

## **SECOND MEETING**

**Tuesday, 21 May 2013, at 09:15**

**Chairman:** Dr W.T. GWENIGALE (Liberia)

### **1. PROGRAMME AND BUDGET MATTERS:** Item 12 of the Agenda

**Implementation of Programme budget 2012–2013: interim report:** Item 12.1 of the Agenda (Documents A66/5 and A66/51)

Dr THABET NASHER (Yemen), speaking in his capacity as Chairman of the Programme, Budget and Administration Committee, introduced the Committee's report contained in document A66/51. The Committee had recommended, on behalf of the Executive Board, that the Health Assembly note the interim report on implementation of the Programme budget 2012–2013.

**The Committee noted the report.**

**Draft twelfth general programme of work:** Item 12.2 of the Agenda (Documents A66/6, A66/6 Add.1 and A66/52)

The CHAIRMAN invited the Committee to consider the draft resolution contained in document A66/52, which included the amendments proposed by the Programme, Budget and Administration Committee.

Dr THABET NASHER (Yemen), speaking in his capacity as Chairman of the Programme, Budget and Administration Committee, introduced the Committee's report contained in document A66/52. The Committee recommended, on behalf of the Executive Board, that the Health Assembly adopt the amended draft resolution contained in document A66/52.

Dr USHIO (Japan), expressing support for the draft twelfth general programme of work, commended the open and inclusive consultation process which had enabled Member States' comments to be reflected in the document. He endorsed the proposed six leadership priorities but requested clarification as to how the five programmatic categories would contribute to the achievement of those priorities, in particular the ones related to universal health coverage and the social determinants of health, both of which spanned several categories of work. He suggested that, once finalized, the matrix on the relationship between the six core functions of WHO and the roles and responsibilities of the three levels of the Organization should be included in the draft twelfth general programme of work. He further suggested the inclusion of an impact goal on universal health coverage, in view of its importance and the need to monitor progress in that area.

Ms HAGERTY (Ireland), speaking on behalf of the European Union and its Member States, commended the Secretariat's work in developing the draft twelfth general programme of work, which reflected a new chapter for global health. The six leadership priorities provided a clear strategic vision and direction for the Organization and would stimulate the global dialogue on key public health issues. Supporting the report's balanced attention to existing and emerging health challenges, she welcomed the continued focus on the health-related Millennium Development Goals, universal health coverage and the International Health Regulations (2005), as well as the new emphasis on noncommunicable

diseases, and trusted that the Secretariat would give due consideration to the emerging issue of antimicrobial resistance. She also welcomed the commitment to a constant financial envelope of US\$ 12 billion across the three bienniums of the draft twelfth general programme of work and the development of a fully costed budget framework for the biennium 2016–2017. Maintaining consistency in the organization of work and budget structures would allow WHO to compare the results achieved over the next three bienniums. She expressed appreciation for the improved clarity and streamlining of the results chain and the application of core functions. Work on results-based management and the results chain must continue over the lifetime of the twelfth general programme of work. She looked forward to the finalization of the impact and outcome targets and indicators for 2019 and to continued engagement with the governing bodies in that regard.

The adoption of the draft twelfth general programme of work would mark the culmination of the Organization's work on the programme and priority-setting elements of WHO reform, and she welcomed the document's emphasis on governance and management reform. With regard to management reform, the strengthening of country offices must go hand in hand with increased accountability.

She looked forward to the forthcoming discussions on internal governance by the Executive Board at its 133rd session and supported all measures to improve the management of agenda items and draft resolutions.

Mrs TYSON (United Kingdom of Great Britain and Northern Ireland) welcomed the progress made in the area of WHO reform and broadly endorsed the draft twelfth general programme of work.

Mr MAMACOS (United States of America), noting that the draft twelfth general programme of work was a pivotal reform document, highlighted the need to ensure that it had the necessary flexibility to capture emerging health issues. At the eighteenth meeting of the Programme, Budget and Administration Committee, his delegation had proposed several amendments to the text of the draft twelfth general programme of work, which, if accepted, could also be used in the programme budget. In paragraph 100, he also suggested deleting the words "including work in health and other sectors to prevent the further development of antimicrobial resistance" and inserting a new paragraph 100*bis* to read: "Innovation to create new products must be matched by measures to prevent the further development and spread of antimicrobial resistance (AMR). AMR kills. It hampers the control of infectious diseases and it dramatically increases the costs of health care. In the absence of urgent action, current health gains are threatened and the world faces the prospect of a return to a pre-antibiotic era, with the economic and social consequences that this implies. AMR is a complex problem driven by many interconnected factors; single isolated interventions will therefore have limited impact. Rather, a global and national multisectoral response is absolutely essential." He encouraged Member States to accept the proposed amendments in view of the global importance of the issue of antimicrobial resistance.

