

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

1. The twenty-seventh meeting of the Programme, Budget and Administration Committee was held in Geneva on 18 and 19 January 2018 under the chairmanship of Dr Stewart Jessamine (New Zealand).¹ The Committee adopted its agenda.²

Agenda item 2 Report of the Independent Expert Oversight Advisory Committee (Document EBPBAC27/2)

2. The Committee thanked the Chairman of the Independent Expert Oversight Advisory Committee for presenting its report and noted the many positive observations, including those regarding the encouraging progress in the area of risk management and the continuing improved implementation of internal and external audit recommendations. Also, further to its visit to the Regional Office for the Eastern Mediterranean Region, the Advisory Committee had expressed appreciation for the strong compliance structure in place in the Eastern Mediterranean Region, despite the political complexities and challenging environment, with several countries experiencing protracted emergencies.

3. During its discussion, the Committee highlighted some areas of improvement – in relation to the risk management process – that needed to be further integrated into the planning cycle of the Organization, and welcomed the establishment of a high-level external review of the risk management process. In addition, the Committee voiced concern about the overall control effectiveness in the area of supplier management, which was currently unsatisfactory, and reiterated the need for sustainable, predictable and multiyear funding for the WHO Health Emergencies Programme. The Committee underlined the importance of a robust project management plan and guidance for implementation of the Framework of Engagement with Non-State Actors. Some Member States suggested that the Advisory Committee should consider including a review of recommendations from its previous reports that remained open. In particular, Member States would welcome advice from the Advisory Committee on the polio transition plan, especially its likely impact in countries responding to polio.

4. The Secretariat acknowledged the value of the Advisory Committee's recommendations, including those for improving risk management systems, functional country reviews and developing clear, fit-for-purpose business processes. Regional offices confirmed the ongoing implementation of the recommendations contained in the previous reports of the Advisory Committee, and suggested that the reports of the Committee's visits to the three regional offices be analysed in order to identify best

¹ The list of participants is available in document EBPBAC27/DIV./1.

² Document EBPBAC27/1 Rev.1.

practices for wider implementation. The Secretariat also assured the Committee that it was making every effort to deal with the supplier management resourcing issue.

The Committee noted the report of the Independent Expert Oversight Advisory Committee.

Agenda item 3 Draft thirteenth general programme of work 2019–2023
(Documents EB142/3, EB142/3 Add.1 and EB142/3 Add.2)

5. The Committee discussed the financial and programmatic aspects of the draft thirteenth general programme of work 2019–2023 (GPW 13), noting that its goals were closely aligned with the 2030 Agenda for Sustainable Development. GPW 13 would, therefore, position the Secretariat so that it could provide support to Member States in achieving the Sustainable Development Goals, particularly universal health coverage. The Committee welcomed the revised document and noted that it had developed a deeper understanding of GPW 13.

6. The Committee discussed extensively the financial estimate submitted by the Secretariat. It raised concerns about the risks of not attracting sufficient funding to meet the new requirements. The Committee observed that, although GPW 13 should be aspirational, the programme budgets it covered should be realistic. The Committee requested more clarification on several key issues: (i) how realistic the financial envelope was in terms of fundraising; (ii) the nature of the special projects under the proposed scalable component; (iii) the budgetary impacts of the organizational shifts, and the impact that those shifts would have on normative work; (iv) how the pledged 5% efficiency target would be reached; (v) whether the Secretariat had considered scenario planning; and (vi) the impact of the polio transition on human and financial resources. The Committee discussed core public health functions at the country level that were currently budgeted and funded by the Global Polio Eradication Initiative, such as surveillance and immunization, and agreed that some of that capacity needed to be maintained, even if there were concerns about related funding prospects.

7. The Committee did not discuss the content of GPW 13 in great detail, but the following points were raised for further discussion at the forthcoming session of the Executive Board: gender mainstreaming; universal health coverage; use of the flexibilities contained in the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) as recognized by the Doha Declaration on the TRIPS Agreement and Public Health (2001); and technology transfer.

8. In response, the Secretariat reiterated that approval of GPW 13 did not include an approval of the financial estimate. The Secretariat suggested that development of the strategy was the critical first step and foundation on which to build a robust fundraising strategy and underscored its commitment to meeting an efficiency and reallocation target. The Secretariat clarified that special projects were unforeseen projects, primarily undertaken at the country level in response to urgent requests from Member States or partner organizations in order to facilitate implementation of activities, and that such projects were fully aligned with WHO's results hierarchy. The Secretariat confirmed that an adequate framework of conditions would be presented together with the Proposed programme budget 2020–2021 to ensure that the proposed scalable component was not used to circumvent the strategic budget ceilings approved by the Health Assembly. The Secretariat also reiterated that the Proposed programme budget 2020–2021, which would take account of the results of the new resource mobilization strategy, would remain realistic and in line with recent practices.

