

Financing and implementation of the Programme budget 2022–2023 and outlook on financing of the Programme budget 2024–2025

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

1. The Secretariat presented an overview of the financing and implementation of the Programme budget 2022–2023 and outlook on financing of the Programme budget 2024–2025 as at 31 March 2023.¹ Overall, WHO was on track in terms of Programme budget financing and utilization. The base programme segment, including projections, was 91% financed, which represented an improvement compared with previous reports.
2. The Committee expressed appreciation for the level of funding of the total revised Programme budget 2022–2023, recognizing that it is largely driven by two budget segments (emergency operations and appeals, and polio eradication). It nevertheless remained concerned at the persistent pockets of poverty in the base programmes segment, especially in strategic priority 3 and in the Region of the Americas, and invited Member States to increase the flexibility of their contributions.
3. The Secretariat echoed the call for flexible funding and explained that the allocation of flexible funds² follows the principles of strategic allocation of resources, with a greater share of such funds being allocated to the regions and countries (72%), as well as to high priorities and to underfunded areas. Nevertheless, the level of flexible funds was insufficient to ensure equitable financing of all major offices and programmatic results.
4. The Committee discussed the possibility of increasing the current share of flexible funding distributed to countries.
5. Current efforts to overcome uneven allocation of funds included the establishment of the global Resource Allocation Committee, which decides on the allocation of thematic voluntary contributions. In addition, the Secretariat will trial the submission of large specified grants to the Resource Allocation Committee before the grants are actually allocated, in an endeavour to improve fund allocation across Programme budget results and major offices and therefore to “green” the heat map.
6. In reply to a question from the Committee, the Secretariat agreed that it might no longer be appropriate to budget US\$ 1 billion for the emergency operations and appeals segment. In the past, the amount budgeted for that segment had been based on average expenditure in previous bienniums, but that approach had been skewed during the COVID-19 pandemic. The Secretariat proposed to revisit this

¹ Document A76/18.

² Assessed contributions, core voluntary contributions and programme support costs.

question in respect of the Programme budget 2026–2027, with a view to budgeting a more realistic amount.

7. In reply to another question related to excess funding for certain outcomes, the Secretariat replied that some of the excess was carried forward to the next biennium, for example in the case of multiyear agreements. While excess funding in the form of flexible funds could theoretically be moved to other areas, in practice it was difficult to do so because even seemingly overfunded outcomes have underfunded areas and the flexible funds might be used, for example, to finance staff costs that could not be funded by other resources.

8. The Secretariat also presented an overview of the Director-General's annual report on operational efficiencies.¹ It underscored the view of the Independent Expert Oversight Advisory Committee that the biggest impediment to greater efficiency at WHO was its funding model. It agreed that the current funding model may lead to siloed technical work, and that integrated work can be improved, while noting that elements of WHO transformation are indeed about moving away from a siloed approach. The Output Delivery Teams, for example, have been established specifically to avoid silos.

9. The Committee expressed satisfaction at the efficiencies described in the report and at the Secretariat's collaboration with the External Auditor on the methodology used to calculate efficiencies – a matter on which it would appreciate receiving further information in the future.

10. The Director-General expressed appreciation to the Organization's Member States and partners for their generous contributions to the Programme budget. The funding difficulties mentioned by Member States were a structural problem that required a strategic solution; the investment round and the increase in assessed contributions currently being considered would ensure that WHO had a long-term sustainable and flexible funding model that allowed it to allocate resources where they were needed.

RECOMMENDATIONS TO THE HEALTH ASSEMBLY

11. The Committee, on behalf of the Executive Board, recommended that the Health Assembly should note the reports contained in documents A76/18 and A76/19. It proposed, as guidance for the Secretariat's implementation of existing mandates, that the Secretariat should:

- (a) continue providing Member States with the level of detail presented in the current report; and
- (b) continue to submit the report on operational efficiencies annually.

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¹ Document A76/19.