

164th SESSION OF THE EXECUTIVE COMMITTEE

Washington, D.C., USA, 24-28 June 2019

CE164.R6
Original: English

RESOLUTION

CE164.R6

PAHO BUDGET POLICY

THE 164th SESSION OF THE EXECUTIVE COMMITTEE,

Having reviewed the proposed *PAHO Budget Policy* (Document CE164/14),

RESOLVES:

To recommend that the 57th Directing Council adopt a resolution along the following lines:

PAHO BUDGET POLICY

THE 57th DIRECTING COUNCIL,

Having reviewed the proposed *PAHO Budget Policy* (Document CD57/___), which presents a revised regional budget policy that defines a new way of allocating budget ceilings within the Pan American Health Organization (PAHO);

Noting the recommendations contained in the external evaluation of the existing budget policy that was presented to Member States for consideration in Documents CD56/6 and CD56/6, Add. 1;

Mindful that the World Health Organization (WHO) and PAHO have adopted integrated budget approaches, and that Member States now approve an integrated budget, not solely the Regular Budget as was done prior to the 2016-2017 biennium;

Considering the deliberations of the Executive Committee,

RESOLVES:

1. To thank the Strategic Plan Advisory Group (SPAG) and in particular the SPAG Subgroup on Health Needs Index and Budget Policy for their efforts to recommend modifications and introduce new criteria for the allocation of budget ceilings among the PAHO/WHO Representative Offices in the countries.
2. To take note of the proposed model for allocating budget ceilings among countries.
3. To approve the new PAHO Budget Policy, with the following emphases:
 - a) the budget allocation among the three functional levels of the Organization (country, subregional, and regional) will be such that, with the aim of strengthening cooperation with countries, the Pan American Sanitary Bureau (PASB) will continuously strive to maintain optimal functional and organizational structures aimed at delivering the greatest level of impact in the countries, while still effectively responding to collective regional and subregional mandates;
 - b) the target budget share for the country and subregional levels (combined) is set at 45% for the period 2020-2025; the distribution among functional and organizational levels remains dynamic, allowing for budget ceiling adjustments throughout the planning process as necessary, always in transparent fashion and with the objective of improving health results in and for countries;
 - c) in the reallocation of budget ceilings among countries, no country's budget allocation shall be modified (increased or decreased) by more than 10% per biennium;
 - d) if the manual adjustment "escape clause" is used in a specific biennium, the respective justification will be presented to Member States for consideration and approval.
4. To ensure that the country budget allocations in PAHO program budgets during the period 2020-2025 are guided by the Budget Policy and are phased in over the three biennia, to ensure manageable transitions for technical cooperation programs and PAHO/WHO Representative Offices.
5. To promote prioritization in the allocation of resources among programmatic outcomes consistent with the collective and individual mandates of Member States, as expressed in PAHO's planning documents.
6. To request the Director to:
 - a) apply the new PAHO Budget Policy when formulating future proposed program 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 an update on the implementation of the PAHO Budget Policy every two years, as part of the report on the end-of-biennium assessment of the PAHO Program Budget;
- c) present to the Directing Council or to the Pan American Sanitary Conference a thorough evaluation of the PAHO Budget Policy following two biennia (four years) of its implementation, to ensure that it is meeting the objectives set out in the Budget Policy;
- d) collaborate with Member States to promote more effective modes of cooperation in an environment of financial constraints.

(Third meeting, 25 June 2019)