



WORLD HEALTH ORGANIZATION

FIFTY-SIXTH WORLD HEALTH ASSEMBLY

(Draft) A56/60
23 May 2003

Second report of Committee B

(Draft)

Committee B held its second and third meetings on 23 May under the chairmanship of Mr L. Rokovada (Fiji).

It was decided to recommend to the Fifty-sixth World Health Assembly the adoption of the attached resolutions relating to the following agenda items:

16. Financial matters

16.2 Appointment of the External Auditor

One resolution

16.1 Reports

Unaudited interim financial report on the accounts of WHO for 2002 and comments thereon of the Administration, Budget and Finance Committee

One resolution entitled:

- Unaudited interim financial report on the accounts of WHO for 2002

16.3 Status of collection of assessed contributions, including Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution

One resolution entitled:

- Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution

16.4 Special arrangements for settlement of arrears

One resolution entitled:

- Arrears in payment of contributions: Kazakhstan

16.5 Assessment of new Members and Associate Members

One resolution entitled:

- Assessments for 2002 and 2003

12. Programme budget

12.1 Proposed programme budget for 2004-2005

Two resolutions entitled:

- Real Estate Fund
- Real Estate Fund: Regional Office for Africa

Agenda item 16.2

Appointment of the External Auditor

The Fifty-sixth World Health Assembly

1. RESOLVES that the Comptroller and Auditor General of India be appointed External Auditor of the accounts of the World Health Organization for the financial periods 2004-2005 and 2006-2007 and that he conduct his audits in accordance with the principles incorporated in Regulation XIV and the Appendix to the Financial Regulations, provided that, should the necessity arise, he may designate a representative to act in his absence;
2. EXPRESSES its thanks to the Auditor-General of the Republic of South Africa for the work he has performed for the Organization in his audit of the accounts for the financial periods 2000-2001 and 2002-2003.

Agenda item 16.1

Unaudited interim financial report on the accounts of WHO for 2002

The Fifty-sixth World Health Assembly,

Having examined the unaudited interim financial report for the year 2002 of the financial period 2002-2003;¹

Having noted the first report of the Administration, Budget and Finance Committee of the Executive Board to the Fifty-sixth World Health Assembly,²

ACCEPTS the Director-General's unaudited interim financial report for the year 2002.

¹ Documents A56/28 and A56/28 Add.1.

² Document A56/47.

Agenda item 16.3

Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution

The Fifty-sixth World Health Assembly,

Having considered the third report of the Administration, Budget and Finance Committee of the Executive Board to the Fifty-sixth World Health Assembly on Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution;¹

Noting that, at the time of opening of the Fifty-sixth World Health Assembly, the voting rights of Afghanistan, Antigua and Barbuda, Armenia, Central African Republic, Chad, Comoros, Djibouti, Dominican Republic, Georgia, Guinea-Bissau, Iraq, Kazakhstan, Kyrgyzstan, Liberia, Nauru, Niger, Nigeria, Republic of Moldova, Somalia, Suriname, Tajikistan, Togo, Turkmenistan and Ukraine remained suspended, such suspension to continue until the arrears of the Member State concerned have been reduced, at the present or future Health Assemblies, to a level below the amount which would justify invoking Article 7 of the Constitution;

Noting that, in accordance with resolution WHA55.4, the voting privileges of Argentina have been suspended as from 19 May 2003 at the opening of the Health Assembly, such suspension to continue until the arrears have been reduced to a level below the amount which would justify invoking Article 7 of the Constitution;

Noting that Belarus, Burundi, Peru, Saint Lucia and Venezuela were in arrears at the time of the opening of the Fifty-sixth World Health Assembly to such an extent that it was necessary for the Health Assembly to consider, in accordance with Article 7 of the Constitution, whether or not the voting privileges of these countries should be suspended at the opening of the Fifty-seventh World Health Assembly,

DECIDES:

- (1) that, in accordance with the statement of principles in resolution WHA41.7, if, by the time of the opening of the Fifty-seventh World Health Assembly, Belarus, Peru, Saint Lucia and Venezuela are still in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution, their voting privileges shall be suspended as from the said opening;
- (2) that any suspension which takes effect as aforesaid shall continue at the Fifty-seventh and subsequent Health Assemblies, until the arrears of Belarus, Peru, Saint Lucia and Venezuela have been reduced to a level below the amount which would justify invoking Article 7 of the Constitution;
- (3) that this decision shall be without prejudice to the right of any Member to request restoration of its voting privileges in accordance with Article 7 of the Constitution.

¹ Document A56/32.

