



**World Health
Organization**

Regional Office for South-East Asia

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REGIONAL COMMITTEE

Provisional Agenda item 7.2

*Sixty-ninth Session
Colombo, Sri Lanka
5–9 September 2016*

SEA/RC69/6 Inf. Doc.2

21 July 2016

**Programme Budget matters:
Programme Budget Performance Assessment: 2014–2015**

The attached document (A69/62) is the Report of the Programme, Budget and Administration Committee of the Executive Board to the Sixty-ninth World Health Assembly, on the Programme Budget 2014–2015: performance assessment.

WHO programmatic and financial report for 2014–2015 including audited financial statements for 2015

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

1. The Secretariat introduced the WHO programmatic and financial report for 2014–2015, including audited financial statements for 2015.¹ The new format of the report represented an important step on the road to transparency, accountability and completeness. Data were being presented to Member States in three “avenues” – a paper report, a programme budget web portal and the WHO website – that allowed for disaggregation as required. The methodology used for compilation of the report had included assessment of performance indicators and targets, the delivery of products and services, risks and mitigation strategies, and the use of human and financial resources. Conclusions had been verified with relevant documentation that could be used for validation, in addition to internal and external reviews and audits.
2. The financing and expenditure review had revealed, inter alia, that the top 10 Member State contributors to the Programme budget 2014–2015 represented 71% of total contributions, and that expenditure in that biennium had increased by 17% over the biennium 2012–2013, mainly owing to work on poliomyelitis eradication and emergency response. Expenditure under category 6, Management and Administration, had decreased as a percentage of total expenditure since 2011, due to efficiencies achieved. The resulting savings could be channelled into intensified activities related to internal audit, compliance, risk management and ethics.
3. The financial risks brought to light in the report included the uncertainty of the long-term financing of WHO’s budget, the financing of staffing for the Global Polio Eradication Initiative after 2019, the long-term liability for after-service health care costs, and long-term infrastructure needs.
4. One of the lessons learnt from the programme budget performance assessment process was that a future could be envisaged where reporting on the full range of different indicators to which WHO had committed was harmonized, leading to a reduction in specific reporting requirements and substantial concomitant gains in efficiency and transparency.
5. Member States commended the combined report and the web portal, and welcomed the proposal for harmonized reporting, suggesting that such an approach should incorporate the “reform

¹ Document A69/45.

dashboard”. One key trend observed was that WHO’s spending at country level had steadily increased, although attention was drawn to the finding in the report that there was still no systematic process in place for matching country office capacities to changing needs. The fully-funded, fully-aligned Programme budget 2014–2015 was welcomed, but concern was expressed about the decrease of core voluntary contribution funding in that biennium. Strategic thinking was required in order to tackle the financial risks identified, including those related to after-service health insurance.

6. In response to a question raised concerning the use of unspent funds, the Secretariat reported that the Director-General was currently making more strategic use of flexible funds, some of which were held back at the beginning of a biennium and channelled to underfunded programme areas as and when required. Measures were being taken to manage the repercussions of the expected decrease in funding for the Global Polio Eradication Initiative after 2019. The reduction in flexible funding was a phenomenon observed throughout the sphere of official development assistance.

RECOMMENDATION TO THE HEALTH ASSEMBLY

7. The Committee, on behalf of the Executive Board, recommended that the Health Assembly adopt the following draft resolution:

The Sixty-ninth World Health Assembly,

Having considered the WHO programmatic and financial report for 2014–2015, including audited financial statements for 2015;¹

Having noted the report of the Programme, Budget and Administration Committee of the Executive Board to the Sixty-ninth World Health Assembly,²

ACCEPTS the WHO programmatic and financial report for 2014–2015, including audited financial statements for 2015.

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¹ Document A69/45.

² Document A69/62.