

Implementation and financing of Programme budget 2014–2015: update

Report by the Secretariat

1. In May 2013, the Sixty-sixth World Health Assembly approved the budget for the financial period 2014–2015, under all sources of funds, namely assessed and voluntary contributions, of US\$ 3977 million, allocated to six categories.¹
2. As at 30 November 2014, an additional US\$ 572 million has been planned under the Outbreak and crisis response and Polio eradication components of the budget.²

FINANCING THE PROGRAMME BUDGET 2014–2015

3. At the end of November 2014, the financing available to support the approved budget was US\$ 3733 million (assessed contributions of US\$ 929 million and voluntary contributions of US\$ 2804 million for 2014–2015),³ giving a 94% level of financing.
4. However, there are still differences in the levels of financing of various technical programme areas. The five most under-funded programme areas (Vaccine-preventable diseases, Integrated people-centred health services, Noncommunicable diseases, Alert and response capacities and Health

¹ Resolution WHA66.2.

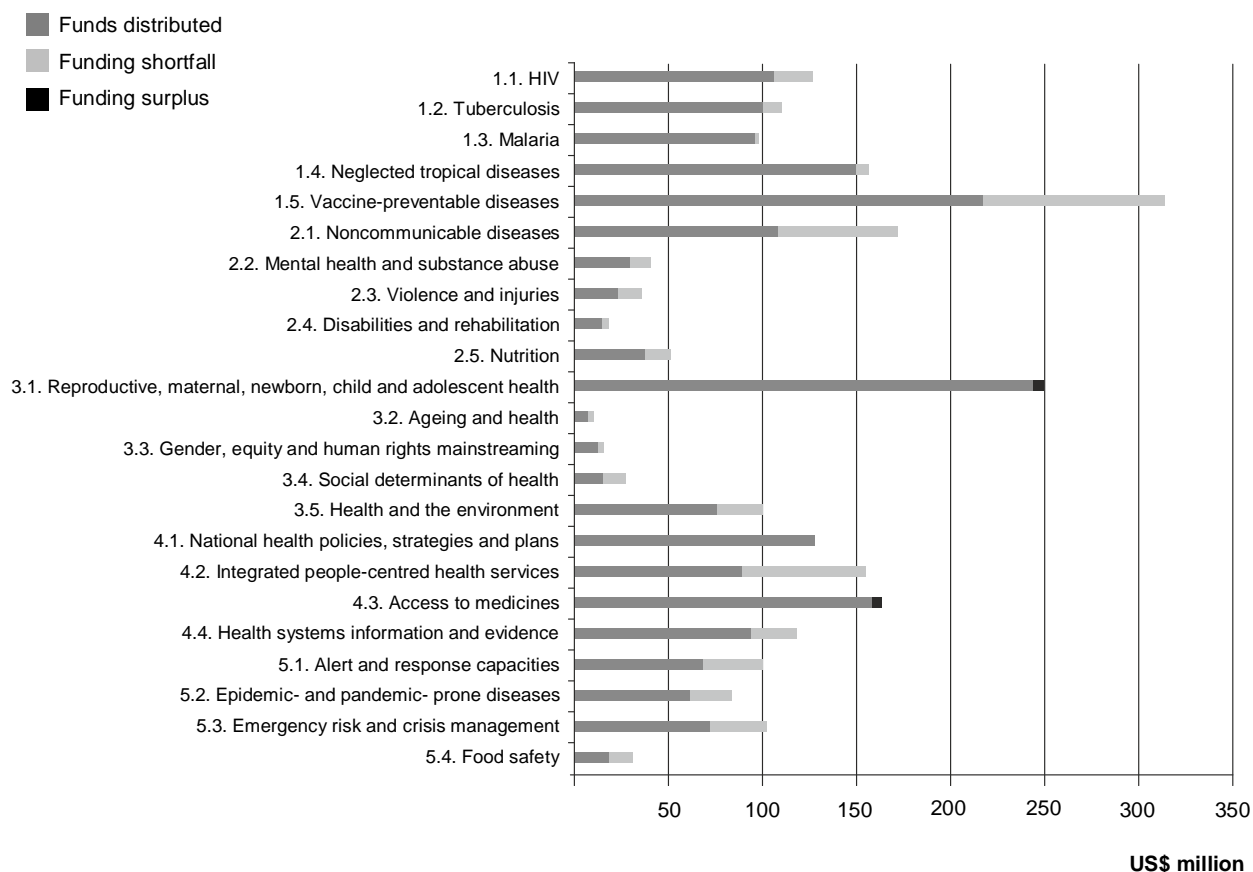
² In accordance with the authority granted to the Director-General by the Health Assembly in resolution WHA66.2, the increase of US\$ 572 million for Outbreak and crisis response and Polio eradication is summarized as follows:

