



TWENTY-FIRST WORLD HEALTH ASSEMBLY

COMMITTEE ON ADMINISTRATION, FINANCE AND LEGAL MATTERS

PROVISIONAL SUMMARY RECORD OF THE FIRST MEETING

Palais des Nations, Geneva
Thursday, 9 May 1968, at 2.30 p.m.



CHAIRMAN: Dr M. P. OTOLORIN (Nigeria)

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1. OPENING REMARKS BY THE CHAIRMAN

The CHAIRMAN expressed his appreciation of the honour conferred on his country and his region by his election as Chairman of the Committee. He hoped that, with the co-operation of members and the assistance of the Secretariat, he would be able adequately to discharge his obligations.

On the occasion of the twentieth anniversary of the Organization, he thought it would be useful to look back at the contributions made by the Committee on Administration, Finance and Legal Matters towards the progress of the Organization, as there could be no doubt that some of the decisions taken within the last decade had had, or would have, far-reaching effects upon the growth of the Organization. He then referred to the acceptance in 1958 of a voluntary contribution for the development of the intensified research programme; today, the estimated expenditure on that programme had increased tenfold. He recalled the decision taken in May 1959 authorizing the Director-General to proceed with the construction of a new headquarters building for the Organization; that great edifice was now here for all to admire. Other decisions related to an increase in the membership of the Executive Board, the extension of the use of the Russian language in certain publications of the Organization, the establishment of the Voluntary Fund for Health Promotion, the transfer of the costs of the malaria eradication programme to the regular budget, the increase of the level of the Working Capital Fund to twenty per cent. of the effective working budget for the year, the establishment of the Revolving Fund for Teaching and Laboratory Equipment for Medical Education and Training, participation in the Ad Hoc Committee of Experts set up to examine the finances of the United Nations and specialized agencies, and preliminary measures in the adoption of the Russian and Spanish languages as working languages of the Organization. The value of those decisions had already become apparent and was evidence of the vital role which the Committee played in the workings of the Organization as a whole.

The terms of reference of the main committees of the Health Assembly were set out in resolution WHA20.3, operative paragraphs (2), (3) and (4) of which were of particular concern to the Committee. In accordance with Rule 82 of the Rules of Procedure of the Health Assembly, the business of the Committee would be conducted as far as practicable in accordance with the rules relating to the conduct of business and voting in plenary meetings, Rules 49 to 82 being of particular relevance to the Committee's work.

2. ELECTION OF VICE-CHAIRMAN AND RAPPORTEUR: Item 3.1 of the Agenda (Document A21/11)

The CHAIRMAN read out Rule 36 of the Rules of Procedure of the Health Assembly concerning the election of a vice-chairman and rapporteur. The Committee on Nominations, in its third report (document A21/11), had proposed Dr J. Anouti (Lebanon) as Vice-Chairman.

Decision: Dr Anouti was elected Vice-Chairman by acclamation.

The CHAIRMAN said that the Committee on Nominations had proposed Dr E. Boéri (Monaco) as Rapporteur.

Decision: Dr Boéri was elected Rapporteur by acclamation.

3. ORGANIZATION OF WORK

The CHAIRMAN stated that Dr D. D. Venediktov would be representing the Executive Board at the meetings of the Committee, in accordance with Rules 43 and 44 of the Rules of Procedure of the Health Assembly.

He proposed that the Committee should start its work with the items on its agenda that had to be dealt with before the Committee on Programme and Budget could begin its consideration of items 2.2.1 (Examination of the main features of the programme) and 2.2.2 (Recommendation of the budgetary ceiling).

It was so agreed.

4. REVIEW OF THE FINANCIAL POSITION OF THE ORGANIZATION: Item 3.8 of the Agenda

The CHAIRMAN invited Mr Siegel to introduce the item.

Mr SIEGEL, Assistant Director-General, Secretary, made a statement on the financial position of the Organization, on behalf of the Director-General.

The CHAIRMAN said he assumed the Committee would wish to follow past practice, whereby the Secretary's statement was circulated as a document and appended to the summary record of the meeting.

It was so agreed (see appendix).

The CHAIRMAN said that delegations would have an opportunity to study that statement, as discussion on it would be deferred until the following meeting.

The meeting rose at 3.20 p.m.

APPENDIX

REVIEW OF THE FINANCIAL POSITION OF THE ORGANIZATION

Statement by Mr Milton P. Siegel, Assistant Director-General

Mr Chairman, as this year is the twentieth anniversary of the World Health Organization, it is a special privilege for me to carry out, on behalf of the Director-General, the duty of reporting to this Committee on the general financial position of the Organization, including administrative and managerial developments.