9. The Committee discussed the proposal to extend GPW 13 until 2025 in order to align it with other relevant processes in the United Nations system. The Secretariat noted that a review of results in

2023 would fall favourably at the mid-point of the Sustainable Development Goals, and that making the decision about extension later in the period of GPW 13 would provide flexibility.

10. The Secretariat provided an update on progress of ongoing work on metrics and measurement. This included the support of the External Reference Group for: the “triple billion” goal; the impact and accountability framework, to define the Secretariat’s contribution; and the alignment of outcome and impact targets with those of the Sustainable Development Goals and Health Assembly resolutions.

11. In relation to the issue of accountability, the Secretariat assured the Committee that improving the country model was a key focus of the transformation agenda.

12. In response to a proposal made during the discussion, the Director-General agreed that the reference to the Global Policy Group in the draft GPW 13 would be redrafted in order to reflect the advisory nature of that body.

The Committee recommended that the Executive Board, at its 142nd session, should continue to discuss the draft thirteenth general programme of work 2019–2023, together with the associated draft resolution contained in document EB142/3 Add.1.

Agenda item 4 Better value, better health: strategy and implementation plan for value for money in WHO (Document EB142/7 Rev.1)

13. The Committee welcomed the value-for-money approach and expressed appreciation for the commitment to increased efficiency and cost-savings. This was in line with the efforts to achieve the 5% efficiency savings applied on the base segment of the budget. The Secretariat noted that the concept of value for money was much broader than efficiencies and cost-savings: it was the fundamental elevation of impact and outcome over output and process.

14. With regard to cost savings and efficiencies, Member States agreed that they were important objectives but reminded the Secretariat that quality of programme delivery, including work on norms and standards, should be the principal focus of the Organization. The Committee welcomed WHO’s commitment to equity and ethics – in addition to economy, efficiency and effectiveness – and pointed out that the concept of value for money should apply to WHO’s financial and human resources alike. Nevertheless, it noted and shared the concern expressed by the Independent Expert Oversight Advisory Committee about over-institutionalizing the value-for-money approach.

15. There was a proposal to consider the review of the current allocation of resources across the three levels of the Organization in order to maximize efficiencies in the use of the available resources.

16. The Secretariat agreed and noted that the concept of value for money was concerned primarily with making the best use of available resources in order to achieve the greatest sustainable development impact. There was agreement that the implementation of the value-for-money approach should be accompanied by strengthened accountability.

17. The Secretariat stressed that the value-for-money approach represented a cultural shift for WHO. GPW 13, with its focus on impacts, outcomes and measurable results, was the centrepiece of that change as it did not limit the Organization’s efforts on achieving savings solely to Category 6-related areas. The implementation plan for value for money aimed to maximize the health impact of the money spent. The approach would be piloted and the results reported to Member States.

The Committee recommended that the Executive Board note the report.

Agenda item 5 Financing of the Programme budget (Document EBPBAC27/3)

18. The Committee welcomed the report and recognized the transparency of the information presented. Member States also expressed appreciation for WHO's programme budget web portal. The Committee welcomed the positive overall funding situation for the biennium 2016–2017.

19. The Committee raised concerns about the uneven funding levels among programme areas (particularly the underfunding for noncommunicable diseases and the WHO Health Emergencies Programme). The significantly low projected implementation rate in certain categories was also queried.

20. The Secretariat clarified that data presented in the report were as at 30 September 2017, and that projected income and expenditure figures were based on information available at that date. US\$ 600 million of projected income for 2017 were recorded in 2018 and US\$ 400 million were reprogrammed to 2018. That would significantly lower the unspent balance for the biennium 2016–2017, and full information would be communicated in the final audited report to be submitted to the Health Assembly in May 2018.

21. Furthermore, the Secretariat explained that late and highly earmarked funding was negatively affecting the overall implementation rate.

22. In that regard, the Committee also sought further information about resource mobilization strategies and ways to increase the predictability and sustainability of funding. The Secretariat confirmed its commitment to engage with Member States and other partners to widen the donor base, as well as to look at innovative financing mechanisms to fund GPW 13.

