
Proposed programme budget 2018–2019

Proposed increase in assessed contributions

Report by the Director-General

1. At its twenty-fifth meeting, the Programme Budget and Administration Committee of the Executive Board recommended to the Executive Board that further discussions with the Secretariat take place on the Proposed programme budget 2018–2019, especially on the affordable level of assessed contributions, savings and efficiencies, prioritization of activities, impact of voluntary contributions, and resource mobilization.¹ This paper sets out the rationale for a proposed increase in assessed contributions.

2. The Director-General is proposing a 3% increase in assessed contributions for the Proposed programme budget 2018–2019, amounting to US\$ 28 million. This is considerably less than the 10% increase originally proposed by the Director-General in the draft Proposed programme budget 2018–2019 that was presented to the Executive Board at its 140th session,² which was based on the recommendations of the High-level Panel on the Global Response to Health Crises.³ The reduced amount responds to concerns raised by several Member States during the Executive Board, including those that have already seen a significant increase in their contributions under the scale of assessments adopted by the Health Assembly⁴ and would find it challenging to meet the additional contributions. The amounts that Member States would pay as assessed contributions if a 3% increase were to be adopted are shown in the Annex. The reduction in the amount requested has been offset by making further planned cost savings in category 6.

3. Although a 3% increase would be relatively small in relation to the overall programme budget, its adoption would be an acknowledgement of the need for an increase in assessed contributions at this time – the first increase since the biennium 2006–2007. Several Member States have emphasized that an increase in assessed contributions for the biennium 2018–2019 does not necessarily establish a precedent for future programme budgets, and Member States would need to reconsider any future requests on each occasion.

¹ See document EB140/5.

² Document EB140/36.

³ Available at http://www.un.org/News/dh/infocus/HLP/2016-02-05_Final_Report_Global_Response_to_Health_Crises.pdf, accessed 30 March 2017.

⁴ See resolution WHA69.14 (2016).

WHY IS WHO FUNDED IN PART BY ASSESSED CONTRIBUTIONS?

4. Since WHO was established in 1948, the programme budget has been financed, at least in part, by assessed contributions. In the early decades of WHO's existence, assessed contributions constituted almost all the funding of WHO, with voluntary funds limited mainly to the special programmes established in the 1970s. It was not until the 1990s that voluntary contributions overtook assessed contributions in providing the majority of income.

5. The basis for using assessed contributions is the WHO Constitution, which states that the expenses of the Organization shall be apportioned among the Members in accordance with a scale to be fixed by the Health Assembly (Article 56). Assessed contributions therefore reflect the nature of WHO as an international multilateral organization, where membership comes with certain financial responsibilities.

6. Assessed contributions provide the type of funding that is necessary for an organization with mission-critical functions that rely on long-term, predictable financing and that could be seriously compromised by dependence on voluntary funding. Much of the work of WHO is programmatic in nature, rather than being project-based. Examples include disease surveillance, building core capacities under the International Health Regulations (2005), and the work of the governing bodies. Such functions may not require full financing with assessed contributions, but voluntary contributions usually play a complementary rather than a primary role. Details of which categories, programme areas and offices are supported by assessed contributions in the current and past bienniums are available on the WHO programme budget web portal.¹

7. A third rationale for funding by assessed contributions is that much of the normative, standard-setting work of WHO requires a degree of independence from the funding source, to ensure that there is no potential for conflicts of interest.

WHY ARE ASSESSED CONTRIBUTIONS SO VALUABLE AS A FUNDING SOURCE?

8. Assessed contributions provide the highest-quality funding for WHO, as they are – uniquely – fully flexible, and can be allocated to any type of work. All other sources of funding have some limitations on their use, including core voluntary contributions, which are not used for category 6 activities, due to the requirements of OECD Development Assistance Committee funding.

9. The financing dialogues have contributed to a significant increase in the predictability of voluntary contributions, but there has not yet been any improvement in the alignment of such funds, and several programme areas have consistently been under-resourced, such as noncommunicable diseases. The non-earmarking of assessed contributions means that the Director-General can allocate these funds throughout the biennium in a strategic and timely manner to ensure alignment of funding across the programme budget in its entirety. This enables the Organization to fulfil the mandate provided by the Health Assembly to implement the programme budget as a whole, and not just the elements funded by assessed contributions, as was the case in the past. Approval of the programme budget in its entirety since the biennium 2014–2015 was made possible by the accompanying decision of the Health Assembly to no longer appropriate assessed contributions to specific categories.² This

¹ See <http://extranet.who.int/programmebudget/>, accessed 30 March 2017.

