



PAN AMERICAN HEALTH ORGANIZATION
WORLD HEALTH ORGANIZATION



THIRD SESSION OF THE SUBCOMMITTEE ON PROGRAM, BUDGET, AND ADMINISTRATION OF THE EXECUTIVE COMMITTEE

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Provisional Agenda Item 4.6

SPBA3/10 (Eng.)
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PROJECTS USING THE PROGRAM BUDGET INCOME EXCEEDING THE AUTHORIZED EFFECTIVE WORKING REGULAR BUDGET

Status Update: Use of Holding Account Funds (Program Budget Income Exceeding the Authorized Effective Working Regular Budget 2006-2007)

1. The 48th Directing Council, through Resolution CD48/R1¹, approved the use of the Holding Account to fund priority projects as listed in document CD48/22. The Resolution also calls for the Bureau to present to the Subcommittee on Program, Budget and Administration, at the appropriate intervals, a status update on the use of these funds.
2. Table 1 shows the current funding status of each of the projects. The full document of reference, CD48/22², can be found at the Governing Bodies website dedicated to the 48th Directing Council.
3. Since the approval of document CD48/22, further assessments of some of the projects will require adjustments to the level of funding authorized from the Holding Account for the 2008-2009 biennium. Therefore, the following changes are proposed:

Project 1.A The amount required for 2008-2009 is \$1,500,000. This is an increase of \$500,000 from the \$1,000,000 originally approved for 2008-2009. The total amount approved for the project from within the Holding Account is \$1,500,000.

¹ CD48.R1, Use of Program Budget Income Exceeding the Authorized Effective Working Regular Budget 2006-2007, <http://www.paho.org/english/gov/cd/CD48.r1-e.pdf>

² CD48/22, Use of Program Budget Income Exceeding the Authorized Effective Working Regular Budget 2006-2007, <http://www.paho.org/english/gov/cd/CD48-22-e.pdf>

Project 3.C The amount required for 2008-2009 is \$300,000. This is an increase of \$100,000 from the \$200,000 originally approved for 2008-2009. The total amount approved for the project from within the Holding Account is \$300,000.

Project 4.B The amount required for 2008-2009 is \$620,000. This is an increase of \$120,000 from the \$500,000 originally approved for 2008-2009. The total amount approved for the project from within the Holding Account is still to be determined.

4. The revised project profiles for project 1.A and for project 4.B are attached as Annexes. There is no revision to the project profile for project 3.C.

Action by the Subcommittee on Program, Budget, and Administration

5. The Subcommittee on Program, Budget and Administration is asked to review the proposed changes to the funding levels authorized for 2008-2009 and to make recommendations to the Executive Committee accordingly.

Table 1.

No.	Title	Description	Estimated Budget Total	Authorized for 2008-2009	Funding Allocated 2008-2009	Balance 2008-2009
1.A	Emergency Operations Center (EOC) and Knowledge Center (KC)	A regional EOC/KC is a central hub that carries out the corporate functions of emergency events assessment and management, disaster response coordination and information and knowledge management. It also serves as an analysis and information exchange venue to facilitate decision-making to support the efficient and timely response to all events that may constitute a PHEIC as defined under the International Health Regulations (2005). For further details, please refer to Annex 1.A of Document CD48/22.	2,000,000	1,000,000 ^{1/}	750,000	250,000
1.B	National Emergency Operations Center (EOC)	Establishment of "EOCs" in countries to enhance the capacity of countries to manage real-time information and knowledge to better assess the health risks and respond to events that may constitute a public health emergency, such as: natural disasters, communicable disease outbreaks, chemical and radio-nuclear incidents, and to meet new IHR requirements. For further details, please refer to Annex 1.B of Document CD48/22.	3,000,000	500,000	0	500,000

^{1/} The original proposal for item 1A included a total requirement of \$1,500,000 from the Holding Account; \$1,000,000 estimated for 2008-2009 and \$500,000 for future biennia. However, the timeline for the implementation for construction of the Emergency Operations/Knowledge Center at the Washington DC Headquarters Building has required that the entire amount of \$1,500,000 be made available during 2008-2009.