23. In response to concerns raised by the Committee regarding issues of trust for the Organization, the Secretariat highlighted the importance of delivering results, strengthening accountability and increasing transparency as the way forward.

The Committee noted the report.

Agenda item 6 Engagement with non-State actors (Documents EB142/28 and EB142/29)

24. The Secretariat recalled that the Independent Expert Oversight Advisory Committee had recognized the challenges facing full implementation of the Framework of Engagement with Non-State Actors. The Secretariat had accepted and implemented the recommendations of the Advisory Committee. It had established a project plan for implementation of the Framework of Engagement in accordance with the new WHO project management framework, which included a project charter, a project plan, deliverables, timelines and indicators. A "FENSA steering committee", led by the Deputy Director-General for Corporate Operations, had recently been established to provide guidance and oversight. The guide for staff on engagement with non-State actors, an internal Secretariat document, had been amended to convey a strong engagement message and published on the WHO website.¹ The

¹ See Guide for staff on engagement with non-State actors (<http://www.who.int/about/collaborations/non-state-actors/en/>, accessed 20 January 2018).

WHO Register of non-State actors, electronic workflow tools and the handbook for non-State actors were being finalized.

25. The Committee acknowledged the progress made towards full implementation of the Framework of Engagement and recognized that the Framework encouraged meaningful collaboration and increased transparency, while protecting the Organization. Further work was needed on developing strategic plans, manuals and training, and on identifying strategic areas of cooperation. The Committee indicated that during the 142nd session of the Executive Board it would be valuable to receive the perspectives of, and feedback from, non-State actors on implementation of the Framework of Engagement.

26. In response to questions raised, the Secretariat explained that due diligence and risk assessment were performed for all potential engagements, either through the standard or the simplified procedure. In case of acute public health events as described in the International Health Regulations (2005) or other emergencies with health consequences, the Director-General could exercise flexibilities in accordance with paragraph 73 of the Framework of Engagement. The Secretariat added that a fast-track process of assessment in emergencies could also be applied. Comprehensive guidance to staff on avoidance and management of conflicts of interest was included in the guide for staff.

27. The Committee considered proposals for admitting non-State actors into official relations, and for renewing and discontinuing such relations.

28. In response to questions, the Secretariat explained that the deferral of a review did not mean any changes to the status and privilege of official relations. The profiles and plans for collaboration of each entity in official relations were available on the WHO website in the WHO Register of non-State actors.¹ Whereas the Executive Board document summarized the information and was available in all official languages, the full profiles and plans were not available in all official languages for reasons of cost.

29. The Committee recognized that the Secretariat had faithfully executed its work and agreed to the proposals regarding official relations with non-State actors.

The Committee recommended that the Executive Board note the report contained in document EB142/28.

The Committee recommended that the Executive Board consider adopting the draft decision contained in paragraph 30 of document EB142/29.

Agenda item 7 Evaluation: update and proposed workplan for 2018–2019
(document EB142/27)

30. The Committee welcomed progress made in WHO's evaluation work and supported the proposed workplan, noting the importance of evaluation to the governing bodies' decision-making, as well as to WHO's programmes and to the policy of value for money. It urged the Secretariat to carry out more country office evaluations to inform the future work of the Organization in light of the priorities set in the draft thirteenth general programme of work 2019–2023.

¹ See WHO register of non-State actors (<https://publicspace.who.int/sites/GEM/default.aspx>, accessed 20 January 2018).

31. The Committee raised concerns about the budgetary constraints of the WHO Evaluation Office and reiterated the need for resources devoted to the evaluation function in WHO to be benchmarked against best practices in the United Nations system. The Committee urged the Secretariat to align human and financial resources with evaluation needs and requested further information on follow-up to evaluation results.

32. The Committee proposed that the Evaluation Office should conduct two additional evaluations: one on normative functions at country level, and another on the implementation of primary health care. With regard to the second proposal, the Committee noted that there would be an international event in Almaty, Kazakhstan, on 25 and 26 October 2018 to mark the fortieth anniversary of the Declaration of Alma-Ata on Primary Health Care. That event and subsequent activities were planned to lead to a United Nations high-level meeting on universal health coverage in 2019. The Committee further noted that the Region of the Americas had made plans to celebrate the anniversary with a forward-looking programme and many reports had already been gathered. The evaluation would be discussed again by the Committee in January 2019; that discussion would be informed by the outcome of the Almaty meeting, and the review of reports that would be carried out by the Region of the Americas in connection with the fortieth anniversary of the Declaration of Alma-Ata.

