

**WORLD HEALTH  
ORGANIZATION**

EXECUTIVE BOARD

Fifteenth Session**ORGANISATION MONDIALE  
DE LA SANTÉ**EB15/96 ✓  
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ORIGINAL: ENGLISH

**REPORT ON METHODS FOR ASSESSING MEMBERS  
WHICH PARTICIPATE IN THE WORK OF THE ORGANIZATION FOR THE  
EFFECTIVE WORKING BUDGET**

Attached as document EB15/AF/WP/27 Rev.1. is the report on methods for assessing Members which participate in the work of the Organization for the effective working budget.

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EXECUTIVE BOARD

Fifteenth SessionORGANISATION MONDIALE  
DE LA SANTÉEB15/AF/WP/27 Rev.1  
31 January 1955

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RESTRICTED

REPORT ON METHODS FOR ASSESSING MEMBERS WHICH PARTICIPATE IN THE  
WORK OF THE ORGANIZATION FOR THE EFFECTIVE WORKING BUDGET

The communications mentioned in Exhibit I of the attached report can be found in document EB15/33, Add.1 and Add.2. Exhibit II is attached to document EB15/AF/WP/27; as it remains unchanged, it has not been added to the present revision.

## I. BACKGROUND INFORMATION

1.1 This item was on the agenda of the fifteenth session of the Executive Board as a result of a request by the Seventh World Health Assembly in its resolution WHA7.16<sup>1</sup> as follows:

"REQUESTS the Executive Board to ascertain the views of the Member States in this connexion, to study the replies and to submit a report to the Eighth World Health Assembly."

1.2 The Seventh World Health Assembly had considered a report by the Board at its thirteenth session on Scales of Assessment.<sup>2</sup> During the discussions in the Assembly the main considerations were:

1.2.1 Adjustments to the existing WHO Scale of Assessments. In this connexion, consideration was given as to when WHO should take steps to adjust its scale of assessments to that used by the United Nations, and whether to make these adjustments in stages rather than all at one time.

1.2.2 Should WHO continue to apply the per capita provision fully, or should it do so only to the extent that it was applied in the United Nations Scale of Assessments.

1.2.3 The method of applying the scale of assessments to certain Members, and particularly a method for assessing Members which participate in the work of the Organization only for the amount of the effective working budget.

1.3 Resulting from the above discussions, the Seventh World Health Assembly adopted resolution WHA7.15,<sup>3</sup> paragraph 2 of which reads as follows:

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<sup>1</sup> Off. Rec. Wld Hlth Org. 55, 23

<sup>2</sup> Off. Rec. Wld Hlth Org. 52, Annex 21

<sup>3</sup> Off. Rec. Wld Hlth Org. 55, 22

"2. RECOMMENDS to the Eighth World Health Assembly that the United Nations scale of assessment for 1954, as adjusted to the World Health Organization membership, be adopted for 1956 and 1957 in the following manner:

- (1) one half the adjustments necessary to make the revision shall be effected for the 1956 scale;
- (2) the remaining adjustments shall be effected for the 1957 scale; and
- (3) the per capita ceiling principle shall be applied only to the extent to which it is applied in the United Nations scale of assessment."

1.4 Regarding the method of assessment, the Seventh World Health Assembly adopted resolution WHA7.16 as follows:

"The Seventh World Health Assembly

1. RECOMMENDS that the Eighth World Health Assembly give consideration to methods for assessing Members which participate in the work of the Organization only for the amount of the effective budget in 1956 and subsequent years, any assessments of the other Members to be over and above this amount.
2. REQUESTS the Executive Board to ascertain the views of the Member States in this connexion, to study the replies and to submit a report to the Eighth World Health Assembly; and
3. INVITES the Member States which have not been actively participating in the work of the Organization to resume full participation at the earliest date."

1.5 The Executive Board at its fourteenth session, noting the above resolution, adopted resolution EB14.R15 as follows:

"The Executive Board,

Having noted resolution WHA7.16 on the future scales of assessment;

REQUESTS the Director-General to communicate this resolution, together with the relevant references and further information, to Member States, to request their comments by 31 October 1954, and thereafter to present the replies and an analysis thereof to the Executive Board in sufficient time to enable the members of the Board to study them in advance of the fifteenth session."

1.6 The Director-General communicated resolutions WHA7.16 and EB14.R15 to the Member States and submitted the replies to the Board.<sup>1</sup>

## II. COMMUNICATIONS FROM MEMBER STATES

2.1 These replies did not in all cases deal directly or solely with the recommendation of the Seventh World Health Assembly, i.e. "give consideration to methods for assessing Members which participate in the work of the Organization only for the amount of the effective budget in 1956 and subsequent years, any assessments of the other Members to be over and above this amount". 32 replies were received which may be summarized by groups as follows:

1. In favour .....	9
2. In favour, provided full application of the per capita ceiling is maintained .....	1
3. Opposed.....	5
4. No opinion expressed - either no comment or an acknowledgment only of the Director-General's communications .....	11
5. No opinion on the specific point, but raising other considerations .....	<u>6</u>
	32
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2.2 Among the replies included under group 5 above:

2.2.1 One Member suggested:

"(1) The assessment of all Member States' contributions to the budget according to the same principles.