Agenda item 16.4

Arrears in payment of contributions: Kazakhstan

The Fifty-sixth World Health Assembly,

Having considered the third report of the Administration, Budget and Finance Committee of the Executive Board on Members in arrears in the payment of their contributions to an extent which would justify invoking Article 7 of the Constitution, with respect to the request of Kazakhstan for the settlement of its outstanding contributions,¹ and the terms of that proposal as set forth in the report on special arrangements for settlement of arrears,²

1. DECIDES to restore the voting privileges of Kazakhstan at the Fifty-sixth World Health Assembly;
2. ACCEPTS that Kazakhstan shall pay its outstanding contributions, totalling US\$ 4 615 253, in 10 annual instalments (with a minimum payment of US\$ 200 000 per year), payable in each of the years 2003 to 2012, subject to the provisions of Financial Regulation 6.4, in addition to the annual contributions due during the period, and subject to payment of at least half the total amount of arrears, i.e. US\$ 2 307 626, by the end of 2007;
3. DECIDES that, in accordance with Article 7 of the Constitution, voting privileges shall be automatically suspended again if Kazakhstan does not meet the requirements laid down in paragraph 2 above;
4. REQUESTS the Director-General to report to the Fifty-seventh World Health Assembly on the prevailing situation;
5. REQUESTS the Director-General to communicate this resolution to the Government of Kazakhstan.

¹ Document A56/32.

² Document A56/33.

Agenda item 16.5

Assessments for 2002 and 2003

The Fifty-sixth World Health Assembly,

Having considered the recommendation of the Executive Board at its 111th session,¹

RESOLVES that:

- (1) the assessment of the Democratic Republic of Timor-Leste shall be US\$ 1053 for 2002 and US\$ 4213 for 2003;
- (2) as an ad hoc measure the assessment for 2003 for Afghanistan and Argentina shall be amended to US\$ 4213 for Afghanistan and US\$ 4 026 622 for Argentina;
- (3) the difference of US\$ 611 135, resulting from the revised contribution for Afghanistan and Argentina, should be financed from the Miscellaneous Income account.

¹ Decision EB111(3).

Agenda item 12.1

Real Estate Fund

The Fifty-sixth World Health Assembly,

Having considered the report on the Real Estate Fund;¹

Recalling that paragraph 2 of resolution WHA55.8 authorized the Director-General to proceed with the construction of a new building at headquarters at a cost then estimated at CHF 55 000 000, of which WHO's share was estimated at CHF 27 500 000, on the understanding that if WHO's share were likely to exceed by more than 10% the aforementioned amount, further authority would be sought from the Health Assembly;

Recalling that paragraph 3 of resolution WHA55.8 approved the use of the Real Estate Fund for the repayment over a 50-year period of WHO's share of the interest-free loan to be provided by the Swiss authorities with effect from the first year of the completion of the building;

Noting that the costs of a new building at headquarters are now estimated at some CHF 66 000 000, of which WHO's share is estimated at CHF 33 000 000;

Noting that the Swiss authorities are presenting to their parliament for approval a proposal consisting of an interest-free 50-year reimbursable loan of CHF 59 800 000 of which WHO's share is CHF 29 900 000;

Further noting that negotiations are continuing with the Swiss authorities in respect of the value of compensation for the demolition of the V building, the amount of which is expected to cover the CHF 3 100 000 difference between WHO's share of the estimated cost of the building and WHO's share of the interest-free reimbursable loan,

1. REITERATES its appreciation to the Swiss Confederation and to the Republic and Canton of Geneva for the continued expression of their hospitality;
2. CONFIRMS its authorization to the Director-General to proceed with the construction of the new building at headquarters at a cost which is now estimated at CHF 66 000 000, of which WHO's share is CHF 33 000 000, on the understanding that, if WHO's share were likely to exceed by more than 5% the aforementioned amount, further authority would be sought from the Health Assembly;
3. ALSO CONFIRMS its approval of the use of the Real Estate Fund for the repayment over a 50-year period of WHO's share of the interest-free loan to be provided by the Swiss authorities with effect from the first year of completion of the building, on the understanding that the remainder of WHO's share of the total cost will be covered by the compensation to be provided to WHO by the Swiss authorities for the demolition of the V building.

¹ Document A56/5.

Agenda item 12.1

Proposed programme budget for 2004-2005

Real Estate Fund: Regional Office for Africa

The Fifty-sixth World Health Assembly,

Having considered the report of the Director-General on the Real Estate Fund;¹

Noting that the Regional Office for Africa has moved a substantial part of its operations back to the Regional Office in Brazzaville, but noting also that both office and staff accommodation is inadequate to meet the present and future needs of the regional office,

AUTHORIZES the Director-General:

(1) to proceed with the construction within the Djoué compound of both new office space to accommodate some 180 staff members and new conference facilities, including a conference room with capacity for 600 people and office amenities, at a total estimated cost of US\$ 2 330 000, to be financed from the Real Estate Fund;

(2) to proceed with the purchase and renovation of 10 new villas, together with the related acquisition of land, the construction of 24 apartments in two blocks of flats and of related facilities, and the refurbishment and extension of existing residential homes, at a total estimated cost of US\$ 3 000 000, to be financed from the Real Estate Fund.

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¹ Document A56/5.