

Report of the Programme, Budget and Administration Committee of the Executive Board

1. The eleventh meeting of the Programme, Budget and Administration Committee of the Executive Board was held in Geneva on 14 and 15 January 2010, under the chairmanship of Dr M. Dahl-Regis (Bahamas). The list of participants is attached in the Annex.

2. The Chairman proposed that the provisional agenda be amended, with the deletion of agenda item 4.2, as there were no proposed amendments to the Financial Regulations and Financial Rules. The Committee adopted its provisional agenda, as amended.¹

Agenda item 2. Strategic directions

2.1 Management reforms: progress report (Document EBPBAC11/2)

3. The Committee noted the progress made in implementing the Global Management System. The Secretariat noted that, although full benefits of the System would not be recognized until it was being used more widely, its use had already contributed towards enhanced budgetary controls, standardization of processes, increased transparency and improved access to information. It was acknowledged that system-related problems persisted. Major challenges requiring attention during 2010 included improving the user-friendliness of the system, simplifying the underlying processes and providing additional training to staff.

4. The Committee noted that three more regions (the European, South-East Asia and Eastern Mediterranean regions) had introduced the Global Management System as of January 2010. In the African Region, it was planned to launch the System during 2010. The Regional Office of the Americas/PAHO was currently evaluating several options for participation in and alignment with the System. That subject would be raised during the 146th session of PAHO's Executive Committee in June 2010.

5. The Committee requested additional information and analysis regarding the costs and benefits of implementing the System and the impact that it had had on the work of the Organization at different levels. The Secretariat said that it would provide an update to the Committee at its twelfth meeting in May 2010 and a more comprehensive analysis of impact at its meeting in January 2011.

6. The Committee supported the Secretariat's efforts to implement the International Public Sector Accounting Standards (IPSAS), and noted that they would be fully implemented during the current

¹ Document EBPBAC11/1 Rev.1.

biennium. In response to a query, the Secretariat explained that even without a dedicated IPSAS project team, WHO was able to combine work on IPSAS with the implementation of the Global Management System. Work remained on training staff and establishing accounting data for fixed assets and inventories; resources were still to be identified.

The Committee noted the report by the Secretariat contained in document EBPBAC11/2.

Agenda item 3. Programme and budget matters

3.1 Eleventh General Programme of Work, 2006–2015 (Document EB126/22)

7. The Committee noted that because the General Programme of Work reflected a global health agenda involving multiple stakeholders, monitoring and assessment would need to include an analysis of the achievements of the Organization and other stakeholders, as well as a consideration of the adequacy of international response.

8. The Secretariat clarified that indicators referred to were taken from the document “Eleventh General Programme of Work: monitoring implementation”, which had been noted by the Sixtieth World Health Assembly.¹

9. The Committee suggested reviewing the indicators further and considering adding indicators where appropriate, for example those related to achievement of the health-related Millennium Development Goals. That would allow broader analysis of progress towards, and gaps in, the achievement of the global health agenda.

10. The Committee noted that the process of assessing the General Programme of Work would require the full commitment of Member States. It requested the Secretariat to provide more details about how the Member States would be involved at the Committee’s twelfth meeting in May 2010.

The Committee recommended that the Executive Board note the report by the Secretariat contained in document EB126/22.

3.2 Implementation of the Programme budget: management and alignment of resources (Document EBPBAC11/3)

11. The Committee welcomed the report and the innovative presentation. There continued to be disparities between the approved budgets and the available resources. The report identified three main mechanisms to improve alignment, namely the budgeting process, the management of resources, and the adjustments to staff profiles.

12. The Committee noted the continuing funding gap for maternal, newborn and child health (an element within strategic objective 4). It was also recognized that the budgets for noncommunicable diseases (strategic objective 3) and for health determinants and risk factors (under strategic objectives 6 and 9) were both small and under-funded. The Committee also noted the limited progress towards the goal of a 30%–70% distribution of resources between headquarters and regions. The Committee requested analysis of the distribution of resources between regions and countries.