(2) A reduction of the contributions of the Member States Albania, Bulgaria, Czechoslovakia, Hungary, Poland, Roumania, Ukraine, Byelorussia and the USSR for the period during which they take no part in the work of the Organization.

(3) Inclusion of contributions as mentioned in point (2) above in the undistributed reserve."

The Board considered that this communication raised proposals which were outside the scope of the Board's study.

<sup>1</sup> EB15/33, Add.1, Add.2 and Add.3, and EB15/51

2.2.2 One Member stated in part:

"That it would be advisable to apply the United Nations scale with two modifications, namely, the United States contribution be fixed at such a percentage below 33.33 that this contribution will not be above its ceiling and further a mitigated application of the per capita principle. The fact that the United Nations scale is not yet definitely set is considered to be of minor importance".

"That whatever decision will be taken with regard to the scale of assessment, provision should be made in connexion with the arrears in the contributions of the inactive Members. The accumulation of these contributions will always be a regrettable hindrance for the return of these countries".

The Board considered that this communication raised proposals which were outside the scope of the Board's study.

2.2.3 One Member suggested "that while assessing the future scale of assessment of the Members of the World Health Organization, recognition be given to low per capita income countries in a way that future scale of assessment does not exceed the existing scale".

The Board considered that this communication raised proposals which were outside the scope of the Board's study.

2.2.4 One Member stated that it was "in favour of the present scale of assessments".

This proposal did not seem to require any special comments by the Board.

2.2.5 One Member stated:

"As regards the method of assessment to be adopted, my Government is ready to accept any method which does not increase in any way the amount of our latest contribution to WHO. (1954)".

This proposal did not seem to require any special comments by the Board.

2.2.6 One Member's reply dealt only with the question of the per capita ceiling principle, and favoured retaining the full application of this principle.

The tables in Exhibit II illustrate the effect on the contributions of certain Members if the full application of the per capita ceiling principle is maintained.

### III. GENERAL CONSIDERATIONS

3.1 The Board noted that during the discussion in the Standing Committee on Administration and Finance, the following views were expressed:

3.1.1 It would be more realistic to apportion the effective budget of WHO among those Members who paid.

3.1.2 That the general principle underlying assessments of Member States was to base the assessment on relative capacity to pay, and that this principle should be maintained.

3.1.3 That in fixing the maximum percentage contribution of the Member paying the highest contribution, this maximum had been fixed in relation to the total gross assessment budget, and it should be recognized that the exclusion of inactive Members would modify the practical effect of this maximum.

3.1.4 That in the recommendation of the Seventh World Health Assembly the per capita ceiling limitation was applied in part only, and it would appear illogical that WHO, which had been applying this limitation to the full extent, should now move in the opposite direction and limit the effect of the per capita ceiling principle.

3.1.5 That the application of the United Nations scale would result in the increase of the assessments of the inactive Members, which would result in a larger gross assessment and increase the assessments of those Members with fixed minimum and maximum assessments; therefore some method of dealing with the assessments of the inactive Members should be found which would not affect the assessments of those Members with fixed minimum and maximum assessments.

3.2 After general discussion, the Board decided that to enable the World Health Assembly to derive the maximum profit from its study, the Board's report should include the replies from the Member States (Exhibit I); a comparative statement of various methods of assessment to illustrate the effect of the application of these methods on the contributions of the Member States (Exhibit II), and references to the Board's study at its thirteenth session on Scales of Assessment reproduced in Official Records No. 52, Annex 21.

3.3 The Executive Board at its thirteenth session, after a detailed discussion relating to scales and methods of assessment, presented a report to the Seventh World Health Assembly.<sup>1</sup> In this report the Board agreed on principles which might usefully be repeated here.

3.4 It is recalled that "the Board felt that it was important for it to consider this problem in relation to a scale of assessments for all Members, and that consideration of any adjustment should be related to the following questions:

(1) whether the scale was in accordance with the general policy and interests of WHO;

(2) whether the scale was fair to all Member States".

It would appear that the same general consideration should be given to the methods of assessment, i.e.

(1) whether the method is in accordance with the general policy and interests of WHO;

(2) whether the method is fair to all Member States.

3.5 During the discussions in the Seventh World Health Assembly, and in one of the replies received from Member Governments, mention was made of the return to active participation by those Members now listed as inactive Members. The following excerpt from the Report of the Board at its thirteenth session deals with this aspect of the study:

"The policy established by resolutions of the Health Assembly has been to consider these States as inactive Members and at the same time provide that their return to 'full co-operation would be welcome'. Thus there are no obstacles which would prevent them from resuming full participation when the reasons that prompted their notification cease to apply. The Board feels that it is most important that this same policy should be continued."

