



Proposed programme budget 2014–2015

Report of the Programme, Budget and Administration Committee of the Executive Board to the Sixty-sixth World Health Assembly

1. The eighteenth meeting of the Programme, Budget and Administration Committee was held in Geneva on 16 and 17 May 2013 under the chairmanship of Dr Jamal Thabet Nasher (Yemen).¹ The Committee adopted its agenda.²
2. The introduction to agenda item 3.3 highlighted the realistic nature of the programme budget on the basis of past and projected income and expenditure patterns, establishing it as a transitional budget of US\$ 3977 million based on zero nominal growth in assessed contributions. The Programme budget 2014–2015 is informed by the draft twelfth general programme of work; it provides further details on the outputs and deliverables, including highlighting the roles and responsibilities across the three levels of the Organization in line with the six core functions.
3. The Committee expressed its appreciation of the improvements from the earlier versions of the programme budget, noting that most of the concerns raised had been addressed, as well as stating its support of the proposal to approve the budget in its entirety.
4. The Committee noted the decrease in the level of budget allocation for communicable diseases and the increases in the allocation for other categories, especially noncommunicable diseases. It was noted that the budget for antimicrobial resistance work will need to be adequately considered within the scope of the overall budget.
5. The Committee requested that clearer criteria and methodology on the allocation of resources across the Organization be developed, taking into account the recommendations of the United Nations Joint Inspection Unit. One Committee member suggested considering the model of country level resource allocation used in the Region of the Americas as an option that could be applied across the rest of the Organization in support of the reform process.
6. In reference to the draft resolution contained in document A66/7 Add.1, one Committee member expressed concern on the lack of clarity regarding principles and actual numbers impacting the proposed budget for the South East-Asia Region. While understanding the financial challenges faced by the Organization, the Committee member was concerned that the Region is the only WHO region faced with a large reduction of the budget for the biennium 2014–2015. Further, this reduction

¹ The list of participants is available in document EBPBAC18/DIV./1.

² Document EBPBAC18/1.

is significant in view of the prevailing needs of the South East-Asia Region and would have significant implications for regional efforts in support of the Organization's strategic directions at regional and national levels.

7. Appreciating that the proposed programme budget was a transitional one, the Committee noted that it was not fully costed. The Committee expressed the wish to see in the future a full costing thereof with targets for which the Secretariat could be held more clearly accountable. In addition, the Committee requested that budgeting at output level be an essential feature in the Programme budget 2016–2017. The Committee also asked for further clarity as to the delineation of roles for the Secretariat, Member States and other partners in achieving outputs and outcomes. Consideration should also be given to the number of outputs and indicators.

8. Clarification was requested on the integration of the Capital Master Plan into the programme budget and a suggestion was made for its funding to be included in the financing dialogue.

9. One Committee member, speaking on behalf of the Group of the Americas, referred to resolution CE152.SS.R1, adopted at the Special Session of the 152nd Session of the PAHO Executive Committee, and requested that a copy of the resolution be included in the present report as an annex.

10. Further, the Committee member highlighted the need for the Organization to ensure that a proper bottom-up strategic resource allocation methodology be adopted in the future programme budget cycles.

11. The Secretariat welcomed the comments made and emphasized the vision of having the budget, income and expenditure fully aligned. As far as the strategic resource allocation is concerned, the Secretariat explained that a working group chaired by the Chairman of the Committee will be established by the Director-General in order to develop a process for resource allocation. Efforts would continue to prepare a fully costed programme budget for the biennium 2016–2017. The Director-General further highlighted that improved budgetary discipline would be exercised by the Secretariat in the future. She noted that earmarking is not necessarily problematic if applied to priority areas and at a higher level of the results chain. Funding for administration and management (the “value generator”) remains a concern to the Secretariat.

RECOMMENDATIONS TO THE HEALTH ASSEMBLY

12. The Committee, on behalf of the Executive Board, recommended that the Sixty-sixth World Health Assembly adopt the draft resolution contained in document A66/7 Add.1.

13. The Committee also recommended, on behalf of the Executive Board, that the Health Assembly adopt the following draft decision:

The Sixty-sixth World Health Assembly decided to request the Director-General to propose, for consideration by the Sixty-seventh World Health Assembly, in consultation with Member States, a new strategic resource allocation methodology in WHO, starting with the Programme budget 2016–2017, utilizing a robust bottom-up planning process and realistic costing of outputs, based on clear roles and responsibilities across the three levels of WHO.