Mr ELIRA-DOKEKIAS (Congo) welcomed the Executive Board's observations regarding the decrease in the level of budget allocation for communicable diseases and in the allocation to the Member States of the African Region, which continued to require substantial support. It was very important that the focus on noncommunicable diseases should not be at the expense of the commendable, but as yet insufficient, results achieved by African Member States in the fight against communicable and neglected tropical diseases. In that context, work on WHO reform should continue, with an emphasis on effective management and transparency, despite the current global financial challenges. The efforts expended and results achieved over the past 10 years must not be overlooked, and WHO should continue to provide support to African Member States and country offices in the Region in order to strengthen their fragile health systems.

Ms CHERQAOU (Morocco) said that document A66/6 provided a high-level strategic vision for the work of WHO, particularly with respect to the establishment of leadership priorities and the

means by which WHO could be held accountable for the way resources were used to achieve specified results, with three successive programme budgets setting out the detail of what would be achieved in each biennium. The draft general programme of work commendably built on lessons learnt from the Eleventh General Programme of Work and, as requested by Member States, it incorporated key elements of the former Medium-term strategic plan 2008–2013. Chapters 1 and 2 contained a valuable analysis of the political, economic and institutional context, and the implications for WHO must be taken into account. She endorsed the content of chapters 3, 4, and 5 and expressed satisfaction with the draft general programme of work as a whole. More flexible financing was needed, and the definition of indicators should take into account country specificities and priorities, in order to achieve the desired outcomes.

Ms WISEMAN (Canada) commended the improvements incorporated in the draft twelfth general programme of work, which contained clear priorities to guide the future work of the Organization. She endorsed the leadership priorities, particularly those addressing the health-related Millennium Development Goals, noncommunicable diseases and the implementation of the International Health Regulations (2005), and welcomed the inclusion of further detail on the scope of the priorities. The draft twelfth general programme of work would play a central role in the WHO reform process and provide the framework needed to enhance alignment between the three levels of the Organization. She expressed support for the amendments proposed by the delegate of the United States of America.

Mr LI Mingzhu (China) supported the draft twelfth general programme of work but observed that the wording proposed by his delegation at the eighteenth meeting of the Programme, Budget and Administration Committee had not been included in the Committee's report (document A66/52). He requested the Secretariat to rectify that omission. Endorsing the positive aspects of the new financing model outlined in the document, he noted the current dominance of voluntary contributions, which were unpredictable and unstable. Given that predictable, stable funding was required to achieve the objectives of the programme of work, it was necessary to increase the flexibility of voluntary contributions and earmarked funding; the zero nominal growth of the assessed contributions should not continue, and a small, but sustained, increase of assessed contributions needed to be considered, in order to contain the trend of a growing imbalance of the budget structure. He expressed support for the draft resolution contained in document A66/6 Add.1.

Dr ST. JOHN (Barbados) said that the draft twelfth general programme of work was a well-structured and carefully researched plan, in which the Secretariat had focused on the Organization's comparative advantage in setting the global health agenda, taking into account the priorities outlined by Member States. She urged the Director-General to continue sharpening that focus. In cooperation with its partners, WHO must enhance its role as a global "watchdog" in order to take forward the work on social determinants of health. It was essential to take account not only of the global health agenda but also of the varying country-level needs when determining resource allocation under the programme of work. The extent to which elements of the programme of work were incorporated into national strategic plans would be a measure of the success achieved in translating the global health agenda into national health agendas. She expressed support for the amendment proposed by the delegate of the United States of America on the issue of antimicrobial resistance.

Ms BOTERO HERNANDEZ (Colombia) supported the draft twelfth general programme of work, which reflected the progress made towards achieving the objectives of the WHO reform process. She welcomed the additional programme areas included in the document and the inclusion of a results chain, which clearly represented the relationship between outputs and results. She suggested including a timetable differentiating between short- and long-term actions and accompanied by an allocation of resources that took account of current Organization-wide funding constraints.

Dr IDRIS (Nigeria) expressed support for the draft twelfth general programme of work. The programme goals set out in the document were highly relevant to the ongoing work in his country to improve the health of its citizens. Noting the emphasis placed on eradicating dracunculiasis, he said that other neglected tropical diseases of equal importance, such as schistosomiasis, should also be addressed in the draft programme of work.

Dr SAÍDE (Mozambique), speaking on behalf of the Member States of the African Region, said that the draft twelfth general programme of work established the vision and goals of the Organization and would facilitate the implementation of WHO reform. However, he expressed concern at the unpredictable nature of WHO funding and its implications for the successful delivery of programmes and for the associated need to retain qualified and experienced staff. He therefore fully supported efforts to enhance the predictability of funding and in particular to ensure a better balance between voluntary and assessed contributions. Additional technical and financial resources could be secured by strengthening partnerships and collaboration, which in turn would improve the implementation of health priorities at the country level.