- The increase of US\$ 306 million for Outbreak and crisis response consists of US\$ 165 million for the response to the Ebola virus disease crisis, US\$ 113 million for the Eastern Mediterranean Region (Iraq and Syrian Arab Republic), US\$ 14 million for Typhoon Haiyan (Yolanda) in the Philippines, US\$ 10 million for yellow fever and cholera outbreaks, and US\$ 4 million for emergency relief in the South-East Asia Region. As at 30 November 2014, the financing received against the increase amounted to US\$ 219 million.
- The increase of US\$ 266 million for Polio eradication is in line with the overall budget of the Global Polio Eradication Initiative for 2014–2015 and the Polio Eradication and Endgame Strategic Plan 2013–2018. As at 30 November 2014, the financing received against the increase amounted to US\$ 180 million.

³ In addition, US\$ 315 million was received to support implementation of the Programme budget in 2016–2017 and 2018–2019.

and the environment) represent 57% (US\$ 287 million) of the 2014–2015 shortfall.¹ The status of financing by programme area is shown in Figure 1.

Figure 1. Financing of the Programme budget by programme area as at 30 November 2014



5. Compared with the previous two bienniums, the financing of the Programme budget by programme area shows a slight improvement. As at 30 November 2014 no category had a funding gap of more than 33%.

¹ These programme areas exclude the Outbreak and crisis response and Polio eradication components and the category of Corporate services/enabling functions.

6. Following the second financing dialogue in November 2013, the Programme budget was 70% financed at the start of the biennium. In order to provide adequate financing and ensure operational capacity across the three levels of the Organization, the Director-General has decided to adopt a strategic approach to the release of flexible resources (assessed contributions and core voluntary contributions). At the beginning of the biennium, 80% of available assessed contributions and 50% of core voluntary contributions were released, based on a review focused on the costs of staff and key activities for major offices. A second release of funds will take place in December 2014, following the same criteria and aimed at reducing funding gaps across all programme areas.

7. There is clear evidence of an improvement in the alignment of resources to the Programme budget 2014–2015. However, efforts need to be made to bridge the gaps in under-funded programme areas, in line with the principles established for the financing dialogue and coordinated resource mobilization.

PROGRAMMATIC IMPLEMENTATION OF THE PROGRAMME BUDGET 2014–2015

8. The 2014 Ebola virus disease outbreak in West Africa, which has been taking place on an unexpected and unprecedented scale in several countries, has stretched the capacity of the Organization to mount and sustain the necessary response, and staff from across the Organization have been mobilized in support. The use of operational capacity that is required for procurement of goods and services, recruitment, and staff deployment, is also affecting the delivery of the work for other priority programmes. This comes in the midst of other persisting and emerging crises in other parts of the world in which WHO is also heavily involved. Sustaining this effort over a significant period is anticipated to incur an opportunity cost in terms of the delivery of the Programme budget 2014–2015.

9. In the African Region, a large number of technical and administrative staff have been mobilized from the regional and country offices to help in the countries affected. A large number of staff normally engaged in work on preparedness and response, polio eradication, health systems, and management and administration at headquarters and in the regions have been seconded and/or deployed for work to tackle Ebola virus disease. It is expected that a number of time-bound projects will be affected. It is also anticipated that there will be a substantial need for work on strengthening preparedness in all regions, but the extent of this effort and its resource implications have yet to be determined.

