

WORLD HEALTH ORGANIZATION
Regional Office
for the Eastern Mediterranean
ORGANISATION MONDIALE DE LA SANTE
Bureau regional de la Mediterranee orientale



منظمة الصحة العالمية
المكتب اقليمي
لشرق البحر المتوسط

REGIONAL COMMITTEE FOR THE
EASTERN MEDITERRANEAN

EM/RC35/3(c)
September 1986

Thirty-third Session

ORIGINAL: ENGLISH

Agenda item 9

PROPOSED PROGRAMME BUDGET FOR THE
EASTERN MEDITERRANEAN FOR THE
FINANCIAL PERIOD 1988-1989

CONTINGENCY PLAN FOR PROGRAMME
BUDGET IMPLEMENTATION REDUCTIONS

BACKGROUND

1. The World Health Organization today faces a potentially serious financial liquidity crisis due to the expected non-receipt of certain Member State contributions in the estimated amounts of \$35 million in 1986-1987, and \$50 million in 1988-1989. Without reducing the levels of the WHO Programme Budgets for these two financial periods, prudent financial management requires that corresponding amounts of funds be set aside in reserve for systematically planned non-implementation of programme budget.

2. Following consultations among the Director-General and Regional Directors, it has been decided to make pro rata apportionments of programme budget implementation reductions among the six WHO regions and the global level. Thus contingency reductions will be shared in equal proportion to original budget allocations for 1986-1987 and for 1988-1989. The anticipated impact on programme budget implementation in the Eastern Mediterranean Region is summarized below. However, the final figures could be affected by adjustments to be made in the light of change in the budgetary rate of exchange between the Egyptian Pound and the US dollar. (See document EM/RC33/3 (b)).

IMPLICATIONS FOR PB/86-87

3. As indicated in the Introduction to the Regional Director's Annual Report (document EM/RC33/2), it has already been necessary in 1986-1987 to transfer into reserves the sum of \$4 008 000, which represents 6.4 percent of the EMR regular budget allocation of \$62 240 400, as revised to take into account the welcome addition of Morocco to this Region. This has been achieved by detailed planning of implementation reductions at regional office and inter-country levels, and by indicative reductions at country level to be worked out during Joint government/WHO Programme Review Missions (JPRMs) in the first half of 1987.

4. The planned reductions 1986-1987 are as follows:

<u>Organizational level</u>	<u>PB/86-87 Allocation</u>	<u>Implementation Reduction</u>	<u>Percent Reduction</u>
Regional Office	13 840 800	618 100	4.5%
Inter-country	9 223 400	1 249 300	13.5%
Country	39 176 200	2 140 600	5.5%
	<u>\$ 62 240 400</u>	<u>4 008 000</u>	
	=====	=====	

IMPLICATIONS FOR PB/88-89

5. As regards the Proposed Programme Budget for 1988-1989, the pro-rata share of programme budget implementation reductions for the Eastern Mediterranean Region is \$5 750 000, which represents 8.2 percent of the proposed EMR regular budget of \$70 056 000 for 1988-1989.

6. The policy of the Regional Director has been that when additional resources have been available they have been preferentially added to country allocations, while the regional and inter-country allocations have been maintained at zero growth in real terms, or reduced. It is no longer possible to continue this trend, while absorbing non-implementation reductions of this magnitude.

7. Accordingly, it is considered necessary to plan for the following possible reductions in 1988-1989:

<u>Organizational level</u>	<u>PB/88-89 Allocation</u>	<u>Implementation Reduction</u>	<u>Percent Reduction</u>
Regional Office	15 609 600	200 000	1.3%
Inter-country	10 080 400	200 000	2.0%
Country	44 366 000	5 350 000	12.1%
	<u>\$ 70 056 000</u>	<u>5 750 000</u>	
	=====	=====	

8. In the Regional Office, if it becomes necessary, the reduction of \$200 000, or 1.3 percent, will be made by freezing of two posts in Executive Management and Administrative Support Services.