The Board noted that the Seventh World Health Assembly provided in its resolution WHA7.16 as follows:

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<sup>1</sup> Off. Rec. Wld Hlth Org. 52, Annex 21, p. 136



"3. INVITES the Member States which have not been actively participating in the work of the Organization to resume full participation at the earliest date."

3.6 The Board, in the same study at its thirteenth session, also made quite clear the differences between scales of assessment and methods of applying scales of assessment. They are two entirely separate questions. The effects of applying different methods of assessment can be projected whatever scale of assessments is used as a basis for the computations. However, it appeared to the Board that it was its responsibility to make available to the Assembly as much information as possible. Therefore the Board has prepared a table showing the comparative assessments on Member States which result from using the present WHO scale of assessments and the scale which was recommended by the Seventh World Health Assembly to be applied to the assessments for 1956 (i.e. the scale derived by taking approximately one-half of the difference between the present WHO scale and the United Nations scale for 1954). These calculations are based on the Director-General's Proposed Programme and Budget Estimates for 1956.<sup>1</sup> This comparative statement is attached as Exhibit II.

#### IV. SPECIAL CONSIDERATIONS

4.1 The Board noted that in its report at its thirteenth session the question of the special assessments of Austria and Korea had been considered and recommendations made to the Seventh World Health Assembly. The Board feels that these cases should be similarly brought to the attention of the Eighth World Health Assembly.

4.2 The Fourth World Health Assembly, in its resolution WHA4.39<sup>2</sup> fixed the assessment of Korea at 5 units as long as Korea was undergoing a period of reconstruction and rehabilitation. In resolution WHA4.47<sup>3</sup> the Fourth World Health Assembly fixed the assessment of Austria at 17 units, subject to review at the

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<sup>1</sup> Off. Rec. Wld Hlth Org. 58

<sup>2</sup> Off. Rec. Wld Hlth Org. 35, 33

<sup>3</sup> Off. Rec. Wld Hlth Org. 35, 36

end of the occupation period of that country. The Board recommends that these decisions be continued, and that the Eighth World Health Assembly in adopting the scale of assessments for 1956 maintain the assessment of Korea and Austria in accordance with the resolutions of the Fourth World Health Assembly, so long as the conditions in these countries remain unchanged.

## V. METHODS OF ASSESSMENT

5.1 During the discussions in the Board, three methods of assessments were considered, or more accurately two basic methods with two variations of one of the methods. The three methods are:

### 5.1.1 Method A

All Members are assessed for the total gross assessment budget; the amount represented by the assessments of the active Members is applied to the effective working budget, with the amount represented by the assessments of the inactive Members and China being placed in the undistributed reserve. This is the method used in calculating the assessments of Member States to the budget of 1955.

### 5.1.2 Method B

The active Members including China are assessed for an amount equal to the assessment required for the effective working budget plus the assessment of China; the assessments of the inactive Members being in addition thereto. The assessments of China and the inactive Members are placed in the undistributed reserve.

### 5.1.3 Method C

The active Members excluding China are assessed for the amount required for the effective working budget; the assessments of China and the inactive Members being in addition thereto and these assessments are placed in the undistributed reserve.

5.2 The nine columns of figures contained in Part I of Exhibit II have been included in order to illustrate the effect of these methods on the assessments of the individual Member States.

5.2.1 Columns 1, 2 and 3 are based on the WHO Scale of Assessments for 1955 which includes the full application of the per capita ceiling principle.

Column 1 Method A

Column 2 Method B

Column 3 Method C

5.2.2 Columns 4, 5, 6, 7, 8 and 9 are based on the Scale of Assessments which the Seventh World Health Assembly recommended to the Eighth World Health Assembly to be applied in 1956, and illustrate the effect of applying each of the three methods, both with and without the full application of the per capita ceiling principle.

Column 4 Method A, without adjustments for the full application of the per capita ceiling principle.

Column 5 Method A, with adjustments for the full application of the per capita ceiling principle.

Column 6 Method B, without adjustments for the full application of the per capita ceiling principle.

Column 7 Method B, with adjustments for the full application of the per capita ceiling principle.

Column 8 Method C, without adjustments for the full application of the per capita ceiling principle.

Column 9 Method C, with adjustments for the full application of the per capita ceiling principle.

5.3 The Board believes that it would be useful to refer briefly to the manner in which the assessments of the Member States have been dealt with in the past. The practice has been for the Health Assembly to approve a gross budget consisting of an effective working budget and an undistributed reserve. The assessments of the active Members, excluding China, plus the Casual Income equals the effective working budget. The assessments of the inactive Members and China are placed in the undistributed reserve. In Official Records No. 58, page 10, there appears a table summarizing this information for 1954, 1955 and as estimated for 1956.

5.4 Part II of Exhibit II consists of a similar table for each of the nine columns appearing in Part I of Exhibit II.