² Resolution WHA66.2 (2013).

means that a relatively small volume of assessed contributions can leverage effective use of much larger amounts of voluntary contributions, even if these are relatively highly specified.

WHY IS AN INCREASE IN ASSESSED CONTRIBUTIONS NEEDED, AND WHAT WILL THE ORGANIZATION NOT BE ABLE TO DO IF NO INCREASE IS ADOPTED?

10. If the increase in assessed contributions is not approved, the Director-General will have reduced capacity to align funding with the programme budget and ensure delivery of results across all categories and programme areas. This will put pressure on specific programme areas that consistently receive a significant proportion of assessed contributions, for example leadership and governance, which received 17.8% of the assessed contributions in the biennium 2014–2015.

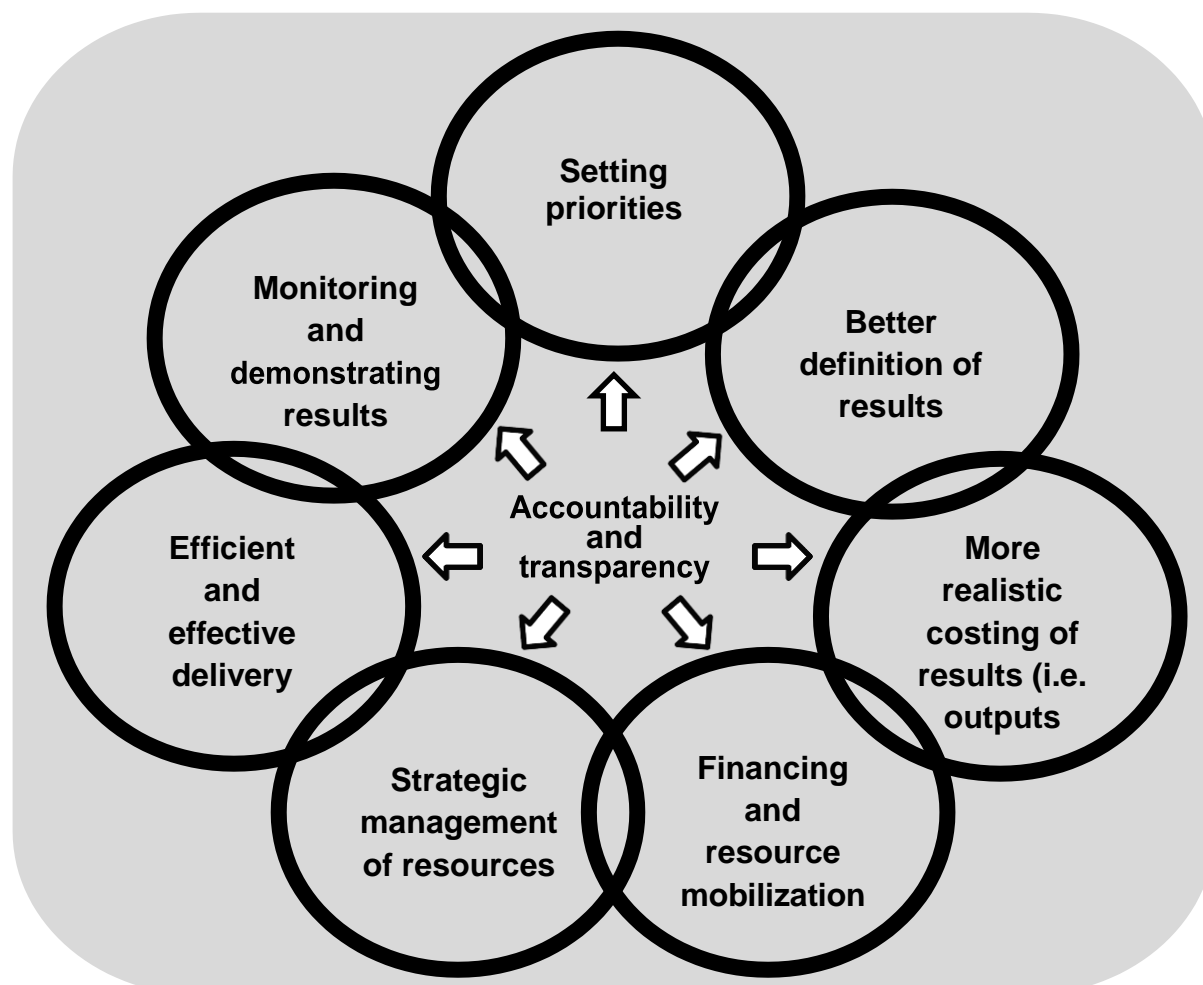
WHAT STEPS IS WHO TAKING TO DEMONSTRATE EFFECTIVE STEWARDSHIP OF RESOURCES?