No.	Title	Description	Estimated Budget Total	Authorized for 2008-2009	Funding Allocated 2008-2009	Balance 2008-2009
2.A	Strengthening PAHO Public Health Information Systems	Develop and implement a new strategy for the different health information systems that will solve current problems such as the fragmentation and lack of integration among them; the duplication of systems, which causes the countries to be overwhelmed with multiple requests for information; and the insufficient dissemination of the available information, etc. For further details, please refer to Annex 2.A of Document CD48/22.	8,000,000	500,000 (Phase 1)	0	500,000
2.B	Adoption of Networking Strategies to Transform the Delivery of Technical Cooperation	Project proposal to be re-submitted for future consideration.	TBD	TBD	TBD	TBD
2.C	Strengthening Communications through Improvement of Country Office Connectivity	Implementation of a Virtual Private Network (VPN) to provide the connectivity required by a modernization of corporate management systems and to increase communications capacity, bandwidth, security, and reliability which will enable and support social networking, knowledge sharing, electronic meetings and video conferencing, and interconnections of health systems and institutions. It also will provide a foundation for future direct Member State involvement in the activities of the Secretariat. For further details, please refer to Annex 2.C of Document CD48/22.	3,250,000	250,000 Phase 1	0	250,000

No.	Title	Description	Estimated Budget Total	Authorized for 2008-2009	Funding Allocated 2008-2009	Balance 2008-2009
3.A	Modernize the PASB Corporate Management System	Establish a model/prototype environment to fully explore PAHO business processes and how they can be improved to align with WHO, to support a robust RBM framework, and to improve administrative efficiencies, reflecting the same high level of integration and interoperability that WHO expects to achieve through their implementation of the Global Management System (GSM). For further details, please refer to Annex 3.A of Document CD48/22.	TBD	1,000,000 (Phase 1)	0	1,000,000
3.B	Modernize the Service Model for the Delivery of IT and KM Services	Reduce the maintenance and management of the IT infrastructure in field offices; decrease current security vulnerabilities; provide one common image for all PAHO supported languages, reducing the management of desktops in country offices and simplifying local office support. For further details, please refer to Annex 3.B of Document CD48/22.	1,488,000	500,000 (Phase 1)	0	500,000
3.C	Strengthen the Organization's capacity to be IPSAS compliant by the year 2010	The United Nations System has agreed to replace the United Nations System Accounting Standards (UNSAS) with International Public Sector Accounting Standards (IPSAS) by 2010. PAHO Governing Bodies have approved the adoption of IPSAS by 2010. In order to meet that commitment, the Organization must align its Financial Regulations and Rules, processes, and systems with IPSAS. Furthermore, significant training and oversight will be required to ensure that new policies are understood and implemented correctly. For further details, please refer to Annex 3.C of Document CD48/22.	500,000	200,000	300,000 ^{2/}	0

^{2/} The original proposal for item 3.C included a total requirement of \$300,000 from the Holding Account; \$200,000 estimated for 2008-2009 and \$100,000 for future biennia. However, the timeline for the implementation of IPSAS has required that the entire amount of \$300,000 be made available during 2008-2009.

No.	Title	Description	Estimated Budget Total	Authorized for 2008-2009	Funding Allocated 2008-2009	Balance 2008-2009
4.A	Improvements to facilities: MOSS upgrades and security measures	A one-time assist to country offices to complete MOSS upgrades. For further details, please refer to Annex 4.A of Document CD48/22.	300,000	300,000	300,000	0
4.B	Improvements to facilities: energy savings measures	HQ building and conference center: many components of the building are original (1965) and are in need of replacement. These include: the induction heating/cooling system and electrical cabinets on 2nd & 10th floor; the windows of both the main building and the conference center; and the conference center roof. For further details, please refer to Annex 4.B of Document CD48/22.	2,900,000	500,000 ^{3/} (Phase 1)	0	500,000
4.C	Improvements to facilities: plaza drainage system	There are leaks in the plaza drainage system and as a matter of regular maintenance cycle, they should be replaced. For further details, please refer to Annex 4.C of Document CD48/22.	375,000	375,000	0	375,000
4.D	Improvements to facilities: security and sanitary measures	Security upgrades in lobby & 2nd floor; sanitary improvements in HQ building restrooms. For further details, please refer to Annex 4.D of Document CD48/22.	330,000	330,000	0	330,000

