



WORLD HEALTH ORGANIZATION

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Miscellaneous income 2002-2003

Report by the Secretariat

1. The purpose of this document is to inform the Board on the current projection of Miscellaneous Income available for financing the regular budget for 2002-2003.
2. The Fifty-fourth World Health Assembly approved the use of up to US\$ 52 153 017 from the Miscellaneous Income account¹ to finance the regular budget for the financial period 2002-2003. This amount was made up of:
 - US\$ 16 000 000, under resolution WHA54.20, to cover exchange rate hedging, financing of the Real Estate Fund, and the Financial Incentive Scheme
 - US\$ 36 153 017, under resolution WHA54.17, to provide relief to 82 Member States whose assessed contributions for the biennium 2002-2003 had increased compared with their contributions in the financial period 2000-2001.
3. The available amount of Miscellaneous Income was at that time estimated at some US\$ 35.0 million (see Annex) which would result in a shortfall in financing the regular budget for 2002-2003 of slightly over US\$ 17.0 million.
4. In order to reduce the shortfall, the Director-General appealed to Member States that would benefit from the use of Miscellaneous Income to complement the amounts payable as their assessed contributions for 2002-2003 under resolution WHA54.17 to forgo such relief. Eight Member States thus far have generously done so or offered to do so, thereby reducing the total amount of Miscellaneous Income required by US\$ 5.5 million.
5. A preliminary review of the estimated expenditure that may be incurred under resolution WHA54.20 has indicated that the total amount required in 2002-2003 may be some US\$ 6.0 million lower than the US\$ 16.0 million initially envisaged.
6. A review of the estimated Miscellaneous Income available for 2002-2003 has led to a figure of US\$ 36.5 million (see Annex), which is US\$ 1.5 million higher than the original estimate of US\$ 35.0 million.

¹ In accordance with the revised Financial Regulations the Miscellaneous Income account became operational on 1 January 2002.

7. As a result of the actual reduction of US\$ 5.5 million in the amount necessary to supplement assessed contributions for 2002-2003 and the expected reduction of US\$ 6.0 million in the amount required under resolution WHA54.20, the total amount of Miscellaneous Income needed to finance the regular budget for 2002-2003 is now forecast to be US\$ 40.5 million. Consequently, given the increase to US\$ 36.5 million in the revised estimate of Miscellaneous Income available for 2002-2003, the estimated shortfall stands now at US\$ 4.0 million compared to the original estimate of US\$ 17.0 million.

8. The Director-General will continue to keep under review the estimate of available Miscellaneous Income. In accordance with Financial Regulation 5.4, should there be a shortfall in Miscellaneous Income for 2002-2003, the Director-General “shall review implementation plans for the regular budget in order to make any adjustments that may be necessary”.

ANNEX

ESTIMATED MISCELLANEOUS INCOME FOR 2002-2003

	Revised estimate	Original estimate
	US\$ million	US\$ million
Balance of Casual Income as at 31 December 2001 transferred into Miscellaneous Income on 1 January 2002	22.0 ^a	12.0
Savings on unliquidated obligations at 31 December 2001 ^b available in 2002-2003	6.0	10.0
Interest earnings in 2002-2003 ^c	6.0	12.5
Sundry items	2.5	0.5
Estimated total income available	36.5	35.0

^a This figure is now final.

^b The amount of savings on unliquidated obligations has been reduced following implementation of the revised Financial Regulations and Financial Rules. It is expected that savings on unliquidated obligations will continue to be less than in previous bienniums.

^c The amount estimated for interest earnings in 2002-2003 has been reduced in view of the significant decline in interest rates, principally those for United States dollars.

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