



**REGIONAL OFFICE FOR THE WESTERN PACIFIC
BUREAU RÉGIONAL DU PACIFIQUE OCCIDENTAL**

REGIONAL COMMITTEE

WPR/RC68/3

**Sixty-eight session
Brisbane, Australia
9-13 October 2017**

Date: 24 August 2017

ORIGINAL: ENGLISH

Provisional agenda item 8

**PROGRAMME BUDGET 2016–2017: BUDGET PERFORMANCE
(INTERIM REPORT)**

This document provides a status summary of the WHO Programme Budget 2016–2017 as at 30 June 2017, with a focus on the Western Pacific Region. The details include a summary by funding source, utilization by programme category, budget centre and status comparison with the previous biennium at the same duration (18 months).

The Region's overall utilization from all sources of funds as at 30 June 2017 was US\$ 173.1 million or 74.9% of the total available resources (US\$ 231.2 million). This represents utilization of US\$ 56.6 million from assessed contributions and US\$ 116.5 million from voluntary contributions. In other words, the utilization rate was 73.0% of the available assessed contributions of US\$ 77.5 million and 75.8% of the available voluntary contributions of US\$ 153.7 million during 1 January 2016 to 30 June 2017. Tables showing utilization by category and budget centre as well as by category of expenditure are also included.

Information is provided on progress made by the Western Pacific Region towards achievement of outputs for which the Secretariat is accountable (as defined in the Programme Budget). This information is based on a midterm assessment from 1 January 2016 to 31 December 2016, with further review of outputs at risk or in trouble as at 30 June 2017.

The Regional Committee for the Western Pacific is requested to review and note the interim report on budget performance.

1. FINANCIAL UTILIZATION OF PROGRAMME BUDGET 2016–2017

This document presents the interim report on utilization of the Programme Budget (PB) by the Western Pacific Region for the 2016–2017 biennium by source of funding, category, budget centre and category of expenditure as at 30 June 2017.

1.1 Level of Programme Budget

The WHO Programme Budget 2016–2017 was approved at the Sixty-eighth World Health Assembly in May 2015. This PB is the second of the three biennial budgets to be formulated under the Twelfth General Programme of Work, 2014–2019. In May 2016, the Sixty-ninth World Health Assembly approved an increase of US\$ 160 million for the PB 2016–2017, thereby funding the new WHO Health Emergencies Programme (WHE).

The approved PB 2016–2017 for the Western Pacific Region was US\$ 285.6 million. During the biennium, there was a net increase in the Region's PB ceiling of US\$ 6.2 million. The changes represent US\$ 1.1 million for communicable diseases (Category 1), US\$ 9.9 million for the polio eradication programme, the Category 5 Health Emergencies Programme area was reduced by US\$ 20.5 million and a working allocation of US\$ 15.7 million was introduced under the new WHE.

Thus, the current working allocation for the Region as at 30 June 2017 was US\$ 291.8 million (Table 1).

Table 1
Programme Budget allocation: 2016–2017
(US\$ millions)

| PB 2016–2017 as at 30 June 2017 | | | PB 2014–2015 as at 30 June 2015 | | |
|---------------------------------|----------------------------|-------|---------------------------------|----------------------------|-------|
| Approved budget | Current working allocation | % | Approved budget | Current working allocation | % |
| 285.6 | 291.8 | 102.2 | 270.0 | 297.0 | 110.0 |

Table 2 below summarizes the gaps in financing for the biennium 2016-2017.

The total assessed contributions distributed to the Region as at 30 June 2017 amounted to US\$ 77.5 million (US\$ 74.3 million in June 2015). The total voluntary contributions mobilized as at 30 June 2017 amounted to US\$ 153.7 million (US\$ 198.2 million in June 2015). The total funds available from all sources amounted to US\$ 231.2 million. This represents 79.2% of the current working allocation of US\$ 291.8 million. There was a net decrease in voluntary contributions of US\$ 44.5 million for the Region when compared with the same period in the previous biennium.

