A Special Fund was created by the Thirteenth General Assembly of the United Nations "to provide systematic and sustained assistance in fields essential to the integrated technical, economic and social development of the less developed countries".

The Special Fund's assistance will be limited to surveys, research and training, and demonstrations, including pilot projects, and will not be extended to cover operations. According to the Managing Director of the Special Fund, the programme should place major emphasis on projects which will demonstrate the wealth-producing potential of unsurveyed natural resources in the less developed countries, on training and research institutes, and on surveys of limited cost which would lead to early investment.

In his policy statements made at the first two sessions of the Governing Council, the Managing Director stated that the Special Fund should not be called upon to defray expenditures which are a normal part of a government's budget. The Special Fund will make subventions to operating expenditures only in respect of new or experimental programmes; any project which merely extends a programme which already exists in one part of a country to other parts, should be met from the government's budget. He also drew attention to some of the most common defects in the projects submitted to the Special Fund: projects are often excessively large, either because they are designed on too large a scale having regard to need or to administrative feasibility, or because various stages of an investigation have been telescoped into one request, or because the desired expansion of an institute has been more rapid than is good for efficient development.

With the authority of the Executive Board, the Director-General of WHO arranged for discussions with the Managing Director of the Special Fund. In these discussions the hope expressed by the Executive Board was confirmed, i.e., "that in its activities the Special Fund will give due attention to the importance of health in an integrated economic and social development, and will extend its assistance to the carrying out of outstanding health projects". The Managing Director assured the representative of the Director-General that if requests for health projects of the type defined by the Special Fund were submitted, they would be taken into consideration. So far, it appears that no such
request has as yet been made by any government. The Director-General considers that the submission of requests for health projects and their possible approval could establish desirable precedents and a positive bearing on the Fund's future policy in connection with health problems. The Managing Director informed the Director-General that malaria eradication as such does not fall within the terms of reference of the Special Fund.

The Director-General in his report to the Twelfth World Health Assembly came to the following conclusions:

"From the outset, the World Health Organization has considered the establishment of the Special Fund as an important milestone in the development of international co-operation and a new source for increasing assistance in the economic and social fields. The Director-General wishes again to stress the importance of ensuring that the health aspects and potential implications of comprehensive development projects submitted to the Special Fund are fully taken into consideration from the planning stage.

"The Director-General wishes to point out, however, that the participation of the Special Fund in health projects will primarily depend upon governments. It is the individual government's responsibility to include the health aspects in its proposed multi-purpose projects or to formulate its requests for separate health projects and submit them in accordance with the Special Fund's procedure. The World Health Organization's Headquarters, regional offices, and field staff will co-operate and extend full assistance to governments in the planning and preparation of such requests."

The World Health Assembly, after considering the above report, has authorized the Director-General to co-operate with the Special Fund and to enter into working arrangements for the provision of services and execution of health projects.

Resident Representatives of the United Nations Technical Assistance Board are the Special Fund's normal channel of communication with the governments to which they are assigned, and will assist governments in any way possible in the preparation and formulation of requests.

The Regional Committee might wish to take note of these developments and of the potential utilization of this Fund for some well selected public health projects.