



ORGANIZAÇÃO MUNDIAL DE SAÚDE
ESCRITORIO REGIONAL AFRICANO

REGIONAL COMMITTEE FOR AFRICA

AFR/RC53/14

1 August 2003

Fifty-third session

Johannesburg, South Africa, 1–5 September 2003

ENGLISH

ORIGINAL:

Provisional agenda item 7.4

**EVALUATION OF THE IMPLEMENTATION OF RESOLUTION
WHA51.31–REGULAR BUDGET ALLOCATIONS TO REGIONS**

Report of the Regional Director

Executive Summary

1. In 1998, the World Health Assembly adopted resolution 51.31 relating to Regular budget allocations to regions using a model which took into account certain country-specific criteria.
2. The implementation of this resolution was to be spread over three biennia, starting with biennium 2000–2001.
3. The resolution also recommended that the reduction for any region should not exceed 3% per year.
4. During implementation, the 3% reduction was only achieved during the first biennium. As a result of this resolution, the Regional Office for Africa benefited with a net increase of US\$ 33 826 million, most of which was allocated to countries.
5. The resolution requested that the Director-General present a thorough evaluation of that model to the Fifty-seventh World Health Assembly.
6. In connection with this request, the HQ Secretariat has prepared the attached note for regional committees.
7. The Regional Committee is invited to review and comment on the document, “Regular Budget allocations to regions” as prepared by the HQ Secretariat.
8. Comments from the Regional Committee will be forwarded to the Director-General for incorporation in a final document to be presented to the Executive Board in January 2004.

CONTENTS

	Paragraphs
The model	5-7
Impact of the model	8-9
Action requested of regional committees	10

ANNEXES

	Pages
1. WHA51.31 Regular budget allocations to regions	3
2. Adjustments to regional regular budget allocations	5
3. Extrabudgetary contributions by region	6

NOTE FOR REGIONAL COMMITTEES
Prepared by the WHO Headquarters Secretariat

1. In 1998, the World Health Assembly adopted resolution 51.31 (Annex 1) relating to Regular budget allocations to regions.
2. The resolution recommended that regional, intercountry and country allocations should be guided, for the most part, by a model that:
 - (a) draws upon the United Nations Development Programme Human Development Index, possibly adjusted for immunization coverage;
 - (b) incorporates national population statistics calculated according to commonly accepted methods such as “logarithmic smoothing”;
 - (c) is gradually implemented so that reductions for any region do not exceed 3% per year and are spread over a period of three biennia.
3. In operative paragraph 4, the Director-General was requested to present a thorough evaluation of that model to the Fifty-seventh World Health Assembly in order to respond to continuing health needs and equitable allocation of WHO financial resources.
4. This note is intended to provide regional committees with information relating to the financial impact of implementing the resolution in each of the six regions of WHO.

The model

5. The model has been used by the Director-General to make recommendations to the World Health Assembly for Regular budget allocations to regions for the 2000–2001, 2002–2003 and 2004–2005 WHO Programme Budgets.
6. In summary, a theoretical budget allocation for all countries (except high-income countries as defined by the World Bank) has been calculated, with apportionment (a) inversely related to a country’s Human Development Index and (b) based on population size but weighted so as to partially reduce the effect of large populations. Least developed countries were protected from any decrease. The results were then used to calculate regional allocations (regional office and countries) for all six regional budgets.
7. The proposals made by the Director-General also included the following adjustments, based on the provisions and discretions given in the text of the resolution:
 - (a) In 1998–99, the Director-General adjusted the model to consider immunization coverage. However, because of fluctuations and uncertainties surrounding some immunization statistics, budget adjustments were not made in 2002–2003 or 2004–2005.
 - (b) The maximum reduction foreseen in paragraph 3(c) of the resolution was 3% per annum per region, but this was only implemented in the first biennium, 2000–2001. Thereafter, the maximum reduction for any region was limited to 2% per year in the 2002–2003 biennium and 1.5% per year in the 2004–2005 biennium. This decision was taken, in part, to reflect the fact that regions had to absorb biennia cost increases as well as decreases resulting from the use of the model.

Impact of the model

8. The table attached as Annex 2 shows the regional allocations resulting from the application of the model as well as other changes made in regional allocations during the period 2000–2001, 2002–2003 and 2004–2005.

9. Extrabudgetary contributions are not covered by the model, and only figures for 2000–2001 and 2002, broken down by region, are attached for information as Annex 3.

Action requested of regional committees

10. Any comments from regional committees on the impact of the model should be forwarded to the Executive Board which meets in January 2004 and to the Fifty-seventh World Health Assembly in May 2004 for their consideration and evaluation of the model.