Mr SVERSUT (Brazil) said that the draft twelfth general programme of work would enhance the efficiency of the Organization and facilitate improved outcomes on a global level. Brazil had proposed amendments to the text, which were contained in the Annex to the report of the Programme, Budget and Administration Committee under discussion and which he commended for adoption. He requested that the Secretariat compile the amendments that had been verbally proposed by other Member States at the current meeting into a document or multimedia presentation so that other delegations could consider them in further detail.

Dr SHOHANI (Iraq) shared the view of countries in the Eastern Mediterranean Region that budget allocations at the regional and country levels should be made on the basis of the disease burden and the needs and specificities of each society. The budget allocation for the control of noncommunicable diseases should be at least double the current amount, in order to tackle the growing burden of those diseases and counter the risk factors. Such a budget increase would also have a positive impact on communicable diseases. Efforts to strengthen the control and prevention of noncommunicable diseases, particularly with respect to epidemiological and laboratory investigations, should be carried out in parallel, which would in turn promote the epidemiological investigation of communicable diseases and was essential to attainment of the Millennium Development Goals.

Mr RAO (India) welcomed the well-structured, robust draft twelfth general programme of work which provided seamless coverage of issues ranging from the programmatic, governance and management elements of WHO reform to the core functions and responsibilities of all levels of the Organization and the priorities for the coming years. Commendably, the document recognized that much remained to be done in improving health outcomes and that economic progress should not be measured only in terms of averages. However, he would have preferred a more detailed framework for monitoring and evaluating the contributions of each level of the Organization. He proposed a minor amendment to the text proposed by the delegate of the United States of America.

Ms BENNETT (International Alliance of Patients' Organizations), speaking at the invitation of the CHAIRMAN, commended the Secretariat for developing a comprehensive draft programme of work that aimed to ensure the attainment by all peoples of the highest possible level of health. Noting that the management of noncommunicable diseases currently posed the greatest challenge to global health and would require an inclusive, cross-cutting approach, she said that a broader range of such diseases should be addressed in the draft general programme of work, so as to highlight their importance at the global level and thereby improve outcomes at the national level. The successful implementation of the draft programme of work required a focus on patient-centred health care and patient involvement. Her organization was committed to working with WHO in facilitating

engagement between all stakeholders, developing standards, guidelines and indicators for the implementation of patient-centred health care, collecting models of case studies and best practice, and identifying ways of measuring and monitoring effective global participation and engagement in health.

Mrs PARISOTTO (Medicus Mundi International – International Organisation for Cooperation in Health Care), speaking at the invitation of the CHAIRMAN, said that a flexible financing mechanism was essential to ensure that the Organization's priorities were successfully implemented. She noted, however, that the proposed financing dialogue would not prevent donor interests from distorting resource allocation, which meant that important areas of WHO's work that did not attract donor funding would continue to be starved of funds. The results chain framework had not been coherently developed and several outcomes and indicators were not matched by robust plans for intervention. The impact goals did not represent the breadth of WHO's work, and the impact targets and outcome targets were arbitrary, often unrealistic and did not take account of the external forces that influenced outcomes. At the same time, several targets should be more ambitious, such as those relating to health systems, information and evidence, and the social determinants of health. She urged Member States to address the core problems of the freeze on assessed contributions and the disproportionate influence of donors in setting the priorities of WHO's work.

Dr JAMA (Assistant Director-General) thanked the delegates for their comments, their participation in the development of the draft twelfth general programme of work and their broad support for the document. Further work on a robust monitoring and evaluation framework would be undertaken by the Secretariat and the results thereof would be presented at the November 2013 meeting on the financing dialogue. The amendments proposed by the delegate of the United States of America would be read out by the Secretariat for consideration by Member States. He apologized for the omission of the amendments proposed by the delegation of China from document A66/52 and confirmed that the following language would be included in the proposed amendments to the draft twelfth general programme of work: "One Member State suggested that the zero nominal growth of the assessed contributions should not continue, and that a small but sustained increase of assessed contributions needs to be considered in order to contain the trend of a growing imbalance of the WHO budget structure." Referring to the comments made by the delegate of Congo regarding the reduction in the level of funding for communicable diseases, he explained that the decrease concerned only the resources allocated to the Special Programme for Research and Training in Tropical Diseases, and did not affect the overall budget to tackle communicable diseases. The Secretariat would continue to work in a strategic and targeted manner to provide additional support to Member States in collaboration with its partners, such as the Global Fund to Fight AIDS, Tuberculosis and Malaria and the United States President's Emergency Plan for AIDS Relief and through, for example, implementation of the WHO roadmap for accelerating work to overcome the global impact of neglected tropical diseases (document WHO/HTM/NTD/2012.1).

Dr ARMSTRONG (Secretary) read out the amendment proposed by the delegation of the United States of America.