33. The Committee encouraged the Secretariat to continue its efforts to ensure organizational learning from completed evaluations and requested it to report back to the Committee in May 2018 on both the management response to the independent review of the evaluation function and a revised evaluation policy.

The Committee recommended that the Executive Board note the report, approve the workplan and consider the Committee's proposal regarding the two additional evaluations, namely, on normative functions at country level and on the implementation of primary health care.

Agenda item 8 Human resources: update (Document EBPBAC27/4)

Agenda item 9 Report of the International Civil Service Commission (Document EBPBAC27/5)

Agenda item 10 Amendments to Staff Regulations and Staff Rules (Documents EB142/38 and EB142/38 Add.1)

34. The Secretariat introduced the reports on the three items, updating the data contained in document EBPBAC27/4 relating to mobility and gender parity.

35. Member States voiced their concern at the grouping together of all human resources-related agenda items in one discussion and suggested that more time be allocated for those items, thus acknowledging the key role of staff as the main asset of the Organization.

36. The Committee welcomed the progress made in increasing the diversity of the WHO workforce and encouraged the Secretariat to continue working to improve gender balance and to address geographical underrepresentation at all levels of the Organization in a balanced manner.

37. Regarding geographical representation, it was noted that the relevant statistic did not include all staff that were paid through WHO's resources, and the Secretariat was asked to provide options for adequately addressing that matter in the future.

38. Regarding mobility, the Committee asked the Secretariat to provide further information about the introduction of mandatory mobility in 2019, including whether the necessary administrative support was in place. Responding on mobility, the Secretariat reaffirmed its commitment to the introduction of mandatory mobility in 2019. A Member State noted that the United Nations secretariat had put its mobility scheme on hold and urged the Secretariat to give consideration to the reasons that had prompted that decision.

39. In reply to the concerns raised by some Member States about the recent direct appointments, the Director-General reassured the Committee that the decision had been taken to ensure that a senior management team was in place in good time to assist him with the implementation of his agenda – the agenda on which he had been elected. The Director-General said that it would not have been possible to achieve that aim without direct appointments. The Secretariat noted that the Director-General's direct appointments were consistent with past practice at WHO and involved consultation with Regional Directors, and that those appointments were limited to the tenure of the Director-General. The Secretariat observed that the direct appointments resulted in a senior management team that combined wide external expertise with considerable WHO experience, and that had significantly improved gender balance and geographical diversity at headquarters.

40. With regard to recruitment, despite a general pause on appointments, the Secretariat indicated that exceptions were being considered on a case-by-case basis.

41. The Committee expressed its firm view that the Secretariat should implement the decision of the International Civil Service Commission in due time and form.

42. After concerns were raised by the Committee, the Secretariat stressed that there was no change in its commitment to the United Nations common system. It further confirmed its intention to implement the next phase of the Commission's decision regarding the 2016 cost-of-living survey for Geneva, in line with United Nations General Assembly resolution 72/255, while giving consideration to how it would be implemented.

The Committee noted the reports contained in documents EBPBAC27/4 and EBPBAC27/5.

Recalling the United Nations General Assembly resolution 72/255, on the United Nations common system, the Committee reminded the Secretariat of its obligation to implement fully the decision of the International Civil Service Commission regarding the 2016 cost-of-living survey for Geneva with effect from 1 February 2018.

With respect to the proposed amendments to the Staff Regulations and Staff Rules, the Committee recommended that the Executive Board adopt the three draft resolutions contained in document EB142/38, namely: draft resolution 1, confirming salaries of staff, definitions, education grants, settling-in grants, repatriation grants, mobility, special leave, leave without pay, resignations, administrative reviews and the Global Board of Appeal; draft resolution 2, on amendments to the Staff Regulations concerning Deputy Directors-General, for submission to the Seventy-first World Health Assembly; and draft resolution 3, on remuneration of staff in ungraded positions and the Director-General, for submission to the Seventy-first World Health Assembly.

Agenda item 11 Real estate: update on the Geneva buildings renovation strategy
(document EBPBAC27/6)

43. The Committee considered the report, noting the progress in the Geneva buildings renovation strategy. The Secretariat confirmed that careful attention was being paid to issues of accessibility and to ensuring that workspaces allowed maximum flexibility and collaboration. The Secretariat thanked the Member States for the sustainable funding mechanism, set in place through resolution WHA63.7 (2010), and confirmed that the project was on track and should be delivered on time and within budget.

The Committee noted the report.

Agenda item 12 Adoption of the report and closure of the meeting

44. The Committee adopted its report.

= = =