



PAN AMERICAN HEALTH ORGANIZATION  
WORLD HEALTH ORGANIZATION



## 146th SESSION OF THE EXECUTIVE COMMITTEE

Washington, D.C., USA, 21-25 June 2010

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*Provisional Agenda Item 4.3*

CE146/11 (Eng.)  
4 May 2010  
ORIGINAL: ENGLISH

### EVALUATION OF THE REGIONAL PROGRAM BUDGET POLICY

#### **Background**

1. In 2003, the 44th Directing Council called for an in-depth discussion of the distribution of the Pan American Health Organization's (PAHO) resources, which led to a general revision of the Regional Program Budget Policy (RPBP) and its allocation methodology. This revision took into consideration several global and regional mandates and initiatives, such as the Millennium Development Goals (MDGs), and it focused on country-centered orientations and subregional integration considerations. In September 2004, the 45th Directing Council adopted Resolution CD45.R6, which among other things, requested the Director of the Pan American Sanitary Bureau (the Director) to "present to the Directing Council or the Pan American Sanitary Conference a thorough evaluation of the Regional Program Budget Policy..."

2. Given this mandate, as well as the need to ensure that the RPBP continues to respond to the changing health needs of PAHO Member States and that the Organization's resources are allocated transparently and equitably, an evaluation of the RPBP has been undertaken in the third biennium of its implementation. The Director instructed the Office of Internal Oversight and Evaluation Services (IES) to undertake this evaluation and to include it in its Workplan for 2010.

#### **Terms of Reference**

3. The evaluation has been guided by the above-mentioned Resolution CD45.R6 with the following Terms of Reference, to verify that:

- (a) in reallocating resources among countries, no country's core allocation has been reduced by more than 40% of its proportional allocation, as approved in the Biennial Program Budget, 2004-2005;

- (b) the allocation to Key Countries (Bolivia, Guyana, Haiti, Honduras, and Nicaragua) has been protected, so that they do not experience a reduction of their proportional share;
- (c) the minimum level for the subregional component of the program budget has been increased to 7%; and
- (d) the policy is cognizant of the attainment of the health-related goals of the United Nations Millennium Declaration.

4. The evaluation also has, among its objectives, to:

- assess the architecture of the RBPB and the decisions made in the formulation of the policy;
- identify achievements, problems, and constraints in the Policy's management;
- gather the lessons learned from its implementation;
- assess whether the RBPB defining criteria need to be updated for a more equitable budgetary allocation among countries; and
- suggest recommendations that can optimize funding allocation policy at the level of PAHO's overall funding.

5. Qualitative and quantitative analyses have been used. The evaluation has included, but has not been limited to, the following sources of information:

- desk review of materials available at PAHO Headquarters;
- personal interviews with PAHO Managers, PAHO/WHO Country Representatives and Administrators, and concerned stakeholders external to the Secretariat;
- questionnaires to PAHO staff, PAHO/WHO Country Representatives, and Center Directors; and
- external expertise, especially for statistical matters.

6. The evaluation will not be fully completed by the date of the 146th session of the Executive Committee in June 2010. However, a fair proportion of the evaluative work will have been completed by June 2010. IES will brief the Committee on the progress of the evaluation and shall present its preliminary findings.

7. In addition, it should be noted that in the upcoming 12 to 18 months the Organization will undertake the elaboration of the next Regional Budget Policy. A working group will be formed comprising Member States, Secretariat and external experts to lead the discussions. The results and recommendations from the evaluation of the current Policy, as well as further guidance from the 146th Session of the Executive Committee and the 50th Directing Council, will serve as a vital input for these discussions. It is expected that a preliminary report on the forthcoming budget policy will

be presented to the Subcommittee on Program, Budget, and Administration in March 2011. This will provide further guidance for a proposal to be reviewed and recommended by the 148th Session of the Executive Committee (June 2011) for approval by the 51st Directing Council (September 2011).

**Action by the Executive Committee**

8. The Committee is invited to take note of and comment on the evaluation in progress and the preliminary findings.

Annex



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**ANALYTICAL FORM TO LINK AGENDA ITEM WITH ORGANIZATIONAL MANDATES**

**1. Agenda item:** 4.3. Evaluation of the Regional Program Budget Policy (IES)

**2. Responsible unit:** Office of Internal Oversight and Evaluation Services

**3. Preparing officer:** David O'Regan, Auditor-General

**4. List of collaborating centers and national institutions linked to this Agenda item:**

N/A.

**5. Link between Agenda item and Health Agenda for the Americas 2008-2017:**

As a funding allocating tool for the regular budget, the Regional Program Budget Policy (RPBP) does not directly address the strategic aspects of the Health Agenda, except for the first part of the area of action "Diminishing Health Inequalities among Countries, and Inequities within Them".

**6. Link between Agenda item and Strategic Plan 2008-2012:**

As a funding allocating tool for the regular budget, the Regional Program Budget Policy does not directly address strategic objectives, which may change without having any impact on the RPBP. However, the RPBP includes among its stated aims a contribution to the achievement of the Millennium Development Goals.

**7. Best practices in this area and examples from countries within the Region of the Americas:**

PAHO appears to be unique in having a tool like the RPBP.

**8. Financial implications of this Agenda item:**

None. The costs of the evaluation will be charged to IES.