Mr SVERSUT (Brazil) said that the amendments to the draft twelfth general programme of work proposed by the delegation of the United States of America should be added to those set out in the Annex to document A66/52.

The CHAIRMAN said that he took it that the Committee agreed to that proposal.

**It was so agreed.**

The CHAIRMAN said that he took it that the Committee wished to approve the draft resolution, as amended by the Programme, Budget and Administration Committee in document A66/52.

**The draft resolution, as amended, was approved.<sup>1</sup>**

**Proposed programme budget 2014–2015:** Item 12.3 of the Agenda (Documents A66/7, A66/7 Add.1 and A66/53)

Dr THABET NASHER (Yemen), speaking in his capacity as Chairman of the Programme, Budget and Administration Committee, introduced the Committee's report contained in document A66/53. The Committee recommended, on behalf of the Executive Board, that the Sixty-sixth World Health Assembly adopt the draft resolution contained in document A66/7 Add.1 and the draft decision contained in document A66/53.

Mr YOUSRY (Egypt), speaking on behalf of the Member States of the Eastern Mediterranean Region, said that implementation of the WHO programme budget must be guided by the health priorities of Member States, taking into account the social, disease and environmental factors specific to each of them and with due regard for the WHO Constitution. Three core issues should be emphasized: the need for bottom-up planning with respect to the programme budget for the biennium 2016–2017; flexibility for Member States to determine their priorities under each budget item, as affirmed by the Regional Committee for the Eastern Mediterranean at its session in 2012; and the opportunity for WHO's governing bodies to express views concerning the distribution of budget allocations among regions and countries.

Ms GHEBRESELASIE (Norway) fully supported the proposal to approve the programme budget in its entirety. The financing dialogue represented an important step forward in the WHO reform process and should be used as a basis for open and informed discussion both on current priorities and on those for the coming biennium. More flexible funding would help to ensure that the agreed priorities in the programme budget were fully financed, and she encouraged Member States to indicate their possible level of flexibility. She underlined the need for strong coordination by the Secretariat during the period of targeted resource mobilization. The future financing of WHO would be a collective learning process, to be developed in response to the experience gained and lessons learnt; her country was ready to embark on that process. Although some of the details and issues related to the proposed programme budget required further clarification, that should not detract from the overall goal of making WHO a more democratic, transparent, reliable and capable organization. Some important elements, such as full costing and further refinement of the results chain, were missing from the proposed programme budget for 2014–2015 and should be included in the programme budget for the next biennium. Moreover, there was no obvious link between the leadership priorities in the draft twelfth general programme of work and the proposed programme budget, and that link should be made clear in future programme budgets. Future budget proposals should be based on a complete results chain, including a costing of outputs and the division of work within the Organization, thereby increasing accountability throughout WHO and allowing funds to be appropriately allocated. She would have welcomed the inclusion of information on the expected level of income, by type, to assist Member States in assessing the budget proposals.

Ms PATTERSON (Australia) expressed appreciation of the proposed programme budget 2014–2015 and commended the level of transparency already achieved by the Secretariat in the articulation of outputs, output indicators and key deliverables across the three levels of the Organization. Australia supported the budget allocations proposed for the six categories of work and for each programme area. Although it was essential that the programme budget clearly set out deliverables in terms of health and technical items, it was also important to include all expenditure when developing and financing the budget. In view of the need to ensure that WHO had adequate and

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<sup>1</sup> Transmitted to the Health Assembly in the Committee's first report and adopted as resolution WHA66.1.

safe facilities both at headquarters and at the regional and country levels, her country had strongly supported the development of the Capital Master Plan and the sustainable financing mechanism. To prevent any recurrence of the regrettable current shortfall in funding under the mechanism for 2012–2013, she suggested that the Capital Master Plan be annexed to the proposed programme budget for 2014–2015 and that the real estate funding needs of the Organization be included in the financing dialogue; those two items should be more fully integrated into the programme budget in future bienniums.

Dr USHIO (Japan), welcoming the fact that the comments of Member States were reflected in the latest version of the proposed programme budget for 2014–2015, suggested that roles and responsibilities at the three levels of the Organization should be clearly differentiated in the final draft in order to improve efficiency and effectiveness; and he requested clarification from the Secretariat on the 30% increase in the proposed budget for preparedness, surveillance and response (Category 5), given that the draft twelfth general programme of work stated that the resource allocation to that category would remain stable.

Dr NGIRABEGA (Rwanda), speaking on behalf of the Member States of the African Region, expressed appreciation for the inclusion in the proposed programme budget for 2014–2015 of programming categories defined in the context of leadership priorities, as well as for the emphasis placed on poliomyelitis eradication, neglected tropical diseases, noncommunicable diseases and the strengthening of health systems. Noting with concern the decrease in the budget for communicable diseases, he urged WHO to maintain its strong leadership role in that area.