10. Processes are currently under way to capture more thoroughly the impact of the Ebola virus disease outbreak on the delivery of WHO's work. The mid-term review of the Programme budget 2014–2015 that is currently being undertaken will also provide more detailed information on the impact of the outbreak on the delivery of the Secretariat's work. The information will also influence the finalization of the proposed Programme budget 2016–2017 for the Sixty-eighth World Health Assembly in May 2015.

11. A number of resolutions and decisions adopted by the Executive Board at its 133rd and 134th sessions have cost implications for the Programme budget 2014–2015, notably in categories 2, 4 and 5. Details of these cost implications, which amount to US\$ 39.6 million, are contained in the Annex.

12. The UNICEF/UNDP/World Bank/WHO Special Programme for Research and Training in Tropical Diseases, and the UNDP/UNFPA/UNICEF/WHO/World Bank Special Programme of Research, Development and Research Training in Human Reproduction have their respective governance mechanisms that set their budgeting and financing targets. An approach similar to that

taken in respect of polio eradication is required in order to deal in a transparent manner with the budgetary and financing decisions of the governing bodies of these programmes.

13. As at 30 November 2014 the overall implementation rate was 48% of the approved Programme budget and 51% of available resources.

14. Figures 2 and 3 below show the approved budget, financing and implementation as at 30 November 2014 by major office and category.

Figure 2. Approved Programme budget: financing and implementation by major office as at 30 November 2014 (US\$ million)

