

162nd SESSION OF THE EXECUTIVE COMMITTEE

Washington, D.C., USA, 18-22 June 2018

Provisional Agenda Item 5.4

CE162/20
11 April 2018
Original: English

PROGRAMMING OF THE REVENUE SURPLUS

Background

1. Financial Regulation 4.8 stipulates that any excess of revenue over the Budgeted Miscellaneous Revenue at the end of a budgetary period shall be considered a revenue surplus and shall be available for use in subsequent periods to cover any unfunded portion of the Strategic Plan, as determined by the Director and with the concurrence of the Subcommittee on Program, Budget, and Administration.
2. The total amount available for programming in 2018-2019 from the revenue surplus for the 2016-2017 biennium is US\$ 5,661,337.10.¹
3. As has been the case in past biennia, the revenue surplus offers a unique opportunity for the Organization to invest in longer-term, higher-cost strategic and administrative initiatives that are otherwise difficult to fund within the constraints of typical biennial program and budget exercises.

Analysis and Rationale

4. The Director determined the allocation of the 2016-2017 revenue surplus balance of \$5,661,337.10 as presented below:

Fund	Purpose	Amount
Master Capital Investment Fund (MCIF)	To fund the MCIF, which is primarily funded through the appropriation of revenue surpluses. The available balance in the Fund as of 31 December 2017 was \$17.7 million.	\$4,061,337.10

¹ Unless otherwise indicated, all monetary figures in this report are expressed in United States dollars.

Fund	Purpose	Amount
Revolving Fund for Strategic Public Health Supplies	To enable increased utilization of the Revolving Fund for Strategic Public Health Supplies (Strategic Fund) by Member States. The balance of the capitalization of the Strategic Fund as of 31 December 2017 was \$15.0 million.	\$1,600,000.00
TOTAL proposed for allocation		\$5,661,337.10
REMAINING UNALLOCATED AMOUNT (if any)		\$0.00

5. The Subcommittee on Program, Budget and Administration, in its 12th session, concurred with the Director’s determination, as provided in Financial Regulation 4.8.

Action by Executive Committee

6. The Executive Committee is invited to take note of this report and provide any recommendations it deems pertinent.

- - -