Despite the increase in the budget allocation to the Regional Office for Africa for the biennium 2014–2015, it was still lower than in 2008–2009 and 2010–2011. The programme budget was unbalanced because it relied heavily on voluntary contributions, and he urged Member States and partners to provide WHO with flexible funding. He hoped that the planned financing dialogue would lead to a transparent process in which the available resources matched the Organization's priorities.

He supported the adoption of the proposed programme budget for 2014–2015 in its entirety.

Ms JACOB (Ireland), speaking on behalf of the European Union and its Member States, supported the adoption of the proposed programme budget 2014–2015 in its entirety and endorsed the proposal to maintain funding from assessed contributions at the same level as in the current biennium. Recognizing that it was a transitional budget, the European Union recommended that country- and regional-level involvement in priority setting be enhanced for the programme budget 2016–2017, in order to build on programmatic reforms already implemented.

Regular and timely financial information on available income and funding gaps was crucial to the new approaches to WHO's financing and resource mobilization outlined in document A66/48. Accordingly and given the need to assess the results of those approaches over the coming two years, she suggested that the wording of paragraph 10 of the draft resolution contained in document A66/7 Add.1, after "implementation of the budget" should be amended to read: "as presented in document A66/7, including the outcome of the financing dialogue, the strategic allocation of flexible funding and the results of the coordinated resource mobilization strategy, through the Executive Board and its Programme, Budget and Administration Committee to the World Health Assembly, for review and endorsement".

She welcomed the Secretariat's commitment to measuring progress on the public health challenge posed by antimicrobial resistance over the next biennium and requested it to include more specific information at the outcome and output levels in the final draft of the proposed programme budget.

Ms BLACKWOOD (United States of America) supported the realistic programme budget presented in document A66/7 and the integrated budget process showing all sources of income. Despite being transitional, the budget should serve as an instrument for accountability and

transparency in programme implementation, results achieved, financing and resource mobilization; and the results chain would be essential for ensuring accountability at every level of the Organization. Noting that the results of WHO's work were not adequately captured in current reporting instruments, she stressed the need for future budgets to be fully costed so that Member States could see where and how funds were being spent. Transparency was also essential to the process of voluntary resource allocation to regional offices, especially in the light of the low level of allocation to the Regional Office for the Americas.

Noting that interim targets were being set for 2015 and 2020 as part of the global monitoring framework for the prevention and control of noncommunicable diseases, she requested that the wording of the eight outcome indicators for noncommunicable diseases be aligned with the wording of the indicators in the framework, in order to avoid inconsistencies. Pending their finalization, all the interim targets should be removed and replaced with the words "To be determined".

Mr BLAIS (Canada), endorsing the comments made by the previous speaker, supported the latest version of the proposed programme budget 2014–2015, whose structure and results chain were a clear improvement over previous bienniums. The final version should serve as a core tool for performance assessment, financing and resource mobilization. Canada also supported the establishment of funding ceilings for the programme and priority-setting categories, with the exception of Category 5 (Preparedness, surveillance and response) where greater flexibility was required for emergency risk and crisis management.

Noting that Member States were being asked to approve the budget in its entirety, he drew attention to the fact that that would create a collective – as opposed to an individual – obligation to raise the necessary funding. It would require Member States to recognize the importance of voluntary contributions to the Organization and be willing to take responsibility for its financing. The emphasis placed recently on cross-subsidization in relation to the use of assessed contributions to support voluntary programmes whose costs could not be covered by service charges alone had understandably generated some concern. However, there were other possible ways in which cross-subsidization could play a part in financing WHO. It was a subject that could be discussed in the planned financing dialogue, whose effectiveness would depend on a clear understanding of the use of assessed contributions to finance the Organization's core management and administrative functions. Canada wanted a larger share of those contributions to be allocated to fixed costs and suggested a gradual shift toward option D of the administration and management cost study presented in the Annex to document EBPBAC18/3.

Dr GWAK Jin (Republic of Korea) welcomed the substantial increase in budget allocations for categories 2 (Noncommunicable diseases), 3 (Promoting health through the life course) and 4 (Health systems) in the proposed programme budget for 2014–2015. Noting the importance of avoiding duplication through closer internal collaboration between departments and clusters, he announced his Government's decision to make a US\$ 1 million annual contribution to work under Category 4 over the following five years.

Ms HERNÁNDEZ NARVÁEZ (Mexico) supported the proposed programme budget 2014–2015 in its entirety and took note of the recommendations contained in the report of the Programme, Budget and Administration Committee of the Executive Board, in particular the recommendation concerning the adoption of a draft decision by the Health Assembly.