Table 2
Gaps in financing for 2016–2017 by category – all funds
(US\$ millions)

| Category | PB 2016–2017 as at 30 June 2017 | | | | | | | PB 2014–2015 Gap as at 30 June 2015 |
|--|----------------------------------|---------------------|--------------|--------------|---------------|---|--|--|
| | Current working allocation | Available resources | | | Gap | % Available resources against Current working allocation | % Gap against Current working allocation | |
| | | AC | VC | Total | | | | |
| Communicable diseases | 74.7 | 12.0 | 43.4 | 55.4 | (19.3) | 74.2 | (25.8) | (5.1) |
| Noncommunicable diseases | 40.8 | 9.5 | 17.7 | 27.2 | (13.6) | 66.7 | (33.3) | (7.9) |
| Promoting health through the life-course | 26.3 | 5.8 | 12.9 | 18.7 | (7.6) | 71.1 | (28.9) | (0.1) |
| Health systems | 53.9 | 19.5 | 23.7 | 43.2 | (10.7) | 80.1 | (19.9) | (7.3) |
| Corporate services/enabling functions | 49.2 | 25.8 | 21.6 | 47.4 | (1.8) | 96.3 | (3.7) | 3.3 |
| Preparedness, surveillance and response/WHO Health Emergencies Programme | 29.2 | 4.9 | 19.1 | 24.0 | (5.2) | 82.2 | (17.8) | (1.6) |
| Total Base Programme | 274.1 | 77.5 | 138.4 | 215.9 | (58.2) | 78.8 | (21.2) | (18.7) |
| Emergencies | | | | | | | | |
| Polio eradication | 12.8 | | 11.5 | 11.5 | (1.3) | 89.8 | (10.2) | (0.5) |
| Outbreak and crisis response | 4.9 | | 3.8 | 3.8 | (1.1) | 77.6 | (22.4) | (5.3) |
| Total Emergencies | 17.7 | | 15.3 | 15.3 | (2.4) | 86.4 | (13.6) | (5.8) |
| Grand Total | 291.8 | 77.5 | 153.7 | 231.2 | (60.6) | 79.2 | (20.8) | (24.5) |

AC = assessed contributions, VC = voluntary contributions.

1.2 Funds utilization

The total utilization of assessed contributions amounted to US\$ 56.6 million or 73.0% of the available assessed contributions for 1 January 2016 to 30 June 2017. In addition, the activities utilizing voluntary contributions during this period amounted to US\$ 116.5 million or 75.8% of the available resources (US\$ 153.7 million). Total utilization of funds amounted to US\$ 173.1 million or 74.9% of the available resources and 59.3% of the current working allocation.

The utilization by source and by level of funding as at 30 June 2017 is shown in Tables 3a and 3b, including comparisons with the previous biennium.

Table 3a
Utilization of all funds*
(US\$ millions)

| PB 2016–2017 as at 30 June 2017 | | | | | | | | PB 2014–2015 as at 30 June 2015 | | | | |
|---------------------------------|----------------------------|---------------------|--------------|--------------|-------------------|--|---|---------------------------------|---------------------|-------------------|--|---|
| Fund | Current working allocation | Available resources | Expenditure | Encumbrances | Funds utilization | % Utilization against Current working allocation | % Utilization against Available resources | Current working allocation | Available resources | Funds utilization | % Utilization against Current working allocation | % Utilization against available resources |
| Assessed contributions | 291.8 | 77.5 | 52.8 | 3.8 | 56.6 | 19.4 | 73.0 | 297.0 | 74.3 | 55.7 | 18.8 | 75.0 |
| Voluntary contributions | | 153.7 | 106.1 | 10.4 | 116.5 | 39.9 | 75.8 | | 198.2 | 133.6 | 45.0 | 67.4 |
| Total | 291.8 | 231.2 | 158.9 | 14.2 | 173.1 | 59.3 | 74.9 | 297.0 | 272.5 | 189.3 | 63.7 | 69.5 |

* Figures exclude PIP funds for easy comparison with previous interim Budget Performance Report PB 2014-15 as at 30 June 2015.

