



**World Health Organization
Organisation mondiale de la Santé**

FIFTY-FIRST WORLD HEALTH ASSEMBLY

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**Financial report on the accounts of WHO for the
financial period 1 January 1996 - 31 December 1997**

Analysis of variances between budget and actual figures

In resolution WHA46.35 on budgetary reform, the Forty-sixth World Health Assembly welcomed the intention expressed by the Director-General to relate the presentation of the programme budget to the statements of accounts, which would facilitate assessment of the amounts spent on programmes and results obtained. This document presents such an analysis for the information of the Assembly.

1. Differences between the approved regular budget and actual implementation are detailed in the Financial Report¹ at the level of the six appropriation sections in the programme budget. This information note provides a further breakdown at the level of the 19 major programmes of the Organization.
2. Variations between budget and actual implementation of programmes can arise from a variety of factors. For example, there is a considerable time-lag between budget preparation and implementation. During this period, country priorities can change, staffing can alter, exchange rates and inflation can vary, and the problems being addressed may require less or more costly solutions. As recent experience shows, the Director-General may also be obliged to make cut-backs if it appears that sufficient contributions are not going to be received.
3. In the Annex, the figures are broken down into three main groupings: first, adjustments to the budget made as a consequence of transfers or exchange rate movements (columns (a) to (d)); secondly, a comparison between this adjusted budget (column (e), the effective appropriations) and actual obligations (column (f)); and lastly, the variances (columns (g) and (h)), together with a brief explanation of variance when this is greater than 10%.
4. In total, the actual obligations were some 3.5% less than the effective appropriations, the main reason being a decision to hold back 2.5% of programme expenditures because long-term arrears in contribution payments by some Members were expected at this level.

¹ Document A51/11.

ANNEX
REGULAR BUDGET 1996-1997
(US\$ thousand)

Major programmes	Amounts approved by resolutions WHA48.32 and EB97.R20	Transfers between sections made by the Director-General*	Transfers from Director-General's and Regional Directors' Development Programme	Exchange rate facility: net transfers to casual income (resolution WHA48.32)	Effective appropriations	Actual obligations	Variance (f) - (e) (g) over (e) %	Main reasons for variance of + or - 10%
	(a)	(b)	(c)	(d)	(e)	(f)	(g) (h)	(i)
1.1 Governing bodies	19 457	1 065	0	(1 300)	19 222	16 791	(2 431) (12.65)	At global level, contingent reductions affected operational costs of the governing bodies' meetings. In the African Region, operational costs of the 1997 session of the Regional Committee were borne by the host country.
<i>Total: Appropriation section 1</i>	19 457	1 065	0	(1 300)	19 222	16 791	(2 431) (12.65)	
2.1 General programme development and management	71 087	531	620	(1 659)	70 579	61 681	(8 898) (12.61)	In the African Region, funds were reallocated to other programmes in accordance with priorities. In the European Region, eight posts were abolished, and a classification change affected some 10 posts.
Director-General's and Regional Directors' Development Programme	6 643	0	(6 112)	0	531	0	(531) (100.00)	

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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
2.2 Health, science and public policy	19 924	136	391	(282)	20 169	16 336	(3 833)	(19.00)	(i) In the African Region, funds were reallocated to other programmes in accordance with priorities. In the South-East Asia Region, programme changes were requested by several Member States to accommodate more important and urgent activities in other programme areas. In the Western Pacific Region, two long-term posts remained vacant throughout the biennium.
2.3 National health policies and programmes development and management	97 141	663	542	(1 263)	97 083	109 061	11 978	12.34	In the African, South-East Asia and Eastern Mediterranean regions, WHO Representatives' offices were reinforced by creation of new posts, and staff and operational costs increased. In the European Region, implementation of three advisory posts was advanced by transfer from another area, and coordination and management costs of WHO liaison offices increased.
2.4 Biomedical and health information and trends	66 627	455	262	(2 335)	65 009	63 961	(1 048)	(1.61)	
<i>Total: Appropriation section 2</i>	261 422	1 785	(4 297)	(5 539)	253 371	251 039	(2 332)	(0.92)	

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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
3.1 Organization and management of health systems based on primary health care	71 947	(888)	355	(436)	70 978	64 724	(6 254)	(8.81)	
3.2 Human resources for health	58 553	(723)	200	(443)	57 587	59 837	2 250	3.91	
3.3 Essential drugs	13 744	(170)	296	(188)	13 682	12 017	(1 665)	(12.17)	At global level, a vacant post of scientist was frozen for 18 months and a post of technical assistant was abolished. In the Eastern Mediterranean Region, programme changes were requested by three Member States to divert funds to other priority areas.
3.4 Quality of care and health technology	23 997	(296)	130	(501)	23 330	21 005	(2 325)	(9.97)	
<i>Total: Appropriation section 3</i>	<i>168 241</i>	<i>(2 077)</i>	<i>981</i>	<i>(1 568)</i>	<i>165 577</i>	<i>157 583</i>	<i>(7 994)</i>	<i>(4.83)</i>	
4.1 Reproductive, family and community health and population issues	30 166	(1 136)	193	(371)	28 852	24 916	(3 936)	(13.64)	In the African Region, activities were reclassified in accordance with priorities. In the South-East Asia Region, intercountry programmes were substantially reduced and funds transferred to priority areas.
4.2 Healthy behaviour and mental health	34 292	(1 292)	272	(650)	32 622	31 711	(911)	(2.79)	

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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
4.3 Nutrition, food security and safety	18 948	(714)	98	(205)	18 127	15 002	(3 125)	(17.24)	At global level, contingent reductions affected operational costs of Nutrition. In the South-East Asia Region, several countries had funds allocated from their own national budget as well as through bilateral agencies, thus releasing WHO funds for other priority areas.
4.4 Environmental health	49 261	(1 856)	342	(592)	47 155	45 559	(1 596)	(3.38)	
<i>Total: Appropriation section 4</i>	132 667	(4 998)	905	(1 818)	126 756	117 188	(9 568)	(7.55)	
5.1 Eradication/elimination of specific communicable diseases	6 183	78	27	(77)	6 211	6 423	212	3.41	
5.2 Control of other communicable diseases	99 201	1 260	2 313	(1 243)	101 531	102 957	1 426	1.40	
5.3 Control of noncommunicable diseases	16 500	209	71	(235)	16 545	14 347	(2 198)	(13.28)	In the South-East Asia Region, programme changes were requested by several Member States to divert funds to priority areas. In the Eastern Mediterranean Region, posts of regional adviser and secretary remained vacant throughout the biennium. Also, intercountry activities were reduced and funds transferred to priority areas.
<i>Total: Appropriation section 5</i>	121 884	1 547	2 411	(1 555)	124 287	123 727	(560)	(0.45)	

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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
6.1 Personnel	16 322	314	0	(946)	15 690	16 899	1 209	7.71	(i)
6.2 General administration	95 511	1 841	0	(8 906)	88 446	81 440	(7 006)	(7.92)	
6.3 Budget and finance	27 150	523	0	(1 634)	26 039	26 270	231	0.89	
Total: Appropriation section 6	138 983	2 678	0	(11 486)	130 175	124 609	(5 566)	(4.28)	
TOTAL	842 654	0	0	(23 266)	819 388	790 937	(28 451)	(3.47)	

* Transfers under (b) apportioned between major programmes.