Mr KÜMMEL (Germany) noted the significant progress made in preparing the proposed programme budget for 2014–2015 and the draft twelfth general programme of work. However, neither document provided sufficient guidance on the critical subject of priority setting and on what actions could be undertaken in a situation hampered by resource constraints. Unless more was done to clarify WHO's core functions and the specific added value that it had to offer to the growing number of actors



in the global health arena, the Organization would have difficulty defining and protecting its role in that arena.

The proposed programme budget for the next biennium was a transitional budget and, hence, was not perfect. Clear improvements must be made over the coming two years to ensure that the next budget provided a transparent picture of the funding required to enable WHO's many programmes to achieve their expected outputs, thereby serving to strengthen the results-based management framework. Echoing the view expressed by the Independent Expert Oversight Advisory Committee in its annual report (Annex to document EBPBAC18/4, paragraph 12), he said that the programme budget, if it were to contain more information, would have greater potential to serve as an effective control over the operations of the Organization.

Dr AL KALBANI (Oman) expressed appreciation for the fact that the proposed programme budget under review was the first to provide an overview of all the resources needed to support it, thereby affording Member States an opportunity to adopt and oversee the budget in its entirety. It reflected the efforts made to date to improve the Organization's transparency, accountability, programming and financing. However, further details were needed on the costing of outputs and the establishment of a more robust monitoring and evaluation framework. Expressing the hope that the proposed programme budget for 2016–2017 would incorporate such improvements, he said that Oman supported the adoption of the draft resolution contained in document A66/7 Add.1.

Dr USORO (Nigeria) supported the proposed programme budget for 2014–2015 but called on WHO to ensure an improvement over the current biennium in terms of implementation. Nigeria was concerned about the lack of indicators or targets for haemoglobinopathies in the global monitoring framework and wished to see an increase in budget allocations for tackling noncommunicable diseases. It was furthermore concerned about earmarked funding and urged donors to show greater flexibility in order to support programme implementation and to avoid any bias in priority setting.

He expressed appreciation to the Republic of Korea for its pledge to contribute additional funding to health system strengthening.

Dr HARVEY (United Kingdom of Great Britain and Northern Ireland) welcomed the latest version of the proposed programme budget and the clear results chain linked to the draft twelfth general programme of work, which clarified the impact of WHO's work at the global, regional and country levels. She supported its adoption on the understanding that work would continue to develop a transparent resource allocation process; to provide more information on funding and funding gaps with respect to agreed priorities; and to finalize the reporting and monitoring framework so as to enable Member States to see the improvements made as a result of their spending. Lastly, management and administration costs should be considered separately so as to make it easier to determine how funds were being used, whether allocations were realistic and whether savings were being made. WHO had to improve the way in which it evaluated management and administration quality and to develop a savings strategy, with measurable targets.

Mr HAZIM (Morocco) commended the Secretariat's efforts, when preparing the current proposed programme budget, to take into account Member States' views regarding in particular the simplification and analysis of resource allocation to the six categories and to regional offices. Notwithstanding the increase in funding for noncommunicable diseases, the level of resources in the proposed programme budget for 2014–2015 remained low. A significant proportion of the funding to be allocated during the planned financing dialogue should go towards those diseases, especially in view of their prominent place in the post-2015 development agenda. Other concerns included the fact that the allocation to the Regional Office for the Eastern Mediterranean for 2014–2015 was only 1.1% higher than in the current biennium, and that the budget was distributed among 25 programme areas without taking into account Category 6 (Corporate services/enabling functions). He therefore recommended that the regional offices, working on the basis of accurate and objective criteria, should

seek to achieve an optimum budget distribution by country so that a budget could be set for a number of priority programme areas, taking into account the specificity of each individual country. Each country would then be working on fewer programmes and the method for assessing the outcomes would be improved.

Dr GOMEZ (Bahamas) commended the Secretariat's responsiveness to the many requests of Member States in preparing the proposed programme budget for 2014–2015, supported the amendments proposed by the delegate of the United States of America and urged the Director-General to give greater attention to the financing of the Capital Master Plan; safety and security were paramount and lessons must be learnt from the mistakes of others.

She approved the draft resolution contained in document A66/7 Add.1. Noting the flexibility that it gave the Director-General to make budget transfers between the six categories in the proposed programme budget, she said that she looked forward to learning more from the financing dialogue on the outcomes of that flexibility.

Mr EMANUELE (Ecuador), speaking on behalf of the Union of South American Nations, drew attention to the proposed budget allocation to the Region of the Americas and recalled resolution CE152.SS.R1 on allocation of funds by WHO to the Region of the Americas, adopted by the Pan American Health Organization at the special session of the 152nd session of the Executive Committee. Highlighting the importance of the strategic resource allocation model and its associated validation mechanism used since the biennium 2006–2007, he expressed concern about the systematic non-compliance over the previous three bienniums with the stipulation, under the terms of the mechanism, that an average 7% of the programme budget be allocated to the Region of the Americas. Given that the allocation in the proposed programme budget for 2014–2015 had only been increased to 4.4% from 4.2% in the current biennium, compared with 5.9% in the biennium 2008–2009 and 4.9% in the biennium 2010–2011, he requested clarification of the criteria used in preparing document A66/7. Unless the downward trend in the allocation was reversed, his Region was in danger of being unable to achieve the objectives of its programme of work. He therefore urged that a draft budget policy be presented to the Sixty-seventh World Health Assembly, with clear and equitable criteria for budget allocations to each regional office.