¹ See document WHA60/2007/REC/3, summary record of the fifth meeting of Committee A, section 2.

13. The Committee noted two main issues related to assessed contributions: limited flexibility, and zero nominal growth over the bienniums.

14. The Committee expressed appreciation for the clarification provided concerning the US\$ 1600 million carried forward from previous financial periods. The management of the Programme budget in three segments, as well as the increased transparency in managing voluntary contributions resulting from the use of the new Global Management System, had helped to make the more detailed analysis possible.

15. Further analysis was required on the need for WHO's prudent financial management to ensure the capacity to finance future commitments, notably for staff salaries, and to ensure adequate cash flow. These analyses and strategies for ensuring better alignment and the Financial Report for 2008–2009 would be presented to the Committee at its twelfth meeting in May 2010.

16. In response to a question regarding the impact of the new IPSAS methodology on the recognition of income, and reporting of funds carried forward, it was explained that the relevant Standard provided detailed guidance on when income should be accounted, and accounting would always follow the terms outlined in the individual donor agreements. There were many variations on donor agreements, and frequently such agreements were not explicit as to the financial period in which funds were received or to be spent. It was suggested that efforts were needed, in conjunction with voluntary contributors to WHO, to ensure an improved definition and standardization of the payment schedules included in donor agreements.

17. The Committee expressed appreciation for the clarification provided of complex issues and analytical processes, in particular for the modelling exercises undertaken.

The Committee took note of the report. It stressed the need for continued tangible progress and reporting back to the next session of the Committee.

Agenda item 4. Financial matters

4.1 Scale of assessments (Document EB126/23)

18. The new WHO scale of assessments, based on the revised scale for 2010–2012 adopted recently by the United Nations,¹ was presented; it would be submitted through the Executive Board to the Sixty-third World Health Assembly for application as of 2011.

19. The Committee noted that observations had been made about late distribution of the document containing the new scale, as well as its application midway through the biennium 2010–2011. The Legal Counsel recalled that the Health Assembly had decided in 2003 that the latest available United Nations scale of assessments would henceforth be used by WHO,² with small adaptations required in order to take account of the slightly different membership of the Organization. Given that the United Nations had a three-year budget cycle and WHO a two-year one, the need for mid-biennium changes could arise.

¹ United Nations General Assembly resolution 64/248.

² Resolution WHA56.33.

The Committee recommended that the Executive Board should propose that the Sixty-third Health Assembly adopt the proposed scale of assessments as set out in document EB126/23.

Agenda item 5. Management matters

5.1 Safety and security of staff and premises and the Capital Master Plan (Document EB126/24)

20. The Secretariat outlined the current situation and the vulnerability of the Organization with regards to staff safety and security in the field, premises security and the application of the Capital Master Plan, as linked to business continuity. A proposal was made for two financial mechanisms instead of the centralized trust fund proposed in the Director-General's report: a security fund, and a continuation of the current Real Estate Fund.

21. Following a discussion about the appropriateness of dealing with staff security and the maintenance of the premises at headquarters under the same agenda item, the Committee noted that the two issues were inter-related and equally important. It was suggested that a phased approach should be adopted to identify and respond to the urgent and immediate requirements, as well as considering the sustainable financing mechanisms especially the two proposed by the Secretariat. In view of the urgency of the situation for field staff security and for the premises at headquarters, it was emphasized that the need for further discussion should not prevent the immediate action required.

22. The Committee requested that financing options for capital expenditure and recurrent costs should be further elaborated, to include detailed assessments of possible mechanisms and their respective implications. Two topics of particular interest were the integration of the proposed mechanisms into the Programme budget and the consequent potential impact on technical programme delivery.

23. The Secretariat confirmed it would provide the details requested in sufficient time for due consideration by the Sixty-third World Health Assembly.

5.2 Appointment of members of the Independent Expert Oversight Advisory Committee (Document EB126/25)

24. The Committee noted the very thorough screening process and agreed that a strict selection had taken place. The Committee also noted that an observation had been made about the consideration of geographical balance in that selection.