For many years, it has been my function to present an annual report to the Committee on Administration, Finance and Legal Matters. The primary subjects have dealt with such tangibles as income and expenditures, personnel, buildings, organization and management. And, as is usual for annual reports, the related progress has been shown by comparison with the preceding year.

If, in the annual reports, the evidence of progress has been underemphasized, this has been intentional. It has been our belief that the work and its results speak for themselves. If, instead, the problems and issues have been emphasized, this, too, was intentional. It is the unsolved that serves and will continue to serve as the powerful stimulant to imagination and to increased effort.

Mention of our twentieth year deserves a preliminary comment. It is conventional to speak of the fifth, tenth or twentieth year of an institution or organization as a "bench mark". It is a figure of speech that in no way connotes a flat area, a period of rest, in the march towards higher achievements. Now and then one hears such a period defended as a time of "consolidation". I can recall no period of rest in the twenty-year march of WHO. There were consolidations; they were made within a moving, not a static, Organization. And this Organization must not, if it is to continue to strive toward its objective of the attainment by all peoples of the highest possible level of health, ever reach a point where what was once a goal has become just a view.

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Unhesitatingly, I can assure you that the financial position of your Organization is sound, in happy contrast to the very early years, when the External Auditor's reports spoke frankly of an unsound financial position, or the inadequacy of the Working Capital Fund and the like. The sound financial position has developed over the years as a direct result of the wisdom evidenced by the Executive Board and the World Health Assembly, in their decisions, which direct the management of the finances of the Organization, and the support, financial and otherwise, that Member governments have given to the Organization.

Since we are viewing this twentieth year the developments over the past decade, the detailed financial information which normally is included in this annual report will be presented as each agenda item is discussed.

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Satisfactory as the financial position is, the Organization's real wealth and strength is in its staff, which has grown in numbers, in quality and in experience over the years. Although some programmes need only short-term staff, and although technical programmes in developing countries are changing in nature, with resulting changes in the nature of staff required, WHO has benefited from the stability of a good proportion of its staff. During 1968, 45 staff members will have served WHO for 20 years or more, 293 between 15 and 20, 327 from 10 to 15 and 812 from five to 10 years. Over 46 per cent. of the staff of the Organization will have served the Organization five years or more.

While staff stability does not necessarily mean improved quality of work, it does mean growth in knowledge and experience in both internal and external associations. The Organization has made a continuous effort to ensure that its staff is encouraged and, indeed, stimulated to keep up to date with technical progress in their field of work, maintain scientific and academic contacts, and prepare themselves for programmes and technological changes in the Organization.

Between 1958 and the end of 1967, a total of 91 staff members, using their own accrued annual leave and relinquishing salary, were granted study leave to take courses at universities or other centres, for advanced study. They included 36 medical officers, 40 nurses, 15 scientists, sanitary engineers and statisticians. In addition, short periods of refresher training were authorized for a further 70 staff members, including 35 medical officers, seven nurses and 28 other specialists.

Another major innovation to improve the quality of staff was the organization of training courses at headquarters. Thirteen such courses, each of six to 10 weeks' duration, have been held since 1962, with a total participation of 163 staff members, mainly WHO country representatives, senior regional office staff and senior field officers. Courses covered WHO policy and current practice and new aspects of international public health work such as the economics of health, sociology, demography and planning.

Special training in malaria eradication techniques and public health administration was given to 196 technical staff at malaria eradication training centres. Advanced training courses using the French language have been provided for public health engineers and public health nurses.

A first course for 12 senior administrative staff from headquarters and regional offices was arranged last year to introduce such modern scientific management concepts as operations research, cost benefit analysis, planned programme budgeting and information theory. These concepts in training will be continued. The Director-General has decided as a policy matter that all senior staff, including Assistant Directors-General, Regional Directors and Division Directors, should attend executive computer appreciation courses, as an introduction to the use which the new computer technology can be to them in carrying out their responsibilities.

A total of 250 staff members, mostly in the professional categories and serving at headquarters, also have attended computer orientation courses. Somewhat similar courses were arranged at regional offices. Language courses and group briefing activities continue to be carried out on a regular basis. Professional and secretarial staff at headquarters are provided with specifically designed courses, intended to orient new staff to their functions and responsibilities in carrying out their particular participation in the work of the Secretariat of WHO.

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In May 1958, the World Health Organization had no capital assets in the form of real estate, although the Pan American Sanitary Bureau which serves as the WHO Regional Office for the Americas, was the owner of two rather old buildings which it had purchased as its

headquarters. At that time, the headquarters of the Organization was a tenant of the United Nations in the Palais des Nations. The Regional Offices of Africa, South-East Asia, Eastern Mediterranean, Europe and the Western Pacific were occupying buildings made available by the host governments. In 1968, the Organization has substantial real estate holdings. Most important of these, of course, is the new headquarters building.