Dr DUONG ANH VUONG (Viet Nam), expressing appreciation for the latest version of the proposed programme budget, endorsed the decision to replace the 13 strategic objectives used in previous bienniums with six categories of work but favoured a greater focus in Category 4 (Health systems) on priorities such as health financing and health insurance coverage for developing countries. Noting that the proposed programme budget for 2014–2015 would be the first with a results-based management framework, which was sure to enhance the effectiveness of outputs, he said that the new approach should be piloted in priority categories before being applied across the board.

Dr RODRÍGUEZ (El Salvador) suggested that Category 2 of the proposed programme budget (Noncommunicable diseases) should include a focus on chronic renal disease, which added to the social and economic burden on many countries and regions. Furthermore, an emphasis should be placed in future programme budgets on priority forms of country cooperation.

El Salvador strongly supported the views expressed on behalf of the Member States of the Union of South American Nations with regard to the obvious unfairness of the budget allocation to the Region of the Americas, and to Latin America in particular.

Dr DE ROSAS-VALERA (Philippines) stressed the need for transparent and realistic budgeting, for alignment with national budgets and priorities, and for clear and detailed information indicating the outcomes of performance and results-based budgeting. She endorsed the suggestion made by the delegate of Viet Nam with regard to Category 4 and supported the statements by the delegates of Germany and the United Kingdom of Great Britain and Northern Ireland.

Mr SEN (Turkey) commended the efforts made by the Secretariat to reflect the comments of Member States in the latest version of the proposed programme budget, which was a key component of WHO reform. His delegation had been pleased to note that it included expected outputs and deliverables at all three levels of the Organization and resource allocations to major offices in each programme area. Although output targets and indicators were defined globally, future reports should provide further information on how they were linked to the work at each of the three levels, which would require an assessment of the performance and needs at each level. Furthermore, while the priority given to reform-related initiatives and the emphasis on accountability and risk management were much appreciated, the Secretariat should break down the figures to show the specific amounts of funding allocated and the efficiency savings expected from each initiative. Lastly, the success of the proposed programme budget depended on the necessary financial resources being secured through the financing dialogue. Further information would therefore be required on financing dialogue meetings, on the interim process between meetings and on the role of the governing bodies, whose legitimacy and primacy must not be undermined.

Mr SVERSUT (Brazil), referring to the strategic resource allocation model, said that the proposed programme budget for 2014–2015 would play a key role in ensuring more realistic resource allocation and enhancing the Organization's transparency and accountability. Brazil was concerned, however, that voluntary contributions would account for 77% of the total budget for the biennium and hoped that innovative mechanisms, such as the financing dialogue, would provide a lasting solution to the problem. He furthermore joined previous speakers in voicing concern about the continued decline in the budget allocated to the Region of the Americas and reiterated the importance of the strategic resource allocation validation mechanism. Latin America might have made significant progress in tackling health challenges and inequities, but countries in the Region needed to improve their policy-making in order to help especially the most vulnerable members of their population.

Ms POLACH (Argentina) strongly supported the points made by the delegate of Ecuador with regard to the resources allocated to the Region of the Americas and the proposal that a draft budget policy be presented to the Sixty-seventh World Health Assembly. She furthermore endorsed the draft decision contained in document A66/53, requesting the Director-General to propose a new strategic resource allocation methodology in WHO, starting with the programme budget for 2016–2017.

The DIRECTOR-GENERAL thanked the various speakers for their rich comments on the proposed programme budget 2014–2015, which reflected the robust and constructive engagement in the WHO reform process over the previous two years. That was, in the words of the delegate of Norway, a learning process both for the Secretariat and for Member States. She also thanked the Republic of Korea for its pledge of a US\$ 1 million annual contribution to health system strengthening over the coming five years.

Responding to the request for clarification from Japan on the apparent discrepancy between the proposed programme budget for 2014–2015 and the draft twelfth general programme of work, she said that the latter provided the vision for the Organization's work over the coming six years and that she had proposed a stable budget for that period amounting to a total budget envelope of around US\$ 12 billion, or US\$ 4 billion per biennium. That was because the Health Assembly had previously requested her, as chief executive officer, to prepare an accurate projection of income and expenditure. The Organization's income over the previous four years had remained stable within the range of US\$ 3.7 billion to US\$ 3.9 billion per biennium. In the area of expenditure, the Organization had been unable to implement a US\$ 4 billion budget every two years. She had therefore worked closely with regional directors and assistant directors-general on the proposed programme budget for 2014–2015, asking them to apply to the agreed six categories of work the priority-setting criteria that she had received over the previous two years from, among others, the intergovernmental working group. The first draft had been rejected because every single region, programme and office had asked for more resources and, while the easier option would have been to accede to their requests, she had chosen to

exercise budgetary discipline so as to ensure that the Organization lived within a realistic budget, as instructed by the Member States.