11. Reforms of the work of WHO implemented over the last 10 years are delivering results in terms of increased efficiency, accountability and transparency. An overview of the reforms that have contributed to more effective planning, financing, implementation and monitoring of the programme budget (see Figure 1) is provided on the WHO programme budget web portal.¹ Additional information on cost recovery mechanisms and value for money has also been provided to the Health Assembly.²

¹ Available at http://extranet.who.int/programmebudget/Documents/WHO%20delivering%20for%20Results_background%20paper_DRAFT.pdf, accessed 30 March 2017.

² See, respectively, documents A70/INF./5 and A70/INF./6.

Figure 1. Interlinked aspects of WHO reform shaping the programme budget



ANNEX

**ASSESSED CONTRIBUTIONS BY MEMBER STATE AND ASSOCIATE MEMBER,
SHOWING 3% INCREASE IN TOTAL ASSESSED CONTRIBUTION FOR THE
BIENNIUM 2018–2019 (US DOLLARS)**

Member State and Associate Member	Assessed contributions in US\$				Change	
	With a 3% increase				2018	2018
	2016	2017	2018	2019	to 2016	to 2017
Biennial assessment (net of Tax Equalization Fund)	929 000 000		956 870 000			
Afghanistan	23 230	27 870	28 710	28 710	5 480	840
Albania	46 450	37 160	38 270	38 270	-8 180	1 110
Algeria	636 370	747 850	770 290	770 290	133 920	22 440
Andorra	37 160	27 870	28 710	28 710	-8 450	840
Angola	46 450	46 450	47 840	47 840	1 390	1 390
Antigua and Barbuda	9 290	9 290	9 570	9 570	280	280
Argentina	2 006 640	4 143 340	4 267 640	4 267 640	2 261 000	124 300
Armenia	32 520	27 870	28 710	28 710	-3 810	840
Australia	9 634 200	10 855 830	11 181 500	11 181 500	1 547 300	325 670
Austria	3 707 180	3 344 870	3 445 220	3 445 220	-261 960	100 350
Azerbaijan	185 800	278 700	287 060	287 060	101 260	8 360
Bahamas	78 970	65 030	66 980	66 980	-11 990	1 950
Bahrain	181 160	204 380	210 510	210 510	29 350	6 130
Bangladesh	46 450	46 450	47 840	47 840	1 390	1 390
Barbados	37 160	32 520	33 500	33 500	-3 660	980
Belarus	260 120	260 120	267 920	267 920	7 800	7 800
Belgium	4 636 180	4 111 290	4 234 630	4 234 630	-401 550	123 340
Belize	4 650	4 650	4 790	4 790	140	140
Benin	13 940	13 940	14 360	14 360	420	420
Bhutan	4 650	4 650	4 790	4 790	140	140
Bolivia (Plurinational State of)	41 810	55 740	57 410	57 410	15 600	1 670
Bosnia And Herzegovina	78 970	60 390	62 200	62 200	-16 770	1 810
Botswana	78 970	65 030	66 980	66 980	-11 990	1 950
Brazil	13 629 360	17 758 770	18 291 530	18 291 530	4 662 170	532 760
Brunei Darussalam	120 770	134 700	138 740	138 740	17 970	4 040
Bulgaria	218 320	209 030	215 300	215 300	-3 020	6 270
Burkina Faso	13 940	18 580	19 140	19 140	5 200	560
Burundi	4 650	4 650	4 790	4 790	140	140
Cabo Verde	4 650	4 650	4 790	4 790	140	140
Cambodia	18 580	18 580	19 140	19 140	560	560
Cameroon	55 740	46 450	47 840	47 840	-7 900	1 390
Canada	13 861 605	13 568 505	13 975 560	13 975 560	113 955	407 055
Central African Republic	4 650	4 650	4 790	4 790	140	140
Chad	9 290	23 230	23 930	23 930	14 640	700
Chile	1 551 430	1 853 350	1 908 950	1 908 950	357 520	55 600
China	23 914 320	36 793 970	37 897 790	37 897 790	13 983 470	1 103 820
Colombia	1 203 060	1 495 690	1 540 560	1 540 560	337 500	44 870
Comoros	4 650	4 650	4 790	4 790	140	140
Congo	23 230	27 870	28 710	28 710	5 480	840
Cook Islands	4 650	4 650	4 790	4 790	140	140
Costa Rica	176 510	218 320	224 870	224 870	48 360	6 550
Côte D'ivoire	51 100	41 810	43 060	43 060	-8 040	1 250
Croatia	585 270	459 860	473 660	473 660	-111 610	13 800
Cuba	320 510	301 920	310 980	310 980	-9 530	9 060
Cyprus	218 320	199 740	205 730	205 730	-12 590	5 990

