearer justification of budget lines and presentation of scenarios reflecting the impact of funding shortfalls. Improved transparency, evidence of improved practices, strategic prioritization in terms of programmes and cost savings, and clear commitment to implementation of reforms would help to make the business case for increasing WHO funding. Her country supported the proposed increase in assessed contributions and had already taken steps to include it in its budget planning for the next five years.

The representative of JAPAN¹ noted that one of the crucial lessons learned from the outbreak of Ebola virus disease was the need for flexible and predictable funding for health emergency response and preparedness. He asked whether the proposed increase in assessed contributions was linked to fulfilling that need. In addition, he requested further information on the Secretariat's efforts to prioritize and de-prioritize existing programmes, improve budget discipline, and clearly differentiate the roles of WHO and partners both inside and outside of the United Nations system.

The ASSISTANT DIRECTOR-GENERAL (General Management), recalling that the drafting of the programme budget was a long process, which included ongoing dialogue with Member States, stressed the importance of all feedback received, both at meetings and in written form. He encouraged

¹ Participating by virtue of Rule 3 of the Rules of Procedure of the Executive Board.

Member States to submit specific issues in writing. The priority-setting process considered four main elements: bottom-up planning, which involved Member States identifying a maximum of 10 priorities at the national level in consultation with country offices; the adoption of resolutions by the governing bodies; emerging public health threats; and continuing obligations. A key shortfall of the budget process was the two-year cycle; public health issues rarely spanned just two years, meaning that activities started many years earlier often needed to be continued. Member States could state which activities they wished to limit or stop, but it was rare for there to be calls to stop actions in a given area. Acknowledging comments regarding the cost recovery policy, he said that a first draft of the value-for-money plan up to 2018 would be made available and suggested that the Secretariat could produce an information document on the matter for consideration during the next meeting of the Programme, Budget and Administration Committee and at the Seventieth World Health Assembly. He agreed that it was important to make savings without jeopardizing the WHO reform process.

In terms of the proposed limited increase in the draft proposed programme budget 2018–2019, he explained that the increase was focused on two areas that had been highlighted by Member States, namely antimicrobial resistance and emergency situations. The proposed increase was realistic rather than aspirational and would be needed for action at all three levels of the Organization. Based on feedback already received from the regional committees, reductions had been made to the initially proposed funding for the WHO Health Emergencies Programme. He acknowledged the calls for greater alignment with the Sustainable Development Goals; the Secretariat had taken steps to address that issue and would continue its endeavours in that regard. Nevertheless, full alignment would take time; 2020 would be a good target. The revised version of the draft proposed programme budget 2018–2019 would be available in mid-April 2017. Responding to comments about the reduction in funding for the WHO Health Emergencies Programme in the regional offices for South-East Asia and the Western Pacific, he explained that the first version of the draft proposed programme budget 2018–2019 had allowed for increases in all regions, but based on feedback from the regional committees, steps had been taken to consider in depth the absorption and expansion capacities of the different regional offices and the Organization as a whole. Changes had been made as a result. The comments received during the current session of the Executive Board would be taken on board and the Secretariat would ensure that priority needs in all regions were adequately captured. Consideration would also be given to a request by the Regional Office for South-East Asia for budget space for the Asia Pacific Observatory on Health Systems and Policies. The Secretariat would also have another look at strengthening the indicators in the draft proposed programme budget 2018–2019.

Regarding the implementation of resolution WHA68.15 (2015) on strengthening emergency and essential surgical care and anaesthesia as a component of universal health coverage, he explained that, although the item was not expressly stated in the budget, it would be included in several deliverables under outputs 4.2.1 and 4.2.3. The updated version of the draft proposed programme budget would specify what those deliverables and outputs would be. Lastly, he expressed his thanks to Germany and Luxembourg for their financial contributions, which would help WHO to fully implement the Programme budget 2016–2017.

The DIRECTOR-GENERAL said that, although progress had been made on transparency, accountability and financial responsibility, more remained to be done. Acknowledging comments regarding the importance of financial sustainability, she said that more informal discussion was needed to resolve medium- and long-term issues. An increase in assessed contributions would not be a silver bullet for the funding issues; a number of different solutions were needed to address systemic problems.

In order for the Secretariat to issue the finalized version of the draft proposed programme budget 2018–2019 six weeks prior to the Seventieth World Health Assembly, all Member State inputs needed to be received by the end of February, to allow for final drafting and translation. The Secretariat stood ready to provide updates on its efforts concerning cost-saving measures, transparency and prioritization. Prioritization was a significant challenge at the global level; the approach used in

previous years had enabled WHO to designate a large number of priorities, whereas the current approach permitted a maximum of 10. Member States tended to ask the Secretariat to do more and more work without providing the funding required. Staffing costs were another important dimension; to respond to the issue the mobility policy had been introduced, which meant that staff members had to periodically change either duty station location or the area in which they worked. Steps were being taken to consolidate staff numbers through, for example, restructuring.