FIFTY-FIRST WORLD HEALTH ASSEMBLY GENEVA, 11-16 MAY 1998**WHA51.31 Regular budget allocations to regions****WHA51.31 Regular budget allocations to regions**

The Fifty-first World Health Assembly,

Recalling resolution EB99.R24 on regional arrangements within the context of WHO reform;

Noting that regular budget allocations to regions have not been based on objective criteria but rather on the basis of history and previous practice;

Concerned that, as a result, each region's share of such allocations has remained largely unchanged since the Organization's inception;

Recalling that two basic principles governing the work of WHO are those of equity and support to countries in greatest need, and stressing the need for the Organization to apply principles which Member States have adopted collectively;

Noting that other organizations of the United Nations system, particularly UNICEF, have already adopted models based on objective criteria to ensure a more equitable distribution of programme resources to countries;

1. THANKS the Executive Board and its special group for the review of the Constitution for the comprehensive study of allocations from the regular budget regions;
2. REAFFIRMS Article 55 of the Constitution which stipulates that it is the Director-General's prerogative to prepare and submit to the Board the budget estimates of the Organization, and requests her or him to take into account the discussion on this matter during Fifty-first World Health Assembly when preparing future programme budgets;
3. RECOMMENDS that, globally, the regional, intercountry and country allocation in future programme budgets approved by the Health Assembly should for the most part be guided by a model that:
 - (a) draws upon UNDP's Human Development Index, possibly adjusted for immunization
 - (b) incorporates population statistics of countries calculated according to commonly accepted methods, such as "logarithmic smoothing";
 - (c) can be implemented gradually so that the reduction for any region would not exceed 3%

per year and would be spread over a period of three bienniums;

4. REQUESTS the Director-General to present a thorough evaluation of that model to the Fifty-seventh World Health Assembly for the purpose of continuing response to health needs and equitable allocation of the resources of WHO;
5. DECIDES that the model should be applied in a flexible, rather than a mechanical, manner so as to minimize, to the extent possible, any adverse effects on countries whose budgetary allocations will be reduced;
6. REQUESTS the Director-General:
 - (1) to ensure that during the 2000–2001 biennium all least developed countries will be guaranteed that their regular budget allocation will not be less than that of the 1998–1999 budget by use of the 2% transfer from global and interregional activities foreseen in resolution WHA48.26 and by casual income if available; and to continue in subsequent bienniums to give high priority to protect the situation of least developed countries;
 - (2) while emphasizing that any additional funds resulting from the present process of reallocation should flow to country level, to enable regions to determine for themselves within the terms of the Constitution the partition between country, intercountry and regional office budgets;
 - (3) to monitor and evaluate closely the working and the impact of this new process in the light, in particular, of changes in international social and economic conditions, and to report annually to the Executive Board and the Health Assembly with a view to any further refinement, development or modification in order to ensure response to health needs and the equitable allocation of the resources of WHO;
 - (4) to report to the Executive Board at its 103rd session and to the Fifty-second World Health Assembly on the details of the model and the regional, intercountry and country allocations to be applied to the 2000–2001 biennium;
 - (5) further to report to the Executive Board at its 103rd session and to the Fifty-second World Health Assembly within the context of the request in paragraph 4 above, on the use of extrabudgetary allocations in regional, intercountry and country programmes in the previous three bienniums.

(Tenth plenary meeting, 16 May 1998 –
Committee B, sixth report)

ANNEX 2

Adjustments to regional regular budget allocations

2000–2001 to 2004–2005

(In US\$ '000)

	Approved 1998-99	Increase/ (decrease) in 2000–01 as per WHA 51.31	Increase/ (decrease) in 2002–03 as per WHA 51.31	Increase/ (decrease) in real terms in 2004–05 as per WHA51.31	Other increases in real terms 2000–05	Cost decrease 2000–05	Approved 2004–05
The Americas	82 686	(4 961)	(3 043)	(2 191)	802	(563)	72 730
South-East Asia	99 251	(3 656)	(2 573)	(1 853)	2 508*	(719)	92 958
Eastern Mediterranean	90 249	(4 380)	(2 479)	(1 806)	902	(633)	81 853
Western Pacific	80 279	(4 390)	(2 627)	(1 957)	788	(533)	71 540
Sub-total	352 465	(17 387)	(10 722)	(7 807)	5 000	(2 468)	319 081
Africa	157 413	19 409	9 650	6 246	-	(1 479)	191 239
Europe	49 823	1 876	1 072	1 561	374	(419)	54 287
Sub-total	207 236	21 285	10 722	7 807	374	(1 898)	245 526
Total	559 701	3.898**	NIL	NIL	5 374***	(4 366)	564 607

* Includes the effect of a new country budget for Timor-Leste (US\$1.5 M) transferred from global funds

** In 2000-2001 the impact of the model was boosted by this transfer from the global to regional budgets

*** Increases from the global part of the regular budget

ANNEX 3		
Extrabudgetary contributions by region		
2000–2001 and 2002		
(US\$ '000)		
Region	2000–2001	2002
Africa	497 006	187 328
The Americas	12 604	7 049
South-East Asia	91 639	54 758
Europe	73 446	43 573
Eastern Mediterranean	85 903	61 767
Western Pacific	45 034	30 686
TOTAL	805 632	385 161
Source: WHO accounts		