9. Among Inter-country programmes, the need for reduction of \$200 000, or 2.0 percent is being reviewed by the Regional Programme Committee, and will be effected by reducing certain inter-country meetings and other activities considered to be of relatively lower priority.

10. At Country level the reduction of \$5 350 000 or 12.1 percent, will be identified and jointly decided upon during the detailed Joint government/WHO Programme Review Missions (JPRMs) in 1987.

CRITERIA FOR PRIORITY RATING

11. The Regional Director proposes that the criteria to be applied during JPRMs in countries, to determine which planned activities should be retained as high priority, and which identified for possible non-implementation should this become necessary, will be the priority criteria as set out in the Regional Programme Budget Policy (EM/RC33/7).

12. In accordance with that policy, highest priority in the use of resources will be given to support the development of national policies, strategies, plans of action, programmes and activities that are specifically targetted towards the attainment of health for all through primary health care, concentrating on the community and first level of referral and support up to and including district level, with a view to covering all the populations in all geographical areas of the country.

13. Priority will be given to activities which are most feasible and ready for implementation, and which will most effectively contribute to the attainment of national targets related to the four global indicators for the availability of primary health care to the whole population: (1) safe water in the home or within 15 minutes walking distance, and adequate sanitary facilities in the home or immediate vicinity; (2) immunization against the six target diseases of the Expanded Programme on Immunization (EPI); (3) local health care, including availability of at least 20 essential drugs, within one hour's walk or travel; and (4) trained personnel for attending pregnancy and childbirth, and caring for children up to at least 1 year of age.

14. As stated in the Proposed Programme Budget document (EM/RC33/3, Introduction, paragraph 5) the Regional Director is asking WHO staff and national officials engaged in JPRMs, to focus more sharply on the fundamentals of primary health care, particularly at community through district levels. This includes the important components of health education, advocacy and leadership. Depending on the state of health development in the country concerned, attention is to be given to the wider range of programmes as a function of their close relationship to the essentials of primary health care and their ranking in terms of nationally-defined priorities.

15. From the above it follows that the farther removed from the essentials of primary health care an activity is, the more it should be considered for deletion, or for setting aside as reserve for non-implementation of programme. This also applies to any activity which has not been well-planned, or which is likely to be delayed or not implemented at all during the financial period 1988-1989. However, an activity which has been tentatively marked for non-implementation may nevertheless be implemented later if resources become available, or higher priority activities fail to be implemented, or other activities are determined to have lower priority.

16. The selection of activities to be retained or to be marked for possible non-implementation should result from the systematic application of all the criteria presented in the Regional Programme Budget Policy (document EM/RC33/7), including those related to WHO involvement in national programmes, optimal use of WHO resources, fellowships and training, supplies and equipment, informatics support, consultants, meetings and publications. Activities which stand up least well against those criteria should be considered for marking for non-implementation.

ECONOMY MEASURES

17. In addition to contingency planning for non-implementation of programme budget, the Regional Director is also calling on the Secretariat to make every effort at Regional Office and country levels to realize further savings and economies in day-to-day operations, while carrying on the same level of substantive work of WHO.

18. Economy measures include: lowest cost direct routing of air travel; negotiation of airline and hotel group discounts; successive or concurrent meetings; successive and more selective consultancies; greater use of national expertise; streamlining of managerial processes; reduction in reports copies; sale of publications; greater use of bulk purchases and competitive bidding; strict controls on overtime payments; controls on international telephone calls and cables; limitation of office-type stationary, equipment supplies for RO, WROs and projects and promotion of cost-awareness and economy-mindedness at all levels.

EVALUATION

19. The Regional Director intends to keep a close watch on the development of the contingency plan and economy measures outlined above, and will keep the Regional Committee, Executive Board and Health Assembly fully informed of the outcome of these efforts.

20. Difficult as the financial situation of the Organization is today, the opportunity must be taken to sharpen the focus on programme priorities and to further streamline the effective and efficient running of WHO in collaboration with the Member States of the Region.