^{3/} The original proposal for item 4B included a total requirement of \$2,900,000 from the Holding Account; \$500,000 estimated for 2008-2009 and \$2,400,000 for future biennia. However, the timeline for the implementation of window replacement program (south tower wall) of the Washington DC Headquarters Building has required that the original amount be increased from \$500,000 to \$620,000 to be made available during 2008-2009.

No.	Title	Description	Estimated Budget Total	Authorized for 2008-2009	Funding Allocated 2008-2009	Balance 2008-2009
4.E	Improvements to facilities: HQ office tower roof	The roof over the main HQ office tower I is past scheduled replacement. There are increasing leaks during rain storms, causing further damage within the Building. For further details, please refer to Annex 4.E of Document CD48/22.	250,000	250,000	250,000	0
4.F	Improvements to facilities: refurbish Rooms A, B, C in HQ building	The existing furniture in conference Rooms A, B, and C are between 20-25 years old and could be replaced. The veneer on the tables is thin and does not permit refinishing. For further details, please refer to Annex 4.F of Document CD48/22.	575,000	575,000	0	575,000
Total			22,968,000	\$6,280,000	1,600,000	\$4,680,000

Annexes

Project Profile

1. Project Title: Emergency Operations Center and Knowledge Center (EOC/KC)
2. Coordinating Entity: HDM/PED Participating Entities: HDM, PED, GSO, KMC, ITS
3. Beneficiaries: The entire organization (Member States, Country Offices, Technical Areas in Headquarters)
4. Main issues and challenges and/or problems to be addressed: The Emergency Operations Center/Knowledge Center (EOC/KC) is a central hub that carries out the corporate functions of emergency events assessment and management, disaster response coordination and information and knowledge management. It also serves as an analysis and information exchange venue to facilitate decision-making to support the efficient and timely response to all events that may constitute a PHEIC defined as such under the International Health Regulations (2005). There are two states envisioned: Emergency Operations: PED and HDM/CD with the support of the Disaster Task Force (DTF) or the Epidemic Alert and Response Task Force (EARTF), will activate the expanded EOC when there is a need to mobilize and manage the Organization's overall response and coordinate with other institutions and agencies such as a Public Health Emergency of International Concern (PHEIC) or other health crisis. During Emergency Operations the entire EOC/KC facility will then be dedicated to handling the event, including the priority use of the space, knowledge management processes, and technical and human resources for coordination, operation and information activities. Non-emergency Operations: During regular working mode, the space will be a multi-purpose space with: <ul style="list-style-type: none">• Core EOC: The staff will permanently maintain PED and HDM/CD epidemic intelligence, monitor natural and manmade emergencies or disaster and collect, analyze and disseminate information on damage and needs assessment, disease outbreaks and other potential health consequences. PAHO, in compliance with the IHR (2005), must be accessible at all times, on a 24/7 basis since countries are required to inform PAHO within 24 hours of assessment of all events that may constitute a PHEIC.• Knowledge Center (KC): Knowledge Management and Communication will provide the Organization support in knowledge development (brainstorming, concept mapping, capturing of lessons learned, collaborative development of good practices, etc), knowledge sharing (nurturing and facilitating communities of practice), and knowledge applications (content management, virtual collaboration, geographic information systems, etc).• Common area: Hold daily morning meetings with technical units and Country Offices to conduct risk assessment and decide on actions on current events The Center, as a space for gaining knowledge, provides significant synergy and cost savings to these fundamental needs of the Secretariat by complement each other by sharing knowledge management methodologies and tools, information technology and communication infrastructure and facilities while each function benefits the other through closer interaction.