Currently, the draft proposed programme budget 2018–2019 contained many different areas of focus – more than the Sustainable Development Goals did. The focus of the Goals was integrated, multisectoral implementation at the country level; the narrow funding criteria for WHO programmes was a key challenge in that respect. One way to address that issue was to make use of and retrain existing staff members in the different clusters to respond to the needs of the Organization at any given time. Consolidating the budget by changing the format would also be a useful step, if Member States agreed. Reform of WHO was ongoing and would require the continued support and determination of Member States.

The CHAIRMAN said he understood that the Secretariat would take into account the comments made and the concerns expressed during the present session of the Executive Board and the twenty-fifth meeting of the Programme, Budget and Administration Committee when finalizing the Proposed programme budget 2018–2019 for consideration at the Health Assembly in May 2017.

It was so agreed.

2. FINANCIAL MATTERS: Item 13 of the agenda

Scale of assessments for 2018–2019: Item 13.1 of the agenda (document EB140/37)

The representative of the CONGO, speaking on behalf of the Member States of the African Region, expressed support for the scale of assessments for 2018–2019. However, recognizing the need for predictable funding, it should be noted that based on the percentages contained in the report, some African countries could find themselves in a difficult financial position should their national economic situations worsen during the biennium 2018–2019.

The ASSISTANT DIRECTOR-GENERAL (General Management), noting the challenges posed by setting scales of assessments so far in advance, said that solutions would be explored should a Member State find itself in such severe economic difficulty that it was unable to make statutory payments.

The CHAIRMAN said that, in the absence of any objection, he took it that the Board wished to adopt the draft resolution on the scale of assessments for 2018–2019 contained in document EB140/37.

The resolution was adopted.¹

¹ Resolution EB140.R6.

3. HEALTH SYSTEMS: Item 8 of the agenda

Human resources for health and implementation of the outcomes of the United Nations' High-Level Commission on Health Employment and Economic Growth: Item 8.1 of the agenda (document EB140/17)

The CHAIRMAN drew attention to a draft decision on human resources for health and implementation of the outcomes of the United Nations' High-Level Commission on Health Employment and Economic Growth, proposed by France and South Africa, which read:

The Executive Board, having noted the report on Human resources for health and implementation of the outcomes of the United Nations' High-Level Commission on Health Employment and Economic Growth¹ decided:

- (1) to welcome the report of the High-Level Commission on Health Employment and Economic Growth that was presented in September 2016 at the United Nations General Assembly and at the High-Level Ministerial Meeting on Health Employment and Economic Growth that was convened in December 2016;
- (2) to request the Director-General to finalize, by the time of the Seventieth World Health Assembly, in collaboration with ILO and OECD and in consultation with Member States, the five-year action plan 2017–2021 supporting the implementation of the recommendations of the High-Level Commission on Health Employment and Economic Growth;
- (3) to request the Director-General to submit the five-year action plan for consideration and possible adoption by the Seventieth World Health Assembly;
- (4) to further request the Director-General, in consultation with Member States, to ensure that measures be adopted forthwith, focusing on the key recommendations of the report of the High-Level Commission on Employment and Economic Growth, including the development of intersectoral plans and investment in transformative education, promoting decent job creation in the health and social sectors and mutual benefit from international mobility of health workers.

The financial and administrative implications of the draft decision for the Secretariat were:

Decision:	Human resources for health and implementation of the outcomes of the United Nations' High-Level Commission on Health Employment and Economic Growth
A. Link to the General Programme of Work and the Programme budget	
1. Please indicate to which outcome in the Twelfth General Programme of Work, 2014–2019 and to which output in the Programme budget 2016–2017 this draft decision would contribute if adopted.	
	Twelfth General Programme of Work (2014–2019):
	Outcome: Increased access to health services or reduction of risk factors.
	Programme budget 2016–2017:
	Category: 4. Health systems.
	Programme area: Integrated people-centred health services

¹ Document EB140/17.