Member State and Associate Member	Assessed contributions in US\$				Change	
	With a 3% increase				2018 to 2016	2018 to 2017
	2016	2017	2018	2019		
Czech Republic	1 792 970	1 597 880	1 645 820	1 645 820	-147 150	47 940
Democratic People's Republic of Korea	27 870	23 230	23 930	23 930	-3 940	700
Democratic Republic of the Congo	13 940	37 160	38 270	38 270	24 330	1 110
Denmark	3 135 380	2 712 680	2 794 060	2 794 060	-341 320	81 380
Djibouti	4 650	4 650	4 790	4 790	140	140
Dominica	4 650	4 650	4 790	4 790	140	140
Dominican Republic	209 030	213 670	220 080	220 080	11 050	6 410
Ecuador	204 380	311 210	320 550	320 550	116 170	9 340
Egypt	622 430	706 040	727 220	727 220	104 790	21 180
El Salvador	74 320	65 030	66 980	66 980	-7 340	1 950
Equatorial Guinea	46 450	46 450	47 840	47 840	1 390	1 390
Eritrea	4 650	4 650	4 790	4 790	140	140
Estonia	185 800	176 510	181 810	181 810	-3 990	5 300
Ethiopia	46 450	46 450	47 840	47 840	1 390	1 390
Fiji	13 940	13 940	14 360	14 360	420	420
Finland	2 410 760	2 118 120	2 181 660	2 181 660	-229 100	63 540
France	28 163 070	24 752 260	25 494 830	25 494 830	-2 668 240	742 570
Gabon	92 900	78 970	81 340	81 340	-11 560	2 370
Gambia	4 650	4 650	4 790	4 790	140	140
Georgia	32 520	37 160	38 270	38 270	5 750	1 110
Germany	33 172 630	29 677 840	30 568 180	30 568 180	-2 604 450	890 340
Ghana	65 030	74 320	76 550	76 550	11 520	2 230
Greece	2 963 510	2 187 800	2 253 430	2 253 430	-710 080	65 630
Grenada	4 650	4 650	4 790	4 790	140	140
Guatemala	125 420	130 060	133 960	133 960	8 540	3 900
Guinea	4 650	9 290	9 570	9 570	4 920	280
Guinea-Bissau	4 650	4 650	4 790	4 790	140	140
Guyana	4 650	9 290	9 570	9 570	4 920	280
Haiti	13 940	13 940	14 360	14 360	420	420
Honduras	37 160	37 160	38 270	38 270	1 110	1 110
Hungary	1 235 570	747 850	770 290	770 290	-465 280	22 440
Iceland	125 420	106 830	110 030	110 030	-15 390	3 200
India	3 093 570	3 423 370	3 526 070	3 526 070	432 500	102 700
Indonesia	1 607 170	2 341 080	2 411 310	2 411 310	804 140	70 230
Iran (Islamic Republic of)	1 653 620	2 187 800	2 253 430	2 253 430	599 810	65 630
Iraq	315 860	599 210	617 190	617 190	301 330	17 980
Ireland	1 941 610	1 556 080	1 602 760	1 602 760	-338 850	46 680
Israel	1 839 420	1 997 350	2 057 270	2 057 270	217 850	59 920
Italy	20 662 360	17 410 390	17 932 700	17 932 700	-2 729 660	522 310
Jamaica	51 100	41 810	43 060	43 060	-8 040	1 250
Japan	50 322 850	44 964 440	46 313 370	46 313 370	-4 009 480	1 348 930
Jordan	102 190	92 900	95 690	95 690	-6 500	2 790
Kazakhstan	562 050	887 200	913 820	913 820	351 770	26 620
Kenya	60 390	83 610	86 120	86 120	25 730	2 510
Kiribati	4 650	4 650	4 790	4 790	140	140
Kuwait	1 268 090	1 323 820	1 363 530	1 363 530	95 440	39 710
Kyrgyzstan	9 290	9 290	9 570	9 570	280	280
Lao People's Democratic Republic	9 290	13 930	14 350	14 350	5 060	420
Latvia	218 320	232 250	239 220	239 220	20 900	6 970
Lebanon	195 090	213 670	220 080	220 080	24 990	6 410
Lesotho	4 650	4 650	4 790	4 790	140	140
Liberia	4 650	4 650	4 790	4 790	140	140
Libya	659 590	580 630	598 050	598 050	-61 540	17 420
Lithuania	339 090	334 440	344 470	344 470	5 380	10 030
Luxembourg	376 250	297 280	306 200	306 200	-70 050	8 920