25. The Chairman underlined the independent character of the new oversight advisory committee and stated that the members were selected to serve in their individual professional capacity.

The Committee endorsed the Director-General's proposal to the Executive Board for the five members of the Independent Expert Oversight Advisory Committee.

5.3 Method of work of the governing bodies (Document EB126/26)

26. The Committee welcomed the report and the proposals by the Secretariat.

27. General support was expressed for the proposals, although a view was expressed that the Rules of Procedure of the World Health Assembly and those of the Executive Board were adequate for their purpose in their current versions. The recommendation of a 500-word or three-minute limit on interventions might be difficult to apply consistently, given that interventions could be made in any of WHO's six official languages.

28. Members of the Committee and other participants voiced strong support for keeping the Health Assemblies and sessions of the Board as short as possible. On balance, the Committee felt that a limitation on duration to a maximum number of days could prove counterproductive, but agreed that an optimal target for the Health Assembly would be six days for budget years and five days for non-budget years, followed by a one-day session of the Executive Board.

The Committee recommended that the Executive Board should provide guidance on the proposals contained in the report, and that it should adopt the draft resolution contained in paragraph 24 of document EB126/26.

Agenda item 6. Staffing matters

6.1 Human resources: annual report (Documents EB126/33 and EB126/33 Add.1)

29. The Committee noted with appreciation the progress reported and the activities planned for 2010 in the area of human resources management. It welcomed as a significant development the preparation of a global human resources strategy, and recognized the progress made in filling the backlog of vacant posts. The Secretariat informed the Committee that efforts were being made to ensure the widest possible geographical representation in WHO's workforce. The Secretariat was requested to review whether there was scope for flexibility in applying the requirement for competency in several official languages. The Committee further emphasized the need for harmonization with developments in the United Nations Common System, which should include any future reviews of mandatory retirement age, as well any changes to appointment policies for staff. It was suggested that there should be a more systematic approach to mobility for internationally recruited staff. The Committee endorsed efforts planned to identify talent, and to implement sustained performance management strategies.

The Committee recommended that the Executive Board take note of the report contained in documents EB126/33 and EB126/33 Add.1.

6.2 Confirmation of amendments to the Staff Regulations and Staff Rules (Document EB126/39)

The Committee recommended that the Executive Board adopt Resolution 1 and Resolution 2 as set out in document EB126/39.

6.3 Report of the International Civil Service Commission (Document EB126/35)

The Committee recommended that the Executive Board take note of the report contained in document EB126/35.

Agenda item 7. Audit and other matters for information

7.1 Report of the Office of Internal Oversight Services (Document EBPBAC11/4)

30. The Committee reviewed the report of the internal auditor, and recognized the importance of the internal audit function. It supported efforts to continue addressing matters that represent the major risks to the Organization.

31. The Committee was reassured that innovative measures would be undertaken to minimize the impact of budget and staffing reductions. The Committee supported the continuing involvement of the Office in reviewing issues related to the Global Management System as its introduction and use proceeded. The Secretariat said they would provide additional details of the workplan of the Office of Internal Oversight Services once those had been adequately discussed with the Independent Expert Oversight Advisory Committee.

The Committee noted the report by the Secretariat contained in document EBPBAC11/4.

7.2 External and internal audit recommendations: progress on implementation (Document EBPBAC11/5)

32. The Committee reviewed details of the status of implementation of recommendations arising from internal and external audits. It was noted that, since the report had been produced, 6 out of 26 internal audit reports had been closed, and the audit recommendations regarding private telephone usage had been implemented.

33. In response to a concern raised about security of electronically stored information and disaster recovery plans, the Secretariat explained that data recovery arrangements were in place with the United Nations International Computing Centre to ensure full back-up for Global Management System information. Remaining concerns regarding data access and confidentiality were being addressed by a working group.

34. At the Committee's request, further information in respect of enterprise risk management would be supplied at its next meeting, and that modification would be made to the tabular presentation of the status of recommendations.

35. The Committee expressed its appreciation of the additional data supplied in the report and noted the Secretariat's commitment to address fully, in a timely manner, all audit recommendations.