Since 1958, the Organization has acquired the Regional Office building for Africa as a gift from the Government of France; it has been modernized and substantially extended by the recently completed construction financed by the Members of the Organization. Because of the difficult housing situation in Brazzaville, the Organization became the owner of twenty-five villas (a gift also of the French Government) and constructed forty-eight new apartments in the general area of the Regional Office building.

In the Americas, the Pan American Sanitary Bureau which serves as the Regional Office for the Americas, now occupies a beautiful new building constructed on land made available by the host government. It was largely financed under a unique arrangement with the W. K. Kellogg Foundation, whereby over a period of 20 years the Pan American Health Organization will arrange for regular instalments as repayments by including supplemental credits in their regular budget to provide for additional health programmes for the countries of the American Region.

Since 1958, the Government of India has constructed a modern office building for the Regional Office for South-East Asia, and by agreement with the Government, and as authorized by the Twentieth World Health Assembly, WHO has now purchased the building.

In Europe, the host government is currently in process of completing the plans for a major extension of the complex of buildings which the Government of Denmark has generously made available rent free.

In Alexandria, the Eastern Mediterranean Regional Office continues to occupy at a nominal rent of 10 piastres a year the building originally made available by the host government. The Organization has itself made a number of important improvements and additions to the building which continues to be reasonably satisfactory for the needs of the Regional Office.

In the latter part of 1958, the Western Pacific Regional Office moved into the beautiful new building constructed by the Organization itself on land made available by the Government of the Philippines, with funds largely provided by that Government, and with important contributions from other Member States of the Region. The balance needed was provided in the regular budget of the Organization.

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As another significant indicator of the developments during the last decade, I would invite attention to the changes and increases which took place in the membership of the Organization. In 1957 there were 85 Members and three Associate Members. At the end of 1967 the membership comprised 126 Members and three Associate Members. This impressive number of new Members came primarily from the African Continent and mostly from the geographical area known in WHO as the African Region, in which there were three Members in 1957 and 29 in 1967. Thus we have another factor demonstrating the growing needs to be met by our Organization - in percentage terms the membership has increased from 1957 to 1967 by 46 per cent., including the Associate Members.

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In 1958, one of the major preoccupations of the Organization was how to achieve a proper balance between adequate and effective decentralization to the regional offices of operational responsibilities for field programmes and at the same time to maintain the essential unity in the Organization. There were many doubts lest the centrifugal forces of decentralization result in a loose federation of six regional organizations.

Happily, these fears have proved unjustified. It is perhaps useful to analyse why this was so. It clearly was not a matter of chance, but the result of positive policy decisions. On the programme side, perhaps the most significant factor was the development of the Organization's role in the co-ordination of medical research. The development of the medical research aspects of WHO responsibility has been a strong unifying force at the headquarter's level and has given to the headquarter's programme units an increased sense of purpose and a sense of balance in relation to the field programme.

The programming and budgeting procedures of the Organization and the arrangements made for the allotment of funds to the regions have provided the foundation for a unified effort. The development of programme and budget proposals, emanating from the regions and consolidated and submitted ultimately as an integrated part of the Director-General's proposed annual programme and budget, has been a most useful tool in achieving a proper balance between full participation at all levels in the development of programme proposals and the maintenance of ultimate responsibility for unity and cohesion in the Director-General's final submission. Similarly, the allotment of funds to carry out detailed project plans has been a most effective tool for the Director-General's control over programme balance and programme delivery.

On the administrative side, the Director-General, in the past ten years, has implemented a number of policies which have had important unifying effects. For example, the delegation of authority to regional offices for personnel matters, while giving the regions a very large share of responsibility in connexion with locally recruited personnel and project activities, retains at headquarters the final decisions with regard to the senior staff of the regional offices, many of whom will serve other parts of the Organization during their careers. During the past ten years, as indicated earlier, substantial efforts have been devoted to staff training both at the time of entering on duty and periodically during the course of service. This has had the important effect of giving our widely scattered staff a common understanding of the purposes of the Organization, its methods of work and the nature of their particular functions. It has also brought these scattered staff members together to share their experiences and their collective wisdom.

The group training programmes, referred to earlier, have played an important role in maintaining the unity of WHO staff by bringing together regional, field and headquarters staff in joint discussions and seminars. So has the policy of staff rotation which the Organization has elaborated and implemented in the past ten years. Thus, the knowledge and experience of one region is passed to another, and from regions to headquarters, and from headquarters to the field. Again, it will be obvious that this has had an important and unifying influence.