Member State and Associate Member	Assessed contributions in US\$				Change	
	With a 3% increase				2018 to 2016	2018 to 2017
	2016	2017	2018	2019		
Madagascar	13 940	13 940	14 360	14 360	420	420
Malawi	9 290	9 290	9 570	9 570	280	280
Malaysia	1 305 250	1 495 690	1 540 560	1 540 560	235 310	44 870
Maldives	4 650	9 290	9 570	9 570	4 920	280
Mali	18 580	13 930	14 350	14 350	-4 230	420
Malta	74 320	74 320	76 550	76 550	2 230	2 230
Marshall Islands	4 650	4 650	4 790	4 790	140	140
Mauritania	9 290	9 290	9 570	9 570	280	280
Mauritius	60 390	55 740	57 410	57 410	-2 980	1 670
Mexico	8 556 560	6 666 040	6 866 020	6 866 020	-1 690 540	199 980
Micronesia (Federated States of)	4 650	4 650	4 790	4 790	140	140
Monaco	55 740	46 450	47 840	47 840	-7 900	1 390
Mongolia	13 940	23 230	23 930	23 930	9 990	700
Montenegro	23 230	18 580	19 140	19 140	-4 090	560
Morocco	287 990	250 830	258 350	258 350	-29 640	7 520
Mozambique	13 940	18 580	19 140	19 140	5 200	560
Myanmar	46 450	46 450	47 840	47 840	1 390	1 390
Namibia	46 450	46 450	47 840	47 840	1 390	1 390
Nauru	4 650	4 650	4 790	4 790	140	140
Nepal	27 870	27 870	28 710	28 710	840	840
Netherlands	7 683 300	6 884 360	7 090 890	7 090 890	-592 410	206 530
New Zealand	1 175 190	1 244 860	1 282 210	1 282 210	107 020	37 350
Nicaragua	13 940	18 580	19 140	19 140	5 200	560
Niger	9 290	9 290	9 570	9 570	280	280
Nigeria	418 050	970 810	999 930	999 930	581 880	29 120
Niue	4 650	4 650	4 790	4 790	140	140
Norway	3 953 360	3 944 070	4 062 390	4 062 390	109 030	118 320
Oman	473 790	524 890	540 640	540 640	66 850	15 750
Pakistan	394 830	431 985	444 940	444 940	50 110	12 955
Palau	4 650	4 650	4 790	4 790	140	140
Panama	120 770	157 930	162 670	162 670	41 900	4 740
Papua New Guinea	18 580	18 580	19 140	19 140	560	560
Paraguay	46 450	65 030	66 980	66 980	20 530	1 950
Peru	543 470	631 720	650 670	650 670	107 200	18 950
Philippines	715 330	766 430	789 420	789 420	74 090	22 990
Poland	4 278 510	3 906 910	4 024 120	4 024 120	-254 390	117 210
Portugal	2 185 714	1 804 820	1 858 960	1 858 960	-326 754	54 140
Puerto Rico	4 650	4 650	4 790	4 790	140	140
Qatar	970 810	1 249 510	1 287 000	1 287 000	316 190	37 490
Republic of Korea	9 262 600	9 471 620	9 755 770	9 755 770	493 170	284 150
Republic of Moldova	13 940	18 580	19 140	19 140	5 200	560
Romania	1 049 770	854 680	880 320	880 320	-169 450	25 640
Russian Federation	11 325 440	14 344 690	14 775 020	14 775 020	3 449 580	430 330
Rwanda	9 290	9 290	9 570	9 570	280	280
Saint Kitts and Nevis	4 650	4 650	4 790	4 790	140	140
Saint Lucia	4 650	4 650	4 790	4 790	140	140
Saint Vincent and the Grenadines	4 650	4 650	4 790	4 790	140	140
Samoa	4 650	4 650	4 790	4 790	140	140
San Marino	13 940	13 940	14 360	14 360	420	420
Sao Tome and Principe	4 650	4 650	4 790	4 790	140	140
Saudi Arabia	4 013 750	5 323 640	5 483 350	5 483 350	1 469 600	159 710
Senegal	27 870	23 230	23 930	23 930	-3 940	700
Serbia	185 800	148 640	153 100	153 100	-32 700	4 460
Seychelles	4 650	4 650	4 790	4 790	140	140
Sierra Leone	4 650	4 650	4 790	4 790	140	140