The Committee noted the report by the Secretariat contained in document EBPBAC11/5.

7.3 Reports of the Joint Inspection Unit (Document EBPBAC11/6)

36. The Committee took note of the report and looked forward to receiving more information on WHO's knowledge management strategy.

ANNEX

LIST OF PARTICIPANTS

MEMBERS, ALTERNATES AND ADVISORS

Bahamas

Dr M. Dahl-Regis (Chair)

Bangladesh

Mr S.A. Ali (alternate to Professor A.F.M.R. Haque)

Dr F. Kazi (alternate)

Brazil

Dr L.F. Beskow (alternate to Dr P. Buss)

Mr P. Lugon (alternate)

Ms M. Miranda

France

Mr A. Allo (alternate to Mr D. Houssin)

Hungary

Dr A. Meszaros (alternate to Mr M. Kökény)

Ms N. Kondorosi (alternate)

India

Mr P. Satpathy (alternate to Ms K. Sujatha Rao)

Japan

Dr M. Mugitani (alternate to Dr S. Omi)

Dr T. Takei (alternate)

Dr Y. Nakatani (alternate)

Mr Y Otake (alternate)

New Zealand

Ms D. Roche (alternate to Mr T. Ryall)

Ms L. Cassels (alternate)

Niger

Dr A. Djibo

Mr R. Issaka Moussa (alternate)

Oman

Dr A.J. Mohamed (Vice-Chair)

United Arab Emirates

Dr F. Al Braik (alternate to Dr S. Al Darmaki)

Ex officio members

Dr S. Zaramba (Chairman of the Executive Board)

Professor Sohn Myongsei (Vice-Chairman of the Executive Board)

MEMBER STATES NOT MEMBERS OF THE COMMITTEE

Mr S. Commar (Australia)

Mr N. McFarlane (Australia)

Mr P. Higgins (Australia)

Ms R. Hodgkin (Australia)

Ms C. Patterson (Australia)

Dr C. Babb-Schaefer (Barbados)

Ms J. Hamilton (Canada)

Mr P. Blais (Canada)

Mr L. Jones (Canada)

Ms M. Ratpan (Canada)

Mr Liu Peilong (China)

Ms B. Souskova (Czech Republic)

Mrs A. C. Christensen (Denmark)

Ms S. Nielsen (Denmark)

Mr T. Ifland (Germany)

Mr B. Gehrmann (Germany)

Mr S. Klose (Germany)

Ms J. Bekele (Germany)

Mr U. A. I. Ibrahim (Iraq)

Mr F. Santilli (Italy)

Mr T. K. Ould Abdi Salem (Mauritania)

M. A. O. M. Bousseif (Mauritania)

Mr J. R. Lorenzo Dominguez (Mexico)

Mr R. Driecce (Netherlands)

Ms C. Jansen (Netherlands)

Ms E. Van Woersem (Netherlands)

Ms G. Vrielink (Netherlands)

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Ms C. O. Yahaya (Nigeria)
Mr T. E. Lindgren (Norway)
Ms S. H. Steen (Norway)
Dr M.S. Tcheshkovskiy (Russian Federation)
Mrs E.M. Shipileva (Russian Federation)
Mr A.G. Bashkin (Russian Federation)
Mr E.V. Kalugin (Russian Federation)
Ms N. Dladla (South Africa)
Mr A.M. Suarez Iglesias (Spain)
Mrs E. Rodriguez Machado (Spain)
Ms A. Molin Hellgren (Sweden)
Ms M. Lidskog (Sweden)
Ms M. Battiston (Switzerland)
Mr M. Bruchez (Switzerland)
Mr M. Brudet (Switzerland)
Mr I. Yüksel (Turkey)
Mr N. Cassidy (United Kingdom of Great Britain and Northern Ireland)
Mr M. Rush (United Kingdom of Great Britain and Northern Ireland)
Ms C. Kitsell (United Kingdom of Great Britain and Northern Ireland)
Mr A. Sear (United Kingdom of Great Britain and Northern Ireland)
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