In the biennium end PB 2014-15 Budget Performance Report, the allocation and utilization of funds relating to Pandemic Influenza Preparedness (PIP) was reported at the sixty-seventh session of the Regional Committee for the Western Pacific. The working allocation for PIP as at 30 June 2017 was US \$ 4.9 million vs. US\$ 3.7 million as at 30 June 2015. The utilization of PIP funds as at 30 June 2017 was US\$ 3.0 million vs. US\$ 1.9 million as at 30 June 2015.

Table 3b
Funds utilization by country office and Regional Office
(US\$ millions)

| PB 2016–2017 as at 30 June 2017 | | | | | PB 2014–2015 as at 30 June 2015 | | | |
|---------------------------------|------------------------|-------------------------|--------------|--------------|---------------------------------|-------------------------|--------------|--------------|
| Level | Assessed contributions | Voluntary contributions | Total | % | Assessed contributions | Voluntary contributions | Total | % |
| Country | 33.6 | 77.5 | 111.1 | 64.2 | 33.7 | 87.9 | 121.6 | 64.2 |
| Regional | 23.0 | 39.0 | 62.0 | 35.8 | 22.0 | 45.7 | 67.7 | 35.8 |
| Total | 56.6 | 116.5 | 173.1 | 100.0 | 55.7 | 133.6 | 189.3 | 100.0 |

Tables 4a and 4b detail the utilization from all sources of funds (expenditures and encumbrances) by the Region, by category and by budget centre, respectively.

Table 4a
Funds utilization by category
(US\$ millions)

| Category | PB 2016–2017 as at 30 June 2017 | | | | | | | | | | | PB 2014–2015 as at 30 June 2015 | | |
|--|---------------------------------|--------------|--------------|-------------|-------------|--------------|-------------------|----------------------------|---------------------|--|---|---------------------------------|--|---|
| | Expenditure | | Encumbrances | | Total | | Funds utilization | Current working allocation | Available resources | % Utilization against Current working allocation | % Utilization against Available resources | Funds utilization | % Utilization against Current working allocation | % Utilization against Available resources |
| | AC | VC | AC | VC | AC | VC | | | | | | | | |
| Communicable diseases | 7.9 | 30.7 | 0.3 | 2.8 | 8.2 | 33.5 | 41.6 | 74.7 | 55.4 | 55.7 | 75.1 | 44.3 | 62.0 | 66.7 |
| Noncommunicable diseases | 6.5 | 10.9 | 0.7 | 1.6 | 7.2 | 12.5 | 19.7 | 40.8 | 27.2 | 48.3 | 72.4 | 23.9 | 56.8 | 69.9 |
| Promoting health through the life-course | 3.8 | 9.2 | 0.2 | 0.7 | 4.0 | 9.9 | 14.0 | 26.3 | 18.7 | 53.2 | 74.9 | 14.6 | 67.6 | 67.9 |
| Health systems | 13.1 | 15.4 | 1.3 | 2.4 | 14.4 | 17.8 | 32.2 | 53.9 | 43.2 | 59.7 | 74.5 | 32.0 | 59.0 | 68.2 |
| Corporate services/enabling functions | 17.8 | 14.2 | 1.3 | 1.6 | 19.1 | 15.8 | 34.9 | 49.2 | 47.4 | 70.9 | 73.6 | 32.9 | 74.3 | 69.1 |
| Preparedness, surveillance and response/WHO Health Emergencies Programme | 3.7 | 11.7 | | 1.0 | 3.7 | 12.7 | 16.4 | 29.2 | 24.0 | 56.2 | 68.3 | 19.1 | 65.0 | 68.7 |
| Total Base Programme | 52.8 | 92.1 | 3.8 | 10.1 | 56.6 | 102.2 | 158.8 | 274.1 | 215.9 | 57.9 | 73.6 | 166.8 | 63.4 | 68.2 |
| Emergencies | | | | | | | | | | | | | | |
| Polio eradication | | 10.4 | | 0.2 | 10.6 | | 10.6 | 12.8 | 11.5 | 82.8 | 92.2 | 3.2 | 37.6 | 40.0 |
| Outbreak and crisis response | | 3.6 | | 0.1 | 3.7 | | 3.7 | 4.9 | 3.8 | 75.5 | 97.4 | 19.3 | 76.0 | 96.0 |
| Total Emergencies | | 14.0 | | 0.3 | 14.3 | | 14.3 | 17.7 | 15.3 | 80.8 | 93.5 | 22.5 | 66.4 | 80.1 |
| Grand Total | 52.8 | 106.1 | 3.8 | 10.4 | 56.6 | 116.5 | 173.1 | 291.8 | 231.2 | 59.3 | 74.9 | 189.3 | 63.7 | 69.5 |