<p>Outcome: 4.2 – Policies, financing and human resources in place to increase access to integrated, people-centred health services</p> <p>Output: 4.2.2 – Health workforce strategies oriented towards universal health coverage implemented in countries.</p>
<p>2. Please provide a short justification for considering the draft decision, if there is no link to the results as indicated in the Twelfth General Programme of Work, 2014–2019 and the Programme budget 2016–2017.</p> <p>The draft decision reinforces and supports the implementation of the Global Strategy on Human Resources for Health: Workforce 2030 adopted by the World Health Assembly in resolution WHA69.19 (2016), and requests finalization of a five-year action plan that specifies activities for its first phase of implementation.</p>
<p>3. Please indicate the estimated implementation time frame (in years or months) for any additional deliverables.</p> <p>The draft decision will generate momentum for the first five-year implementation phase of the 15-year Global Strategy on Human Resources for Health and the broader Sustainable Development Goal horizon to 2030. The draft decision requests intersessional work between the 140th session of the Executive Board and the Seventieth World Health Assembly to finalize the five-year action plan, which will take two months.</p>
<p>B. Budgetary implications for implementation of additional deliverables</p>
<p>1. Current biennium – estimated, additional budgetary requirements, in US\$ millions:</p> <p>No additional budgetary requirements.</p>
<p>(i) Please indicate the level of available resources to fund the implementation of the proposed decision in the current biennium, in US\$ millions:</p> <ul style="list-style-type: none"> – How much are the resources available to fund the proposed decision in the current biennium? Resources are available to fund the draft decision. – How much would the financing gap be? No financing gap. – What are the estimated resources, not yet available, if any, which would help to close the financing gap? Not applicable.
<p>2. 2018–2019 (if required): estimated budget requirements, in US\$ millions:</p> <p>Not applicable.</p>
<p>3. Future bienniums beyond 2018–2019 (if required) – estimated budgetary requirements, in US\$ millions:</p> <p>Not applicable.</p>

The representative of MALTA, speaking on behalf of the European Union and its Member States, said that the candidate countries Turkey, Montenegro, Serbia and Albania and the country of the stabilization and association process and potential candidate Bosnia and Herzegovina, as well as Ukraine, the Republic of Moldova and Georgia aligned themselves with her statement. She expressed support for the draft decision and urged Member States to further contribute to the consultative process concerning the deliverables and indicators of the five-year action plan referred to in the report. WHO's Global Strategy on Human Resources for Health: Workforce 2030 and the outcomes of the High-Level Commission would play a vital role in attaining Sustainable Development Goals 1 (End

poverty in all its forms everywhere), 3 (Ensure healthy lives and promote well-being for all at all ages), 4 (Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all), 5 (Achieve gender equality and empower all women and girls) and 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all). To that end, intersectoral and cross-border cooperation and knowledge sharing in the areas of health workforce planning, skills forecasting, recruitment, deployment, retention and continuing the professional development of health workers should remain a priority.

The representative of CANADA expressed support for the recommendations contained in the report and strongly condemned the targeted attacks on health facilities and personnel around the world. The Secretariat should keep Member States abreast of the latest international agreements on health workforce migration in order to maximize the possibility of organizing mutually beneficial arrangements with other partners and stakeholders.

The representative of the UNITED STATES OF AMERICA supported the Commission's recommendations and immediate actions, with particular regard to job creation and service delivery, and encouraged WHO to act thereon. Appreciating the intersectoral consultation process, he said that the linkages between the implementation and monitoring of the Commission's five-year action plan and WHO's Global Strategy on Human Resources for Health: Workforce 2030 should be well defined.

Turning to the draft decision, he proposed that, in the second line of paragraph (2) of that draft decision, the phrase "and in keeping with the objectives of the Global Strategy on Human Resources for Health: Workforce 2030" should be inserted after the words "in consultation with Member States". He also proposed that the first line of paragraph (4) should be amended to read: "to further request the Director-General to work with Member States to adopt measures focusing on [...]".

The representative of the GAMBIA, speaking on behalf of the Member States of the African Region, said that the human resources crisis in the health sector represented a great challenge for many African countries. He therefore proposed that Member States should take decisive action to contribute to the five-year plan on the implementation of the outcomes of the High-Level Commission, establish an interagency global data exchange on the health labour market and develop an international platform on health workforce mobility.

The representative of PAKISTAN welcomed the focus on the linkages between human resources for health, and economic growth and the achievement of the Sustainable Development Goals. While supporting the call to scale up professional, technical and vocational training, he stressed that health workers must receive the highest quality training available. Noting the precarious and often dangerous situation facing health workers in areas of conflict, he urged WHO to recognize the hazards faced by frontline health workers and adopt measures aimed at providing safe working environments for medical staff around the world.

The representative of CHINA said that intersectoral cooperation would be crucial to the successful implementation of the Global Strategy on Human Resources for Health: Workforce 2030. His country would be happy to share its own experience and knowledge in developing human resources for health with other Member States, where appropriate.

The representative of JAMAICA, while recognizing the contribution that a strategic approach to health employment and economic growth made to global health security and economic development, said that closer attention should be paid to counteracting the shortage of human resources for health in source countries adversely affected by the international recruitment of domestic health workers. He urged WHO to take urgent action to mitigate those effects and promote the effective implementation of the WHO Global Code of Practice on the International Recruitment of Health Personnel. To that end, the Director-General should work with Member States on adopting measures to promote the mutually beneficial international mobility of health workers through collaborative approaches to training and the orderly movement of skilled health workers.

The meeting rose at 12:30.

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