The development over the years of a manual of policies and standard practices for the Organization has been a most important tool in achieving a unity of purpose and common practice. A new and important contribution is now being made by the use of the computer and we can expect that in the coming years through the central services which it will make available to the regions, it will also make a large contribution to unification.

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It is axiomatic that the past is prologue. This report has dealt with some of the developments during the past ten years. Perhaps it would be useful to direct attention to some developments which may be expected in the future.

In this year which marks twenty years of the Organization's work in world health, we are living in an era of accelerated scientific advancement which, undoubtedly, will affect, and hopefully improve the effectiveness of WHO's work in the future. Many governments have not fully realized the role of improved health for their peoples as an integral and essential part of their plans for economic and social development. There is now some evidence that this situation is changing and that the World Health Organization, by applying new knowledge and techniques, can do more to help health administrations of developing countries to play a fuller and more positive part in the plans of their governments for the future. It is essential that national plans for future development include provision for programmes designed to improve the national health services in order to be able to raise the standards of health, so that the people can contribute fully to economic and social development and participate in its benefits.

In formulating national plans for development we must constantly bear in mind that there will be the necessity of making choices among numerous courses of action. It is recognized that one cannot do immediately everything that needs doing. By applying the new scientific techniques including operations research, modern management methods can contribute by helping the decision makers identify those choices among different possible courses which are most likely to be successful within a logical timetable of objectives.

It is worth noting that a study is being undertaken, on an inter-agency basis, of the capacity of the United Nations system to carry out the United Nations Development Programme. It is essential that we be constantly vigilant to assure that the World Health Organization is fully able to carry its assigned share of the load of the United Nations Development Programme, together with the other activities for which it is responsible. There is some evidence that the administrative and financial services of the Organization are well able to play their part in the process.

It may interest the Committee to be reminded that the External Auditor, in his report for 1957, informed the Eleventh World Health Assembly that 9.6 per cent. of the regular budget had been devoted to administrative costs (as defined by the Executive Board) which he described as the lowest level of such costs since the inception of the Organization. For 1969, the report of the Executive Board on the proposed programme and budget indicates that 6.18 per cent. of the regular budget will be required for the purpose; however, only 3.74 per cent. of all funds administered directly or indirectly by the Organization is planned to be used for administrative costs. It seems clear that the administrative machinery of the Organization has improved and its methods of work and procedures been streamlined, and that it is geared to provide the necessary support for an expansion of the programme operations.

We are currently engaged in further developing a total management information system, assessing the possibilities of re-centralizing certain routine administrative processes, and examining from many points of view how best to take advantage of the constantly advancing capabilities of data-processing machines and techniques. Up-to-date methods of planning, controlling and evaluating our work, and practical means of applying them, are being reviewed and assessed by headquarters staff in collaboration with the regions and as appropriate with the secretariats of other organizations. We shall do our best to assure that we remain in the vanguard of progress in these fields.

During the last few years, activities in the field of co-ordination with other organizations in the United Nations system have greatly expanded and are placing an increasing burden on administrative, as well as on programme, staff. It is expected that these activities will continue to expand in the years to come. While there is a need for some intensification of co-ordination of administrative and financial matters, and for the standardization of nomenclature and procedures in all the Organization, it would be a mistake for the co-ordination machinery to try to solve all the problems immediately. They must be approached in an orderly and systematic manner and in the light of the very rapid changes which are taking place in modern management.

It has been a decade since I spoke to this Committee of the philosophy of ideal realism as pervading the whole of the work of the Organization. One paragraph of that statement seems to bear repeating. It is as follows: "The research scientist seeks complete or perfect knowledge; this is his ideal. The World Health Assembly, the Executive Board and the Director-General, facing the urgent needs that exist, must act upon the best information that is available, even though at the time the knowledge is far from perfect. The choice must be made between no progress until the ideal of perfection is reached, and some progress while the search for perfection continues. The decision in favour of some progress is the one most commonly taken; this action is an expression of the philosophy of ideal realism."

The never-to-be-forgotten ideals so clearly stated in the Constitution have motivated the realistic applications of available knowledge that take the forms of programmes, projects, financial responsibility and managerial efficacy.

The Director-General has described WHO as "an expression of faith in the future". The past portends the future; the needs that lie ahead call more than ever for the vision to see, the courage to act and the wisdom to be critical analysts of our own advances and innovations. This is the direction of progress.

We are entering the third decade of the World Health Organization. With the experience of twenty years to guide us; with the well-tried regional structure which is the basis of the Organization's assistance to governments in helping them to improve the health and well-being of their peoples; and, most important of all, with the continued support of its Members for the ideals and objectives of the Organization, we can confidently look forward to a decade of progress.