AC = assessed contributions, VC = voluntary contributions

Table 4b.
Funds utilization by budget centre
(US\$ millions)

| Budget Centre | PB 2016–2017 as at 30 June 2017 | | | | | | | | | PB 2014–2015 as at 30 June 2015 | |
|--|---------------------------------|--------------|--------------|-------------------|--------------|--------------|---|-------------|-------------|---------------------------------|---|
| | Available resources | | | Funds utilization | | | % Utilization against Available resources | | | Funds utilization | % Utilization against Available resources |
| | AC | VC | Total | AC | VC | Total | AC | VC | Total | | |
| American Samoa | 0.1 | | 0.1 | 0.1 | | 0.1 | 100.0 | | 100.0 | | - |
| Cambodia | 3.0 | 12.4 | 15.4 | 2.0 | 9.5 | 11.5 | 66.7 | 76.6 | 74.7 | 14.9 | 75.6 |
| China | 7.9 | 8.6 | 16.5 | 6.3 | 6.9 | 13.2 | 79.7 | 80.2 | 80.0 | 15.0 | 70.1 |
| Cook Islands | 0.4 | 0.1 | 0.5 | 0.4 | | 0.4 | 100.0 | - | 80.0 | 0.3 | 60.0 |
| Federated States of Micronesia | 1.0 | 0.3 | 1.3 | 0.8 | 0.2 | 1.0 | 80.0 | 66.7 | 76.9 | 1.1 | 84.6 |
| Fiji | 2.2 | 1.7 | 3.9 | 1.9 | 1.1 | 3.0 | 86.4 | 64.7 | 76.9 | 3.3 | 76.7 |
| Kiribati | 0.9 | 0.3 | 1.2 | 0.7 | 0.2 | 0.9 | 77.8 | 66.7 | 75.0 | 0.9 | 64.3 |
| Lao People's Democratic Republic | 2.6 | 17.5 | 20.1 | 1.7 | 14.7 | 16.4 | 65.4 | 84.0 | 81.6 | 12.9 | 75.0 |
| Malaysia | 1.3 | 0.4 | 1.7 | 1.0 | 0.3 | 1.3 | 76.9 | 75.0 | 76.5 | 1.3 | 72.2 |
| Marshall Islands | 0.3 | | 0.3 | 0.2 | | 0.2 | 66.7 | | 66.7 | 0.2 | 66.7 |
| Mongolia | 2.4 | 3.0 | 5.4 | 2.0 | 2.4 | 4.4 | 83.3 | 80.0 | 81.5 | 3.6 | 72.0 |
| Nauru | 0.1 | | 0.1 | | | | - | | - | 0.1 | 100.0 |
| Niue | 0.1 | | 0.1 | 0.1 | | 0.1 | 100.0 | | 100.0 | | - |
| Pacific Island Countries | 3.2 | 9.3 | 12.5 | 2.0 | 7.3 | 9.3 | 62.5 | 78.5 | 74.4 | 10.9 | 69.9 |
