



PAN AMERICAN HEALTH ORGANIZATION
WORLD HEALTH ORGANIZATION



150th SESSION OF THE EXECUTIVE COMMITTEE

Washington, D.C., USA, 18-22 June 2012

CE150.R12 (Eng.)
ORIGINAL: ENGLISH

RESOLUTION

CE150.R12

PROPOSED PAHO BUDGET POLICY

THE 150th SESSION OF THE EXECUTIVE COMMITTEE,

Having reviewed the *Proposed PAHO Budget Policy* (Document CE150/12, Rev. 1),

RESOLVES:

To recommend that the 28th Pan American Sanitary Conference adopt a resolution along the following lines:

PAHO BUDGET POLICY

THE 28th PAN AMERICAN SANITARY CONFERENCE,

Having reviewed the proposed *PAHO Budget Policy* (Document CSP28/__), which presents a revised Regional Budget Policy that defines a new way of allocating resources within the Pan American Health Organization;

Noting the recommendations contained in the evaluation of the existing policy made by the PAHO Office of Internal Oversight and Evaluation Services;

Recognizing that, although countries in the greatest need have received an influx of resources during the period of the existing policy, other countries have suffered budget reductions to levels that are unable to sustain a minimum country presence—yet

notwithstanding, in the spirit of solidarity, have agreed to a distribution of resources that is workable within realistic and practical settings;

Mindful of the need to be aligned with the reform process now underway in the World Health Organization, and its possible implications for the Pan American Health Organization;

Considering the comments made by the Executive Committee,

RESOLVES:

1. To thank the Consultative Group on the PAHO Budget Policy and the Pan American Sanitary Bureau (PASB) for their efforts to recommend modifications and introduce new criteria for the allocation of Regular Budget funds and Voluntary Contributions, both across PAHO's functional levels and among its country offices.
2. To take note of the proposed country budget allocation model for allocating resources among countries.
3. To approve the new PAHO Budget Policy with the following emphasis:
 - (a) the Regular Budget allocation among the four functional levels of the Organization (i.e., Country, Inter-country, Subregional, and Regional) will be such that, with the aim of strengthening cooperation in countries, PASB will continuously strive to maintain optimal functional and organizational structures through internal and external assessments aimed at delivering the greatest level of impact in the countries, while still effectively responding to collective regional and subregional mandates;
 - (b) the minimum Regular Budget share for the country level is initially set at 40% of the total Regular Budget, which is equal to the current share. The distribution among functional and organizational levels remains dynamic, allowing for budget ceiling adjustments throughout the planning process if necessary, always with the objective of improving results in countries;
 - (c) in the reallocation of Regular Budget resources among countries, no country's core allocation shall be reduced by more than 50% of its proportional allocation among countries as approved in the Program and Budget 2012-2013. Furthermore, in no instance may the resulting Regular Budget allocation be less than the computed floor component (designed to provide a minimum country presence, as defined in the Policy) of the core portion;
 - (d) with regard to key countries (as originally identified in the Strategic Plan 2003-2007 for the Pan American Sanitary Bureau: Bolivia, Guyana, Haiti, Honduras,

- and Nicaragua), PASB will make every possible effort to mobilize additional resources for any of the key countries so that the net allocation of total resources will not be less than the total amount of resources for the 2012-2013 biennium;
- (e) the objectives for the use of the variable allocation among countries will be, as mentioned in Document CSP28/__, any future refinement for the use of variable funds will be presented to the Subcommittee on Program, Budget, and Administration at the time of presentation of a proposed biennial program and budget.
4. To ensure that the country allocations in future PAHO programs and budgets are guided by the model approved in operative paragraph 3 above, to be phased in over two biennia in consultation with the Member States, so as to ensure the smoothest possible transition for technical cooperation programs.
5. To promote a prioritization in the allocation of resources among programmatic categories that is consistent with the collective and individual mandates of Member States as expressed in PAHO's strategic planning documents.
6. To request the Director to:
- (a) apply the new PAHO Budget Policy when formulating future proposed programs and budgets for the consideration of the Directing Council or the Pan American Sanitary Conference;
 - (b) present to the Directing Council or to the Pan American Sanitary Conference a thorough evaluation of the PAHO Budget Policy following two biennia of its implementation, to ensure that it continues to respond to changing health needs and that it consistently allocates resources in an equitable manner;
 - (c) collaborate with Member States to promote more effective modes of cooperation, as well as to:
 - (i) strengthen the capacity of those countries that will be receiving more Regular Budget resources, to ensure their effective and efficient use;
 - (ii) provide support to those countries that will be receiving less Regular Budget resources through targeted resource mobilization efforts aimed at both internal and external sources.

(Sixth meeting, 20 June 2012)