The most difficult task, as had been indicated by the delegate of Germany, was to identify what needed to be done to achieve the Organization's objectives in a context of bottom-up planning, especially at the country level. She therefore urged Member States to strive for a degree of behavioural change. Some countries, such as Brazil, India and many countries in Africa, were already using their own funds to implement their country programmes. Health care provision was ultimately their responsibility and, bearing in mind that WHO was a technical agency rather than a funding agency, she requested guidance from them as to how its limited resources could be used to support them in meeting their main demands. WHO could provide support for only the most important activities at country level, which should be carefully selected in order to maximize their chances of success. That meant that governments should discontinue the practice of breaking WHO country budgets down into smaller amounts for activities such as organizing a meeting or drafting a guideline. Her Regional Directors and Assistant Directors-General, during a staff retreat before the current Health Assembly, had committed themselves to change and she urged Member States to do likewise. Otherwise, if they continued to atomize their budgets, the full potential of the Organization's work would never be realized. Priority setting, therefore, was crucial, and should be guided by WHO's core functions and comparative advantage, avoiding any duplication of the work of sister agencies, within the framework of a stable budget of US\$ 4 billion for each of the next three bienniums.

The delegate of the United Kingdom of Great Britain and Northern Ireland had rightly pointed out that the Organization's management costs were currently mixed in with administrative costs. The Secretariat would therefore seek to clarify whether too much was being spent on bureaucracy instead of country programmes. She sensed overwhelming support for a fair and transparent resource allocation mechanism, to be implemented under governing body guidance. She agreed with the delegate of Germany that the proposed programme budget for the next biennium was a transitional budget and therefore far from perfect, inasmuch as the information it contained was incomplete. She therefore proposed that the programme budget for 2016–2017 should be prepared in accordance with a seven-step approach. First, the Secretariat would do its utmost to establish priorities by means of a bottom-up priority-setting process, based on input from Member States. Secondly, all outputs would be costed. Thirdly, the Secretariat would continue to improve the results chain, with a particular focus on clarifying the strategic linkage between the leadership priorities and the programme budget. Fourthly, it would incorporate the Capital Master Plan, as requested by several countries. Fifthly, it would develop a strategic dialogue and allocation mechanism for the fair distribution of resources, in response to the request for coordinated resource mobilization. The proposed programme budget was a core instrument for the achievement of transparency and accountability; it had to be linked to the financing dialogue and the allocation of the resources; and it had to guarantee results for every dollar received from Member States through headquarters or through regional or country offices. Those results had to be visible. Sixthly, greater emphasis would be placed on bottom-up planning, which was critical and which had not been dealt with properly in the current programme budget. Seventhly, the Secretariat would clearly tease out management and administrative costs, seeking guidance from Member States on how to finance them. She agreed with the delegate of Canada that a large proportion of assessed contributions should continue to be allocated to those costs, including the salaries of regional directors, WHO representatives at country level and core teams, in the current transitional phase. Those fixed costs were unavoidable. Thus, once the programme budget for 2014–2015 had been approved, most of the assessed contributions would continue to flow to the regional offices, to headquarters and to certain programmes in order to ensure that no core, strategic activity was left unfunded. If the financing dialogue proved to be successful and all voluntary contributions were aligned to priority programmes, there would be no risk of assessed contributions not being distributed. However, it would be an interactive process, requiring the leadership of the Member States with support from the Secretariat.

She appreciated having had the opportunity to share her thoughts with the broad membership of the Organization in a single gathering and hoped that her proposed way forward would meet with their approval.

The CHAIRMAN said that discussion of the item under consideration would be suspended until the next meeting.

(For continuation of the discussion and approval of the draft resolution and draft decision, see the summary record of the third meeting, section 2.)

**2. WHO REFORM:** Item 11 of the Agenda (Documents A66/48 and A66/50)

The CHAIRMAN invited the Committee to consider documents A66/48 and A66/50 on WHO reform: financing of WHO.

Dr THABET NASHER (Yemen), speaking in his capacity as Chairman of the Programme, Budget and Administration Committee of the Executive Board, introduced the Committee's report (document A66/50). The Committee, on behalf of the Executive Board, recommended that the Health Assembly note the report on the financing of WHO contained in document A66/48 and that it adopt the amended draft decision contained in document A66/50.

**The meeting rose at 11:50.**