| Palau | 0.2 | | 0.2 | 0.1 | | 0.1 | 50.0 | | 50.0 | 0.1 | 100.0 |
| Papua New Guinea | 3.5 | 13.6 | 17.1 | 2.4 | 10.2 | 12.6 | 68.6 | 75.0 | 73.7 | 7.5 | 51.0 |
| Philippines | 2.3 | 10.7 | 13.0 | 1.8 | 8.5 | 10.3 | 78.3 | 79.4 | 79.2 | 23.1 | 80.2 |
| Samoa | 2.3 | 0.8 | 3.1 | 1.8 | 0.6 | 2.4 | 78.3 | 75.0 | 77.4 | 2.4 | 72.7 |
| Solomon Islands | 2.1 | 5.4 | 7.5 | 1.6 | 3.5 | 5.1 | 76.2 | 64.8 | 68.0 | 4.6 | 70.8 |
| Tokelau | 0.1 | | 0.1 | 0.1 | | 0.1 | 100.0 | | 100.0 | 0.1 | 100.0 |
| Tonga | 1.2 | 0.4 | 1.6 | 1.0 | 0.4 | 1.4 | 83.3 | 100.0 | 87.5 | 1.3 | 72.2 |
| Tuvalu | 0.1 | | 0.1 | 0.1 | | 0.1 | 100.0 | | 100.0 | 0.1 | 100.0 |
| Vanuatu | 1.8 | 2.5 | 4.3 | 1.4 | 1.9 | 3.3 | 77.8 | 76.0 | 76.7 | 2.7 | 62.8 |
| Viet Nam | 5.4 | 13.1 | 18.5 | 4.0 | 9.8 | 13.8 | 74.1 | 74.8 | 74.6 | 15.1 | 67.4 |
| Others* | 0.2 | | 0.2 | 0.1 | | 0.1 | 50.0 | | 50.0 | 0.1 | 50.0 |
| Office of the Regional Director | 5.4 | 0.9 | 6.3 | 3.9 | 0.5 | 4.4 | 72.2 | 55.6 | 69.8 | 3.9 | 67.2 |
| Division, Administration and Finance | 3.5 | 5.4 | 8.9 | 2.7 | 3.3 | 6.0 | 77.1 | 61.1 | 67.4 | 5.8 | 69.9 |
| Division, Communicable Diseases | 4.5 | 15.7 | 20.2 | 3.2 | 12.8 | 16.0 | 71.1 | 81.5 | 79.2 | 17.5 | 62.7 |
| Division, Health Security and Emergencies/WHO Health Emergencies Programme | 2.5 | 8.7 | 11.2 | 2.1 | 6.0 | 8.1 | 84.0 | 69.0 | 72.3 | 8.8 | 71.5 |
| Division, Health Systems | 7.5 | 8.3 | 15.8 | 5.4 | 6.7 | 12.1 | 72.0 | 80.7 | 76.6 | 12.7 | 74.7 |
| Division, NCD and Health through the Life-Course | 3.7 | 10.3 | 14.0 | 2.3 | 8.0 | 10.3 | 62.2 | 77.7 | 73.6 | 12.4 | 69.7 |
| Division, Programme Management | 4.8 | 2.2 | 7.0 | 3.4 | 1.7 | 5.1 | 70.8 | 77.3 | 72.9 | 6.6 | 78.6 |
| Regional Reserve | 0.9 | 2.1 | 3.0 | | | | - | - | - | | |
| Grand Total | 77.5 | 153.7 | 231.2 | 56.6 | 116.5 | 173.1 | 73.0 | 75.8 | 74.9 | 189.3 | 69.5 |