Member State and Associate Member	Assessed contributions in US\$				Change	
	With a 3% increase				2018 to 2016	2018 to 2017
	2016	2017	2018	2019		
Singapore	1 783 680	2 076 320	2 138 610	2 138 610	354 930	62 290
Slovakia	794 300	743 200	765 500	765 500	-28 800	22 300
Slovenia	464 500	390 180	401 890	401 890	-62 610	11 710
Solomon Islands	4 650	4 650	4 790	4 790	140	140
Somalia	4 650	4 650	4 790	4 790	140	140
South Africa	1 727 940	1 690 780	1 741 500	1 741 500	13 560	50 720
South Sudan	18 580	13 930	14 350	14 350	-4 230	420
Spain	13 810 520	11 348 200	11 688 650	11 688 650	-2 121 870	340 450
Sri Lanka	116 130	143 990	148 310	148 310	32 180	4 320
Sudan	46 450	46 450	47 840	47 840	1 390	1 390
Suriname	18 580	27 870	28 710	28 710	10 130	840
Swaziland	13 940	9 290	9 570	9 570	-4 370	280
Sweden	4 459 670	4 441 090	4 574 320	4 574 320	114 650	133 230
Switzerland	4 863 780	5 295 770	5 454 640	5 454 640	590 860	158 870
Syrian Arab Republic	167 220	111 480	114 820	114 820	-52 400	3 340
Tajikistan	13 940	18 580	19 140	19 140	5 200	560
Thailand	1 110 160	1 351 690	1 392 240	1 392 240	282 080	40 550
The Former Yugoslav Republic of Macedonia	37 160	32 520	33 500	33 500	-3 660	980
Timor-Leste	9 290	13 930	14 350	14 350	5 060	420
Togo	4 650	4 650	4 790	4 790	140	140
Tokelau	4 650	4 650	4 790	4 790	140	140
Tonga	4 650	4 650	4 790	4 790	140	140
Trinidad And Tobago	204 380	157 930	162 670	162 670	-41 710	4 740
Tunisia	167 220	130 060	133 960	133 960	-33 260	3 900
Turkey	6 169 030	4 729 080	4 870 950	4 870 950	-1 298 080	141 870
Turkmenistan	88 260	120 770	124 390	124 390	36 130	3 620
Tuvalu	4 650	4 650	4 790	4 790	140	140
Uganda	27 870	41 810	43 060	43 060	15 190	1 250
Ukraine	459 860	478 440	492 790	492 790	32 930	14 350
United Arab Emirates	2 763 780	2 805 580	2 889 750	2 889 750	125 970	84 170
United Kingdom of Great Britain and Northern Ireland	24 058 300	20 731 580	21 353 530	21 353 530	-2 704 770	621 950
United Republic of Tanzania	41 810	46 450	47 840	47 840	6 030	1 390
United States of America	113 513 160	113 513 160	116 918 540	116 918 540	3 405 380	3 405 380
Uruguay	241 540	366 950	377 960	377 960	136 420	11 010
Uzbekistan	69 680	106 830	110 030	110 030	40 350	3 200
Vanuatu	4 650	4 650	4 790	4 790	140	140
Venezuela (Bolivarian Republic of)	2 912 420	2 652 300	2 731 870	2 731 870	-180 550	79 570
Viet Nam	195 090	269 410	277 490	277 490	82 400	8 080
Yemen	46 450	46 450	47 840	47 840	1 390	1 390
Zambia	27 870	32 520	33 500	33 500	5 630	980
Zimbabwe	9 290	18 580	19 140	19 140	9 850	560
Total	477 988 680	477 988 680	492 328 340	492 328 340	14 339 660	14 339 660
Less: Tax equalization adjustment (a)	26 977 360		27 786 680			
Total per biennium	929 000 000		956 870 000			
Increase for the biennium: 3%	0		27 870 000			

(a) Amount to be deducted for tax equalization adjustment

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