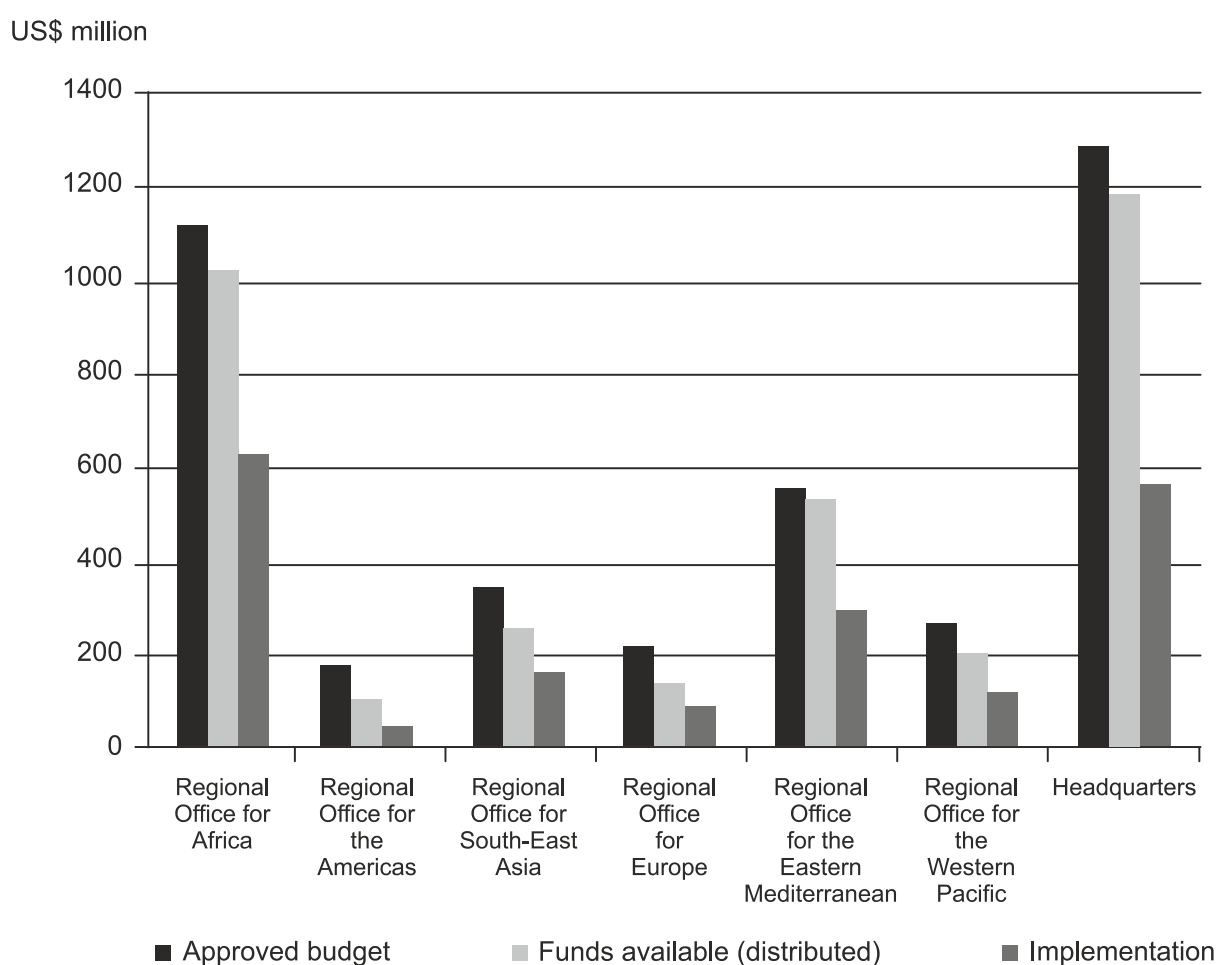
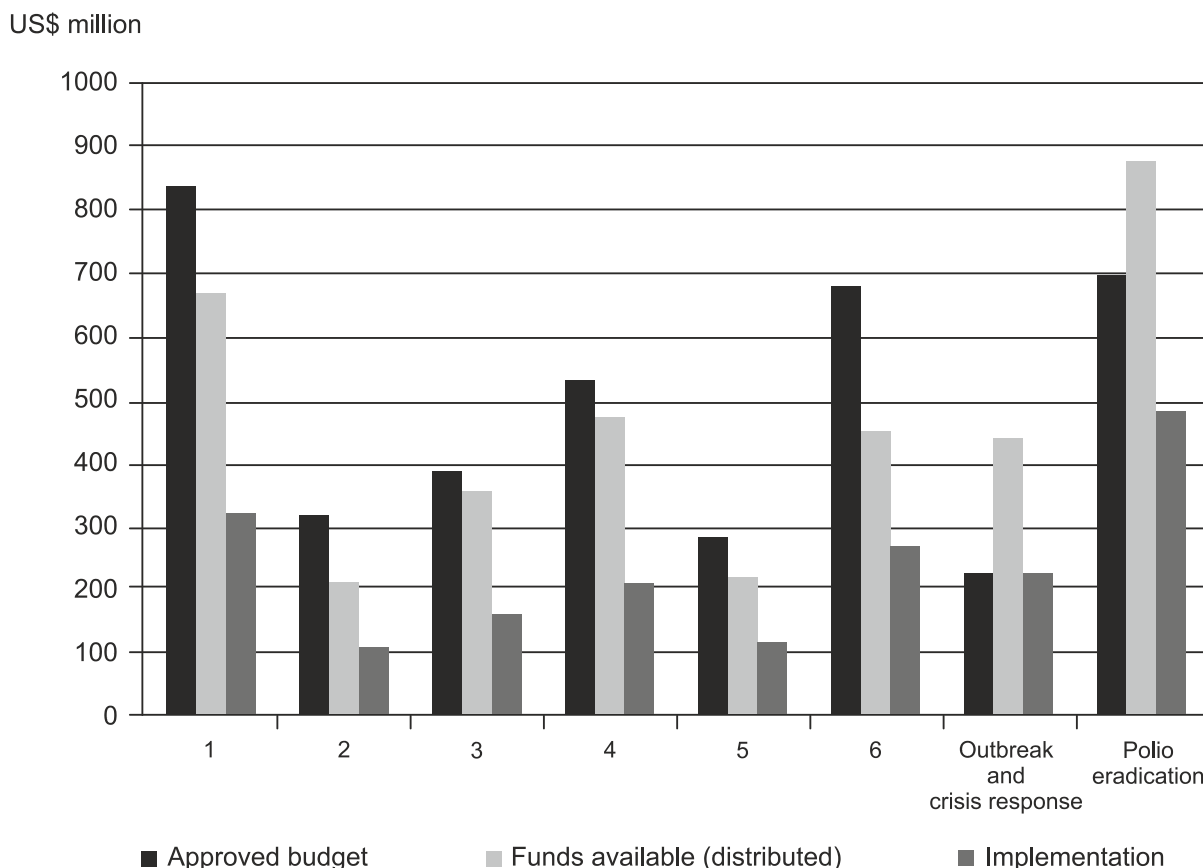