ANNEX



PAN AMERICAN HEALTH ORGANIZATION
WORLD HEALTH ORGANIZATION



152nd SESSION OF THE EXECUTIVE COMMITTEE

Special Session, 29 April 2013

CE152.SS.R1 (Eng.)
ORIGINAL: ENGLISH

RESOLUTION

CE152.SS.R1

ALLOCATION OF FUNDS BY WHO TO THE REGION OF THE AMERICAS

THE SPECIAL SESSION OF THE 152nd SESSION OF THE EXECUTIVE COMMITTEE,

Having considered the background document *Allocation of Funds by WHO to the Region of the Americas* (Document CE152/SS/2);

Mindful of the fact that the Directing Council of the Pan American Health Organization (PAHO) does not meet until September 2013 and that input is urgently needed for the Sixty-sixth World Health Assembly of May 2013;

Noting the need for an open and interactive discussion of the allocation of budget envelopes and resources at both global and regional levels, and

Considering the complex health challenges we face going forward and the need to work responsibly and with common strategies that promote solidarity among the regions,

RESOLVES:

To request that the following statement be presented to the Eighteenth Meeting of the WHO Programme, Budget and Administration Committee of the Executive Board (PBAC) and to the Sixty-sixth World Health Assembly.

STATEMENT BY THE MEMBER STATES OF THE AMERICAS REGARDING WHO BUDGETARY ALLOCATIONS TO THE REGION OF THE AMERICAS

1. For several biennia the Member States of the Region of the Americas have noted a continuous reduction in the allocation of both budget envelopes and financial resources to the Region of the Americas by the World Health Organization (WHO). Concern was expressed at the Sixty-fourth World Health Assembly in 2011 through a Manifesto presented by the Member States of the Americas advocating for a fair share of budget allocation to the Region. The concern was not heeded. The Regional Office of WHO for the Americas (AMRO) is consistently funded under 50% of the budgeted voluntary contributions.
2. For the 2014-2015 biennium, the WHO Secretariat has proposed a base program budget envelope of 5.4%¹ for AMRO. While the Secretariat has declared in the *Proposed Programme Budget 2014-2015*² that the Strategic Resource Allocation (SRA) mechanism approved in 2006³ is not being used, it is nonetheless worth remembering that this model—an objective means for budget allocation based on needs-based criteria—recommended a budget allocation to AMRO of 6.3% to 7.7%. The lack of information on the criteria used to allocate resources for the 2014-2015 biennium is a shared concern of the Member States of the Americas. Therefore, until a new means for global budget allocation is agreed by the Executive Board, the SRA mechanism is the best objective basis for discussion.
3. PAHO is committed to transparency and accountability, and presents its Strategic Plan and Program and Budget to its Governing Bodies and publishes them on its web pages.
4. The Region of the Americas acknowledges that WHO endeavors to present a realistic budget that reflects the functions of all levels of WHO and the health priorities of the countries. However, the Region of the Americas expresses its concern that the implementation of past budgets should not be the only factor considered in budget allocation, given that the allocated resources were never fully provided to the Region.
5. Guided by a clear commitment to transparency and accountability, the Member States of the Americas hereby request that the Programme, Budget and Administration Committee of the Executive Board and the World Health Assembly agree to provide the following directions to the WHO Secretariat:

¹ This figure (5.4%) corresponds to the WHO base program budget envelope for AMRO (not including the Outbreak and Crisis Response [OCR] funds which are conditional on the occurrence of an outbreak or crisis). The WHO total budget allocation for AMRO (including the OCR funds) is 4.4%.

² WHA Document A66/7.

³ WHO Document EB118/7.1

- (a) That while it is acknowledged that allocation of 4.4% of WHO's 2014-2015 total budget to AMRO is less than optimal, such an allocation is acceptable for this biennium only, on the condition that actual funding to fill this envelope includes 100% funding of the assessed contribution portion and, if feasible, at least 75% funding of the voluntary contribution portion, on the principle of equitable treatment for all regions.
- (b) The Region of the Americas requests that the Secretariat provide the criteria by which budgets are allocated and resources are distributed to WHO Headquarters and the regional offices.
- (c) The WHO Secretariat should work with Member States with regard to a process for a new strategic allocation model for WHO resources starting with the 2016-2017 biennium.

(Adopted at the Single Plenary, 29 April 2013)

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