

Proposed programme budget 2020–2021

Better value, better health: strategy and implementation plan for value for money in WHO – update

1. The report by the Director-General on the strategy and implementation plan for value for money in WHO was considered and noted by the Executive Board at its 142nd session in January 2018.¹ Following this, WHO has embarked on an ambitious Organization-wide action plan to integrate the strategy and implementation plan in all its activities.
2. During the discussion on the Thirteenth General Programme of Work, 2019–2023 at the Seventy-first World Health Assembly in May 2018, eight initiatives relating to the strategy and implementation plan and annexed to the Financial Estimate for the Thirteenth General Programme of Work were presented.

IMPLEMENTATION UPDATE

3. An update on the implementation of those initiatives is provided in the Table below.

Table. Current status of initiatives of the strategy and implementation plan

	Initiative description	Status at 1 November 2018
1	A WHO investment case is being finalized and will be published after the World Health Assembly.	The investment case has been finalized and was published in September 2018.
2	The WHO web portal has been substantially revamped to show how money is raised and spent, now providing a detailed summary of achievements by programme area and, for the first time, by countries.	This initiative has been implemented.
3	A new policy requirement is being formulated requiring all direct financial cooperation and grant proposals to justify how the proposed grant represents good value for money.	The direct financial cooperation policy has been updated. A standard justification template was created and introduced as of 20 August 2018. The grants policy update is under development.

¹ See documents EB142/7 Rev.1 and EB142/2018/REC/2, summary record of the fourth meeting.

	Initiative description	Status at 1 November 2018
4	WHO and the Global Fund to Fight AIDS, Tuberculosis and Malaria are working together on harmonizing their value-for-money approach, including common terminology and concepts.	Initial discussions have taken place; work is in progress.
5	A section on value for money, including a newly developed value-for-money toolkit, is being included in the new WHO procurement training programme.	Value-for-money material has been developed. A procurement training programme is being developed and several modules have been finalized. The launch is planned for the first quarter of 2019.
6	As part of change management, an introductory video on what value for money means for WHO is being developed. The video will be linked to the procurement training programme and will also form part of induction training for all new WHO staff.	The video will be completed by mid-November 2018 and made available in all WHO official languages and in Portuguese.
7	A targeted two-day value-for-money workshop/training course is being designed for WHO programme staff. This initiative was subsequently expanded to include the creation of an Organization-wide network of value-for-money trainers/champions who, in addition to rolling out training in their regions, act as a resource to advise, influence and coach colleagues in applying value-for-money principles and adopting and implementing a value-for-money approach.	The workshop/training course was designed and rolled out to 100 programme staff during the period 20 October–1 November 2018. Of those, 40 were further trained to train and advise colleagues on value for money. The 40 programme staff concerned are distributed throughout the WHO regions and liaise regularly both with the value-for-money network and with management, to bring forward the development of value-for-money initiatives in WHO.
8	Value for money comprises cost-effectiveness, cost efficiency and economy. Cost-effectiveness can only be calculated if effectiveness is measured; measuring impact is a major shift in the Thirteenth General Programme of Work. Moreover, efficiency and economy are now included, for the first time, as an explicit target in the Financial Estimate.	A reallocation and efficiency target of US\$ 99 million is included in the draft Proposed programme budget 2020–2021, with the saving being largely absorbed by WHO headquarters. Furthermore, following the changes made to WHO travel policy in March 2018, cost savings are already being made in travel. Due to the change in business class entitlement, some 35% fewer business class tickets were purchased in the second quarter of 2018, resulting in clear savings. The resultant total saving per year compared with 2017 is projected to be US\$ 9 million (approximately US\$ 7 million for 2018 as policy changes were introduced at the start of the second quarter).

NEXT STEPS

4. Several initiatives to integrate the strategy and implementation plan for value for money into the work of WHO are planned for 2019. The overall aim is to better equip the Secretariat to respond to queries from stakeholders on how WHO programmes represent value for money. The initiatives concerned are set out below.

- (a) Based on discussions held during October 2018, value-for-money workshops, training material and tools will be further developed to meet the needs of different types of programme within WHO and a section on how to include value for money in operational planning for the biennium 2020–2021 will be added.
- (b) A manual to assist staff in using the new tools will be developed.
- (c) An annex to the existing WHO proposal templates will be developed to ensure that the value-for-money dimension is clearly defined in future proposals.
- (d) A roll-out plan for the two-day value-for-money workshops to be held in 2019 and beyond will be developed in each WHO region.
- (e) Value-for-money indicators will be articulated to measure success. The value-for-money network will work with colleagues throughout WHO to find ways of demonstrating the value added by different types of work for money invested in WHO, and of articulating this through appropriate indicators.

ACTION BY THE EXECUTIVE BOARD

5. The Executive Board is invited to note the report and to provide comments on the progress so far, as well as on the initiatives planned for 2019.

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