Figure 3. Approved Programme budget: financing and implementation by category as at 30 November 2014 (US\$ million)



15. In conclusion:

- the available financing and the implementation of activities are better aligned with the Programme budget 2014–2015 than was the case with the Programme budget 2012–2013;
- in overall terms the Programme budget 2014–2015 is well financed; however, there are a number of issues with regard to alignment of resources to certain programme areas;
- at the end of the third quarter of 2014, the Programme budget 2014–2015 was slightly under-implemented; and
- a more flexible approach must be taken to cope with budget requirements that arise during the biennium.

16. A more detailed analysis of implementation of the Programme budget 2014–2015, and an update on the actions being proposed and implemented as part of the managerial response to the continued reform agenda,¹ will be submitted to the Sixty-eighth World Health Assembly through the

¹ Including options to ensure alignment of resolutions with the general programme of work and the related programme budgets. See decision WHA67(8), operative paragraph 4.

Programme, Budget and Administration Committee of the Executive Board at its twenty-second meeting in May 2015, together with a review of the audited financial statements for the year 2014. Further information on the Programme budget 2014–2015 will be available on the web portal in 2015.¹

ACTION BY THE EXECUTIVE BOARD

17. The Board is invited to note the report.

¹ <https://extranet.who.int/programmebudget/> (accessed 18 December 2014).

ANNEX

**THE FINANCIAL IMPLICATIONS OF THE RESOLUTIONS AND DECISIONS ADOPTED BY THE EXECUTIVE BOARD
AT ITS 133RD AND 134TH SESSIONS, OR DRAFTS RECOMMENDED AT THOSE SESSIONS, FOR ADOPTION
BY THE SIXTY-SEVENTH WORLD HEALTH ASSEMBLY**

| Resolution/ decision/draft resolution | Title | Report on financial and administrative implications for the Secretariat | Estimated total cost (US\$ 000) | Estimated total duration | Overall financial implications for Programme budget 2014–2015 (US\$ 000) | Costs already included in Programme budget 2014–2015 (US\$ 000) | Costs not included in Programme budget 2014–2015 (US\$ 000) |
|---|--|---|---------------------------------------|--------------------------------|--|---|--|
| EB133.R1 | Comprehensive and coordinated efforts for the management of autism spectrum disorders | See document EB133/2013/REC/1 | 37 000 | 7 years (2014–2020) | 2 800 | 1 000 | 1 800 |
| EB133.R2 | World psoriasis day | See document EB133/2013/REC/1 | 100 | 2014 onwards | 150 | 150 | – |
| EB133.R3 | Confirmation of amendments to the Staff Rules | See document EB133/2013/REC/1 | – | “Indefinite” | – | – | – |
| EB134.R1 | Appointment of the Regional Director for South-East Asia | N/A | | | | | |
| EB134.R2 | Expression of appreciation to Dr Samlee Plianbangchang | N/A | | | | | |
| EB134.R3 | Appointment of the Regional Director for the Western Pacific | N/A | | | | | |
| EB134.R4 | Global strategy and targets for tuberculosis prevention, care and control after 2015 | See document EB134/2014/REC/1 | To be confirmed | 20 years (2016–2035) | 98 500 | 98 500 | – |
| EB134.R5 | Public health impacts of exposure to mercury and mercury compounds: the role of WHO and ministries of public health in the implementation of the Minamata Convention | See document EB134/2014/REC/1 | 9 030 | Minimum 7 years (2014–2020) | 2 470 | 2 470 | – |
| EB134.R6 | Traditional medicine | See document EB134/2014/REC/1 | 26 110 | 10 years (2014–2023) | 5 200 | 5 200 | – |
| EB134.R7 | Strengthening of palliative care as a component of integrated treatment within the continuum of care | See document EB134/2014/REC/1 | 20 000 | Minimum 7 years (2014–2020) | 1 000 | 1 000 | – |

