

The Executive Board,

Having considered the report of the Director-General on the use of casual income to reduce adverse effects of currency fluctuations on the programme budget; ¹

Aware of the possible impact on the Organization's regular programme budget of unforeseen movements of the rates of exchange between the US dollar, the currency in which the programme budget is presented, and the Swiss franc, the other currency in which a substantial proportion of the expenditures under the regular budget is incurred;

Recognizing that it may not be possible to meet all unbudgeted additional costs arising from particularly sharp adverse fluctuations in the rates of exchange between these two currencies;

Conscious, however, of the need to ensure that cash resources are available to the Organization to finance at least part of the unbudgeted additional costs that may arise, so that, to the greatest extent possible, the activities included in the regular programme budget can be implemented despite adverse fluctuations in exchange rates;

Believing that savings resulting under the regular programme budget from favourable differences between the Organization's budgetary rate of exchange and the United Nations/WHO accounting rates of exchange with respect to the US dollar/Swiss franc relationship should be placed at the disposal of the Health Assembly in at least the same amount as casual income is made available to cover unbudgeted costs arising from unfavourable differences between these rates;

Bearing in mind Financial Regulation 6.8, which provides that profits and losses on exchange shall be credited and debited to miscellaneous income;

RECOMMENDS to the Thirty-first World Health Assembly the adoption of the following resolution:

“The Thirty-first World Health Assembly,

“Having considered the recommendation of the Executive Board on the use of casual income to reduce adverse effects of currency fluctuations on the programme budget;

“1. AUTHORIZES the Director-General, notwithstanding the provisions of Financial Regulation 4.1 and the terms of the Appropriation Resolutions for the financial years 1978 and 1979, to charge against available casual income the net additional costs to the Organization under the regular programme budget resulting from differences between the WHO budgetary rate of exchange and the United Nations/WHO accounting rates of exchange with respect to the US dollar/Swiss franc relationship prevailing during these financial years, provided that such charges against casual income shall not exceed US \$2 000 000 in any one financial year;

“2. REQUESTS the Director-General, notwithstanding the provisions of Financial Regulation 4.1 and the terms of the Appropriation Resolutions for the financial years 1978 and 1979, to transfer to casual income the net savings under the regular programme budget resulting from differences between the WHO budgetary rate of exchange and the United Nations/WHO accounting rates of exchange with respect to the US dollar/Swiss franc relationship prevailing during these financial years, provided that, having regard to inflationary trends and other factors which may affect the implementation of the regular programme budget, such transfers to casual income need not exceed US \$2 000 000 in any one financial year;

“3. FURTHER REQUESTS the Director-General to report such charges or transfers in the Financial Reports for 1978 and 1979.”