*Others include cumulative total for budget centres with available resources less than US\$ 50 000, namely Brunei Darussalam, Commonwealth of the Northern Mariana Islands, French Polynesia, Guam, Japan and Singapore.
AC = assessed contributions, VC = voluntary contributions.

The utilization of total available resources by expenditure category is shown in Table 5.

Table 5
Funds utilization by category of expenditure
(US\$ millions)

| Category | PB 2016–2017 Funds utilization as at 30 June 2017 | % | PB 2014–2015 Funds utilization as at 30 June 2015 | % |
|--------------------------------------|---|--------------|---|--------------|
| Staff costs | 81.4 | 47.0 | 85.4 | 45.1 |
| Contractual services | 35.9 | 20.7 | 42.8 | 22.6 |
| Transfers and grants to counterparts | 25.9 | 15.0 | 23.2 | 12.3 |
| Travel | 13.7 | 7.9 | 16.9 | 8.9 |
| General operating costs | 8.8 | 5.1 | 9.6 | 5.1 |
| Medical supplies and literature | 4.8 | 2.8 | 7.9 | 4.2 |
| Equipment, vehicle and furniture | 2.6 | 1.5 | 3.5 | 1.8 |
| Total | 173.1 | 100.0 | 189.3 | 100.0 |

Similar to past trends, the largest percentage of expenditure was attributed to staff costs (47.0%), followed by contractual services (20.7%), transfers and grants to counterparts (15%) and travel (7.9%). There was a reduction in staff cost by US\$ 4.0 million for PB 2016–2017 when compared with the same period in the previous biennium. The reduction in staff costs was due to the reduction in voluntary contributions and related reduction in project staff costs; and the ongoing restructuring exercise in the Region. In terms of percentage of expenditure; staff cost and transfers and grants to counterparts have increased in the PB 2016–2017. In terms of utilization (in US dollars), there was a reduction in all expenditure categories with the exception of transfers and grants to counterparts. Transfers and grants to counterparts include Direct Financial Cooperation (DFC) agreements with government counterparts (US\$ 25.2 million) and grant letters of agreement (LOAs) with United Nations agencies, humanitarian, charity or non-profit organizations (US\$ 0.7 million). There was an increase in transfers and grants to counterparts by US\$ 2.7 million, compared with the previous biennium.

Travel costs include the cost of travel for WHO staff, non-staff participation in meetings, consultants and representatives of Member States paid by the Organization. Due to continuing efforts by the Secretariat to increase efficiencies and minimize travel costs, there was a reduction in travel by US\$ 3.2 million when compared with the same period in the previous biennium.

The utilization of available resources by category of expenditure for country offices with available resources exceeding US\$ 10 million is in Table 5a.

Table 5a
Utilization of funds by category of expenditure for country
offices with available resources exceeding US\$ 10 million
(US\$ millions)

| Category | Lao People's Democratic Republic | Viet Nam | China | Papua New Guinea | Cambodia | Philippines | Pacific Island Countries | 2016–2017 Total | 2014–2015 Total |
|---|--|-------------|-------------|---------------------|-------------|-------------|-----------------------------|--------------------|--------------------|
| Staff costs | 4.9 | 5.2 | 6.2 | 6.7 | 6.2 | 3.7 | 4.0 | 36.9 | 37.3 |
| Contractual services | 2.7 | 1.6 | 1.7 | 2.7 | 2.3 | 4.5 | 2.2 | 17.7 | 24.0 |
| Transfers and grants to counterparts | 7.0 | 5.0 | 4.1 | 1.2 | 2.0 | 0.4 | 0.9 | 20.6 | 18.8 |
| Travel | 0.5 | 0.4 | 0.4 | 0.6 | 0.2 | 0.4 | 1.2 | 3.7 | 6.3 |
| General operating costs | 0.7 | 0.7 | 0.8 | 0.6 | 0.5 | 0.2 | 0.4 | 3.9 | 4.8 |
| Medical supplies and literature | 0.5 | 0.8 | - | 0.4 | 0.1 | 0.9 | 0.4 | 3.1 | 5.9 |
| Equipment, vehicle and furniture | 0.1 | 0.1 | - | 0.4 | 0.2 | 0.2 | 0.2 | 1.2 | 2.4 |
| Grand Total | 16.4 | 13.8 | 13.2 | 12.6 | 11.5 | 10.3 | 9.3 | 87.1 | 99.5 |

For the seven country offices with available resources greater than US\$ 10 million per office in PB 2016–2017, total available resources were US\$ 113.1 million versus US\$ 140.0 million during the same period of the previous biennium. Overall, there was a reduction in total utilization in proportion to available funds.

1.3 Audit activities

Internal auditors performed audits of the WHO country offices of Cambodia and Papua New Guinea during 2016–2017. The main issues raised were in the area of DFC management and contract management for goods and services. As of date, audit recommendations for the Region have been implemented, and the audit reports have been closed. On average, the Secretariat closed audit recommendations in less than five months, reflecting a high regard for audit findings and rapid implementation of recommendations across the Region.