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|---|---|---|---------------------------------------|-----------------------------|--|---|--|
| EB134.R8 | Contributing to social and economic development: sustainable action across sectors to improve health and health equity (follow up of the 8th Global Conference on Health Promotion) | See document EB134/2014/REC/1 | 1 450 | 3 years (2014–2016) | 980 | 980 | – |
| EB134.R9 | Confirmation of amendments to the Financial Rules | N/A | | | | | |
| EB134.R10 | Implementation of the International Health Regulations (2005) | See document EB134/2014/REC/1 | – | N/A | – | – | – |
| EB134.R11 | Confirmation of amendments to the Staff Rules | See document EB134/2014/REC/1 | 20 | 2 years (2014–2015) | 20 | 20 | – |
| EB134.R12 | Salaries of staff in ungraded posts and of the Director-General | N/A | | | | | |
| EB134.R13 | Combating antimicrobial resistance, including antibiotic resistance | See document EB134/2014/REC/1 | 9 600 | 2 years (2014–2015) | 9 600 | 1 800 | 7 800 |
| EB134.R14 | Health intervention and technology assessment in support of universal health coverage | See document EB134/2014/REC/1 | 28 000 | 6 years (2014–2019) | 13 600 | 8 600 | 5 000 |
| EB134.R15 | Follow-up of the Recife Political Declaration on Human Resources for Health: renewed commitments towards universal health coverage | See document EB134/2014/REC/1 | 18 800 | 4 years (2014–2017) | 9 400 | 9 400 | – |
| EB134.R16 | Access to essential medicines | See document EB134/2014/REC/1 | 18 000 | 6 years (2014–2019) | 8 600 | 8 600 | – |
| EB134.R17 | Regulatory system strengthening for medical products | See document EB134/2014/REC/1 | 250 000 | 11 years (2014–2024) | 30 000 | 5 000 | 25 000 |
| EB134.R18 | Hepatitis | See document EB134/2014/REC/1 | 7 400 | “Not time-bound” | 3 300 | 3 300 | – |
| EB134.R19 | Access to biotherapeutic products and ensuring quality, safety and efficacy | See document EB134/2014/REC/1 | 25 000 | 10 years (2014–2023) | 3 000 | 3 000 | – |
| EB134.R20 | Relations with nongovernmental organizations | N/A | | | | | |
| Subtotal | | | 450 510 | | 188 620 | 149 020 | 39 600 |

| Resolution/ decision/draft resolution | Title | Report on financial and administrative implications for the Secretariat | Estimated total cost (US\$ 000) | Estimated total duration | Overall financial implications for Programme budget 2014–2015 (US\$ 000) | Costs already included in Programme budget 2014–2015 (US\$ 000) | Costs not included in Programme budget 2014–2015 (US\$ 000) |
|---|---|---|---------------------------------------|-----------------------------|--|---|--|
| EB134(1) | Follow-up to the Political Declaration of the High-level Meeting of the United Nations General Assembly on the Prevention and Control of Non-communicable Diseases | See document EB134/2014/REC/1 | 300 | 1 year (2014) | 300 | 300 | – |
| EB134(2) | Maternal, infant and young child nutrition | See document EB134/2014/REC/1 | 1 870 | 2 years (2014–2015) | 1 870 | 1 870 | – |
| EB134(3) | WHO reform: methods of work of the governing bodies | N/A | | | | | |
| EB134(4) | WHO reform: strategic resource allocation | N/A | | | | | |
| EB134(5) | Follow-up of the report of the Consultative Expert Working Group on Research and Development: Financing and Coordination – Health research and development demonstration projects | See document EB134/2014/REC/1 | 700 | 1 year (2014) | 700 | 700 | – |
| EB134(6) | Addressing the global challenge of violence, in particular against women and girls | See document EB134/2014/REC/1 | 34 650 | 5 years (2014–2018) | 13 540 | 13 650 | – |
| Subtotal | | | 37 520 | | 16 410 | 16 520 | – |
| Total | | | 488 030 | | 205 030 | 165 540 | 39 600 |