

WHO governance: costing of decisions and resolutions and its relationship to the programme budget and its financing

1. In cases of additional priorities proposed for approval by the Health Assembly in the form of draft resolutions or decisions, the Financial Regulations make clear the implications for the Member States and the responsibility they must assume in supporting such an approval. Regulation XV – Resolutions involving Expenditures, states that:

“15.1 Neither the Health Assembly nor the Executive Board shall take a decision involving expenditures unless it has before it a report from the Director-General on the administrative and financial implications of the proposal.

15.2 Where, in the opinion of the Director-General, the proposed expenditure cannot be made from the existing appropriations, it shall not be incurred until the Health Assembly has made the necessary appropriations.”

2. This means that when the governing bodies adopt a resolution or decision there are explicit implications in two areas:

(1) **Programme budget.** Member States are committing the Organization to incur costs, which must either be accommodated within the existing envelope in the approved programme budget or through an increase in that envelope. Further, should a resolution or decision require costs to be incurred beyond the time limit of the present biennium, then such costs should be planned for in future Proposed programme budgets presented to the Health Assembly for approval.

(2) **Financing.** In committing the Organization to incur costs, Member States are assuming that such costs are financed.

3. This principle has been adhered to formally and consistently since 2006, following a restated mandate in resolution WHA58.4 (2005), with the process strengthened since 2017.¹ Each draft resolution or decision presented to the Executive Board or Health Assembly for adoption has to be accompanied by a summary of the financial implications, broken down according to the results structure and by major office. This is intended to demonstrate the full implications of the activities to which Member States would be committing the Organization in adopting the instrument concerned, both in terms of budget and financing. However, without a source of sustainable financing, the use of resolutions and decisions as a management tool for Member States is rarely consistent with their objective as governance and political tools.

¹ This principle is also embodied in Rule 14 of the Rules of Procedure of the World Health Assembly and Rule 21 of the Rules of Procedure of the Executive Board.

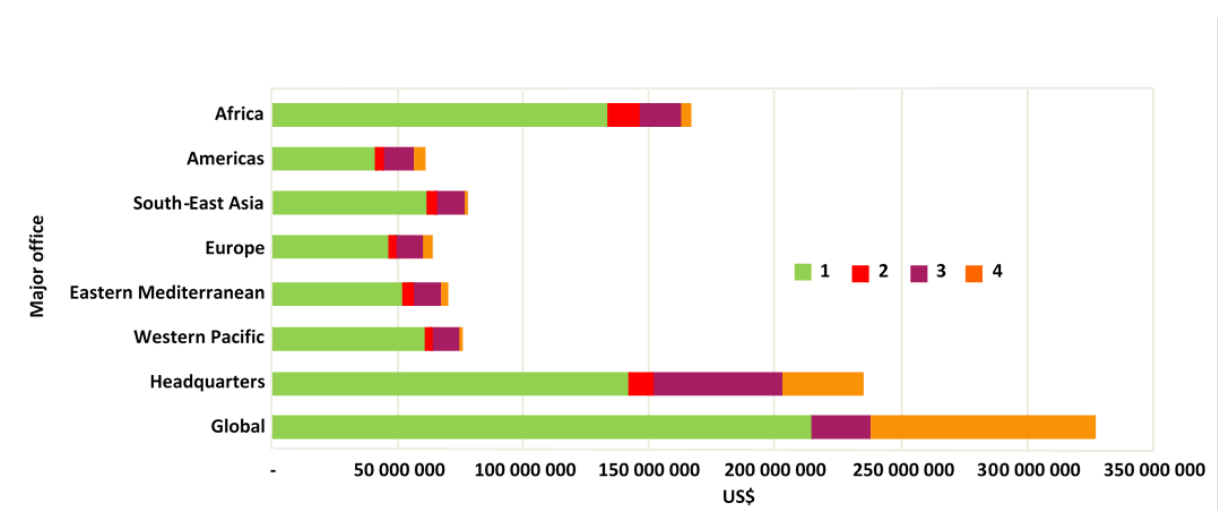
4. In addition to the Health Assembly and Executive Board, the Regional Committee for Europe and the Regional Committee for the Americas both make use of costings to make clear the financial implications for the Organization of undertaking activities mandated by their resolutions.

5. Costings are not systematically limited to the same period, with some decisions and resolutions costed up to 15 years into the future. As a result, costings should determine at least part of future programme budgets. This is not insignificant and the Table below shows the value of costed resolutions and decisions adopted from 2017 to 2020 (excluding the Seventy-third World Health Assembly) with implications for the Base segment of the Programme budget 2022–2023.

Table. Total value of costed resolutions and decisions adopted between 2017 and 2020 (excluding the Seventy-third World Health Assembly) for the Proposed programme budget 2022–2023

Major office	Strategic priority				Total
	1	2	3	4	
Africa	134 375 000	12 510 000	16 500 000	3 565 000	166 950 000
Americas	41 975 000	3 410 000	11 411 111	5 380 000	62 176 111
Europe	47 430 000	2 130 000	10 777 778	4 614 000	64 951 778
Eastern Mediterranean	52 260 000	4 640 000	10 977 778	2 621 000	70 498 778
Western Pacific	61 735 000	2 220 000	11 766 667	733 000	76 454 667
Headquarters	143 050 000	9 580 000	50 888 889	32 839 000	236 357 889
Global	215 236 364	–	23 260 000	90 000 000	328 496 364
TOTAL	758 901 364	37 860 000	146 804 444	140 051 000	1 083 616 808

Figure. Budget costings approved for the Executive Board and World Health Assembly for the biennium for the biennium 2022-2023 since 2017 by strategic priority



6. The Table and Figure above show that US\$ 1.08 billion or approximately 25% of the Proposed programme budget 2022–2023 have already been approved through resolutions and decisions adopted by previous sessions of the Executive Board or Health Assembly, both in terms of priority setting (or mandates by Member States) and size of the budget required. Moreover, there is also a split of this cost by major office and programme budget result, which ideally should be a starting point for developing the budget. In the case of some major offices (for example, the Regional Office for Europe and the Regional Office for the Western Pacific), approximately 20% of their budget for the biennium 2022–2023 could be considered pre-determined by resolutions and decisions already adopted.

7. In other words, over US\$ 1 billion of the organizational financing is already committed for implementing these governing bodies' mandates, which in itself is more than the assessed contributions.

8. If the financial implications of resolutions and decisions are to be used for budget development and potential indication of the sustainable financing required, Member States would need to pay greater attention to the strategic focus of the draft decisions and resolutions, thus enabling the associated costings to provide much more precise information. The process of costing resolutions and decisions would also need greater refinement. The financial implications of resolutions and decisions will need to reflect adequately the regional and country levels, which is not always the case currently as there is rarely time for the Secretariat to prepare a robust costing between the moment when the full text of a proposed resolution or decision is agreed, and its presentation to the governing body concerned. There will need to be consistency across all costings – currently there is no established unified methodology for this. For example from the Table above, resolutions pertaining to Billion 2 are costed at a considerably lower level than those for Billion 1 or Billion 3, while the global costings (that is, those for which no major office was identified at the time of costing) remain at a high level.

9. In order for Member States to retain full control of priorities during any refinement of the costings process, three issues need to be addressed. The first is the question of integrating the priorities endorsed through resolutions and decisions with those approved in the Programme budget. The second is how increases to the budget arising from the approved resolutions and decisions should be accommodated within an already approved budget. The third concerns the need for sufficient and flexible financing of the budget in order for those priorities to be implemented in cases where a budget increase is foreseen for the biennium under way when the resolution is adopted.

= = =