The Secretariat continues to welcome auditors to identify areas for improvement and assess the overall control environment. Upcoming audits include internal audits for the WHO Malaysia Office in September 2017, an integrated audit of the Health Security and Emergencies (DSE) division in the Regional Office in October 2017 and an external audit of the WHO Lao Office in October 2017. Results will be reported during the 2018 session of the Regional Committee.

1.4 Accountability, compliance and risk management

In order to strengthen accountability, transparency and risk management, the Compliance and Risk Management Officer reporting directly to the Regional Director, assists in coordinating risk and compliance work across the Region. Within this context, the Region enhanced this process by also establishing an Accountability Advisory Group to identify action areas and monitor progress.

In addition to audits, the Secretariat continues to improve controls through strengthened management, training, communications and monitoring of potentially high-risk transaction areas in the Region, particularly donor reporting, DFC contracts, and goods and services procurement in the Region. The introduction of donor proposal and reporting templates, revision of the Programme Management User Handbook, and overall monitoring through the Programme Committee (PC) and Programme Management Officer (PMO) networks also has enhanced accountability to both donors and Member States. The continuous efforts of the Secretariat have translated into no overdue donor reports. In addition, the status of all cash and bank account reconciliations has been reported with an “A” rating, signifying no reconciliation items are pending longer than 90 days.

The Region further prioritized DFC management, and controls have led to enhanced collaboration with DFC counterparts and improved productivity, with the Region maintaining zero overdue DFCs. DFC assurance activities today are performed on a quarterly basis in coordination with ministry of health counterparts.

Gender balance and geographical distribution of staff continue to be high priorities in the Region. Significant progress in the area of gender parity has been made through recruitment policy adjustments and increased awareness-building among staff. The number of female staff in the Region has risen to 45% as of June 2017, an increase of more than 8% over the past three years. With respect to staff performance management, the Western Pacific was the only WHO region to achieve 100% compliance on the timely submission of Performance Management and Development System (ePMDS), another testament to the Secretariat's commitment to staff accountability.

Finally, the Western Pacific continues to be one of the leading regions with respect to diversity of nationality: the 172 international professional staff representing 39 countries as of June 2017. Nevertheless, innovative outreach activities have continued in order to attract promising young talent from underrepresented countries in the Region to work for WHO.

1.5 Outputs and results

Annex 1 contains the detailed midterm assessment of the implementation of the PB 2016–2017, conducted as of 31 December 2016, with a second step of review at 30 June 2017 to assess any major changes.

The midterm assessment examines progress towards achievement of the outputs for which the Secretariat is accountable, as defined in the PB.

In the 2016–2017 midterm review at 31 December 2016, from a total of 89 programme outputs, the Western Pacific Region assessed 79 as “on track”, eight “at risk” and two “in trouble”.

At the midpoint of the biennium, the majority of reasons why outputs were assessed as “at risk” or “in trouble” were related to lower available resources against allocated budget. Unpredictable flexible funding and voluntary contributions with trends showing a reduction in every biennium have affected the delivery of WHO programmes across all areas, particularly noncommunicable diseases.

The outputs “at risk” and “in trouble” were reviewed again at 30 June 2017 to assess whether financial concerns had been alleviated. As a result, 85 outputs are now considered “on track”. Three are considered “at risk”: 2.3.3. Development and implementation of policies and programmes to address violence against women, youth and children facilitated; 2.5.2. Norms and standards and policy options for promoting population dietary and cost-effective interventions to address the double burden of malnutrition, and their adoption by countries in developing national guidelines and legislation supporting effective nutrition actions; and 3.3.1. Gender, equity and human rights integrated in WHO’s institutional mechanisms and programme deliverables. And only one is considered “in trouble”: 2.3.2. Countries and partners enabled to develop and implement programmes and plans to prevent child injuries.

2. ACTIONS PROPOSED

The Regional Committee for the Western Pacific is requested to review and note the interim report on budget performance.