<p>5. Brief description of impact:</p> <p>Greatly facilitate decision-making capacity to respond to emergency events, including those that may constitute a PHEIC as defined under the International Health Regulations (2005).</p>								
<p>6. Linkage to the Strategic Plan (Strategic Objective and Region-wide expected result):</p> <p>RER/5.1 Member States and partners supported through technical cooperation for the development and strengthening of emergency preparedness plans and programs at all levels.</p> <p>RER/5.2 Timely and appropriate support provided to Member States for immediate assistance to populations affected by crises.</p> <p>RER/5.3 Member States supported through technical cooperation for reducing health sector risk in disasters and ensuring the quickest recovery of affected populations.</p> <p>RER/5.4 Member States supported through coordinated technical cooperation for strengthening preparedness, recovery and risk reduction in areas such as communicable disease, mental health, health services, food safety, and nuclear radiation.</p>								
<p>7. Total Estimated Cost: US\$ 2,000,000</p> <table><tr><td>Architects and Engineering Study</td><td>\$ 275,000</td></tr><tr><td>Construction/furnishings</td><td>\$1,250,000</td></tr><tr><td>Business Continuity Study</td><td>\$ 225,000</td></tr><tr><td>Other expenses</td><td>\$ 250,000</td></tr></table> <p>Contributions from the PAHO Holding Account: US\$ 1,500,000 Contributions from financial partners: Contributions from other sources: US\$ 500,000</p>	Architects and Engineering Study	\$ 275,000	Construction/furnishings	\$1,250,000	Business Continuity Study	\$ 225,000	Other expenses	\$ 250,000
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Construction/furnishings	\$1,250,000							
Business Continuity Study	\$ 225,000							
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<p>8. Estimated duration (in months):</p> <p>18 months</p>								
<p>9. Comments:</p>								

Project Profile

<p>1. Project Title: Improvements to facilities: energy savings measures</p>
<p>2. Coordinating Entity: AM Participating Entities: AM, GSO</p>
<p>3. Beneficiaries:</p> <p>All staff members working in Washington, D.C., and visiting Member status and outside stakeholders</p>
<p>4. Main issues and challenges and/or problems to be addressed:</p> <p>The Organization’s principal physical asset is the Headquarters office tower and conference wing. Completed in 1965, the HQ Building requires on-going maintenance to ensure its continued usefulness to support the technical cooperation efforts with the member states. Due to a lack of funding, the 1999-2002 renovation did not replace the heating and ventilation systems on the 2nd and 10th floor or the electrical cabinets on these floors. All of the windows in the building date from 1965 and are single pane and very energy inefficient. Recent improvements in building reconstruction, as well as UN-wide initiatives, encourage “green roofs” to save energy and the conference building roof would be a good candidate, especially because its replacement is overdue.</p>
<p>5. Brief description of impact:</p> <p>The cost of energy continues to increase dramatically and all of the above projects, while costly in the short term, will reduce the growing financial impact in the future of energy bills at the Headquarters location</p>
<p>6. Linkage to the Strategic Plan (Strategic Objective and Region-wide expected result):</p> <p>RER 16.6 PASB strengthened through institutional development reforms and a physical working environment that is conducive to the well-being and safety of staff.</p>
<p>7. Total Estimated Cost: US\$ 2,900,000</p> <p>Contributions from the PAHO Holding Account: US\$ 620,000 Contributions from financial partners: \$0 Contributions from other sources: MCIF</p>
<p>8. Estimated duration (in months):</p> <p>Each project would have different lengths, but work would require approximately 2 years to complete.</p>
<p>9. Comments:</p> <p>The \$620,000 represents an initial investment and is based on a budget estimate provided by a window supplier for replacement of the 400 windows on the south side of the Headquarters Building. As more information of costs is obtained, a further proposal may be submitted with updated costs.</p>