

Proposed programme budget 2018–2019

Report of the Programme, Budget and Administration Committee of the Executive Board to the Seventieth World Health Assembly

1. The Secretariat introduced the Proposed programme budget 2018–2019 of US\$ 4421.5 million and the rationale for the proposed 3% increase in assessed contributions, the financing of category 6 and cost-recovery mechanisms, and the strategy and plan for value for money in WHO.¹
2. The Committee recognized that the revised Proposed programme budget 2018–2019 reflected the comments and concerns that Member States had raised during the discussion on the previous version by the Executive Board at its 140th session in January 2017 and expressed support for the Proposed programme budget 2018–2019.
3. The Committee indicated its understanding of the rationale for the proposal to increase assessed contributions, corroborating the need for further resources, in particular for the WHO Health Emergencies Programme. Most Member States supported the proposed 3% increase, while others considered this increase to be on an exceptional basis only, and requested that it be coupled with further documented work on improving the Organization's priority setting, efficiency and cost savings.
4. The creation of a mechanism to coordinate WHO's work on the Sustainable Development Goals and the importance accorded to antimicrobial resistance were welcomed. The Committee expressed its appreciation for the commitment to greater efficiencies in management and administration, with the understanding that this would not jeopardize the continuity of the reform activities. At the same time, many Member States raised concerns about the cuts in budget for noncommunicable diseases, although it was recognized that lack of adequate funding continued to be a limiting factor. The Committee raised a concern about the long-standing imbalance between assessed contributions and voluntary contributions which posed a risk to the financial sustainability of the Organization and had been a continuing problem.
5. The Committee also highlighted the importance of ensuring in future a certain flexibility, especially during the operational planning to take into account emerging and changing needs as well as the ongoing analysis of the impact of polio transition on planning.
6. The Committee also underlined the need to make the programme budget web portal more prominently accessible on WHO's website, and commended the Secretariat for ensuring that the data available through the portal were now compliant with the International Aid Transparency Initiative standard.

¹ See documents A70/7, A70/INF./2, A70/INF./5 and A70/INF./6.

RECOMMENDATION TO THE HEALTH ASSEMBLY

7. The Committee, on behalf of the Executive Board, recommended that the Health Assembly consider the following draft resolution:

The Seventieth World Health Assembly,

Having considered the Proposed programme budget 2018–2019;¹

Having noted the report of the Programme, Budget and Administration Committee of the Executive Board to the Seventieth World Health Assembly;²

Welcoming the work being conducted to identify efficiencies in the area of management and administration;

Considering the continuing increase in the volume of tasks assigned by WHO's governing bodies to the Director-General, including the recent creation of the WHO Health Emergencies Programme;

Conscious of the necessity to prioritize and, in a context of limited resources, to concentrate such resources on those programmes that have the greatest impact on public health, or where WHO has a significant comparative advantage, as agreed by the Member States;

Stressing that proposed increases above the level of the approved Programme budget 2018–2019 should be requested only when necessary for the purpose of the Organization's mandated activities and after all possible steps have been taken to finance such increases through savings, efficiencies and prioritization,

1. APPROVES the programme of work, as outlined in the Proposed programme budget 2018–2019;
2. APPROVES the budget for the financial period 2018–2019, under all sources of funds, namely, assessed and voluntary contributions of US\$ 4421.5 million;
3. ALLOCATES the budget for the financial period 2018–2019 to the following categories and other areas:
 - (1) Communicable diseases US\$ 805.4 million;
 - (2) Noncommunicable diseases US\$ 351.4 million;
 - (3) Promoting health through the life course US\$ 384.3 million;

¹ Document A70/7.

² Document A70/59.

- (4) Health systems US\$ 589.5 million;
- (E) WHO Health Emergencies Programme US\$ 554.2 million;
- (6) Enabling functions/corporate services US\$ 715.5 million;

Other areas:

- Polio (US\$ 902.8 million), Tropical disease research (US\$ 50.0 million), and Research in human reproduction (US\$ 68.4 million) totalling US\$ 1021.2 million; and
- Outbreak and crisis response and scalable operations, which is subject to the event driven nature of the activities concerned and, as such, does not have a budget requirement;

4. RESOLVES that the budget will be financed as follows:

- by net assessments on Member States adjusted for estimated Member State non-assessed income for a total of US\$ 956.9 million;
- from voluntary contributions for a total of US\$ 3464.6 million;

5. FURTHER RESOLVES that the gross amount of the assessed contribution for each Member State shall be reduced by the sum standing to their credit in the Tax Equalization Fund; that reduction shall be adjusted in the case of those Members that require staff members to pay income taxes on their WHO emoluments, taxes which the Organization reimburses to said staff members; the amount of such tax reimbursements is estimated at US\$ 31.8 million, resulting in a total assessment on Members of US\$ 988.7 million;

6. DECIDES that the Working Capital Fund shall be maintained at its existing level of US\$ 31 million;

7. AUTHORIZES the Director-General to use the assessed contributions together with the voluntary contributions, subject to the availability of resources, to finance the budget as allocated in paragraph 3, up to the amounts approved;

8. FURTHER AUTHORIZES the Director-General, where necessary, to make budget transfers among the six categories, up to an amount not exceeding 5% of the amount allocated to the category from which the transfer is made. Any such transfers will be reported in the statutory reports to the respective governing bodies;

9. FURTHER AUTHORIZES the Director-General, where necessary, to incur expenditures in the Outbreak and crisis response and scalable operations subject to availability of resources;

10. FURTHER AUTHORIZES the Director-General, where necessary, to incur expenditures in the Polio, Tropical disease research, and Research in human reproduction components of the budget beyond the amount allocated for those components, as a result of additional governance and resource mobilization mechanisms, as well as their budget cycle, which inform the annual/biennial budgets for these special programmes, subject to availability of resources;

11. REQUESTS the Director-General:

(1) to submit regular reports on the financing and implementation of the budget as presented in document A70/7 and on the outcome of the financing dialogue, the strategic allocation of flexible resources and the results of the coordinated resource mobilization strategy, through the Executive Board and its Programme, Budget and Administration Committee, to the World Health Assembly;

(2) to submit regular reports on the availability of resources and expenditures under the components of Outbreak and crisis response and scalable operations, Polio and on the special programmes of the Tropical disease research, and Research on human reproduction components of the budget;

(3) to provide additional information on the prioritization process and a plan, including details of the activities that should be discontinued, in preparation for the Thirteenth General Programme of Work, 2020–2025, through the Executive Board and its Programme Budget and Administration Committee, to the Seventy-first World Health Assembly;

(4) to control costs and seek efficiencies, and to submit regular reports with detailed information on savings and efficiencies as well as an estimation of savings achieved.

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