



*executive committee of  
the directing council*

**PAN AMERICAN  
HEALTH  
ORGANIZATION**

12823 *working party of  
the regional committee*

**WORLD  
HEALTH  
ORGANIZATION**



41st Meeting  
Havana, Cuba  
August 1960

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The documents of the meeting are included in consecutive numerical order under the corresponding index tab, as listed in the Agenda (Document CE41/1) appearing under tab No. 1.

## TABLE OF CONTENTS AND RESOLUTIONS

	<u>Page</u>
1. Decentralization of Activities of the Pan American Sanitary Bureau	4
Resolution I	14
2. Report on Buildings and Installations for Headquarters	15
Resolution II	24
3. Preparations for the XII Meeting of the Directing Council, XII Meeting of Regional Committee of the WHO for the Americas	26
Resolution III	28

FINAL REPORT

Under the chairmanship of Dr. Luis Patiño-Camargo, the 41st Meeting of the Executive Committee of the Pan American Health Organization was held on 12 and 17 August 1960 at Havana, Cuba, in the Habana Libre Hotel, as convoked by the Director of the Pan American Sanitary Bureau. The following members of the Committee, observers, and officers of the Bureau were present:

Members:

Dr. Luis Patiño-Camargo	COLOMBIA
Dr. Francisco Monterrosa Gavidia	EL SALVADOR
Dr. Arturo Zelaya	HONDURAS
Dr. Mercedes Cabrera	MEXICO
Dr. H. van Zile Hyde	UNITED STATES OF AMERICA
Dr. E. Ross Jenney	
Mr. Charles W. Thomas	
Dr. Lisandro Lattuf	VENEZUELA
Dr. M. V. Parra Petit	

Member absent:

BRAZIL

Member and Secretary ex officio  
of the Committee:

Dr. Abraham Horwitz, Director	PAN AMERICAN SANITARY BUREAU
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Observers:

Dr. Rafael O. Pedraza	CUBA
Dr. Ramón Martínez	
Dr. Julio Alvarez	EQUADOR
Dr. Gerardo Rodriguez	
Mr. Cornelis Býpost	KINGDOM OF THE NETHERLANDS
Dr. Horace P.S. Gillette	UNITED KINGDOM

Advisers to the Director of the  
Pan American Sanitary Bureau:

Dr. Myron E. Wegman, Secretary General  
Mr. Donald F. Simpson, Chief, Division of Administration

Chief, Secretariat Services:

Mr. Guillermo A. Suro

Public Information:

Mr. Roberto Rendueles

## AGENDA

The agenda appearing in Document CE41/1 was approved at the first plenary session, held 12 August 1960.

### CHAIRMANSHIP OF THE MEETING AND DRAFTING COMMITTEE

In the absence of the Chairman of the Executive Committee, Dr. Bichat A. Rodrigues, the meeting was presided over by the Vice-Chairman, Dr. Luis Patiño-Camargo. The Drafting Committee, composed of the latter and of the Secretary, was entrusted with the preparation of the Final Report.

### OPENING OF THE MEETING

In opening the 41st Meeting of the Executive Committee, the Chairman expressed warm appreciation to the Government of Cuba and to its high authorities, particularly the Minister of Public Health and his co-workers, for all the facilities made available for holding the meeting. He also extended greetings to the representatives of the Member Countries on the Executive Committee, and to the Director of PASB and his co-workers.

He explained that the 41st Meeting had been convoked to study topics that will subsequently be submitted to the Directing Council for consideration.

### TOPICS DISCUSSED AND RESOLUTIONS APPROVED

During the 41st Meeting of the Executive Committee, the following topics were discussed:

1. Decentralization of Activities of the Pan American Sanitary Bureau

At the first session Dr. Horwitz (Director, PASB), in presenting Document CE41/2, recalled that the study of this topic stemmed from Resolution XIII of the 40th Meeting of the Executive Committee, which requested the Director to prepare a study of the financial and technical aspects of the present system of decentralization and submit it to the Executive Committee for consideration and appropriate action. Dr. Horwitz referred to the careful analysis made by the Executive Committee of this matter when it examined the proposed program and budget of PAHO for 1961. During the discussion of the budgetary estimates for zone and field office activities, the Representatives of Mexico and Venezuela, among others, believed that it would be advisable to review the organization of Zones and, by extension, the over-all pattern of decentralization that the PASB has followed over the past twenty years. The Director outlined briefly the trend of decentralization since 1940, which has reflected the Bureau's constant purpose of having a central agency that will interpret the over-all objectives of the Organization; translate them in terms of policies, or guidelines for action; and establish technical standards and procedures for implementing the programs and for maintaining peripheral units that will put these policies into practice in closest possible contact with the Member Governments--working always, of course, on the permanent principle that all the policy of the Organization is laid down by the Member Governments, and that the Bureau acts solely as

executive organ to carry it out. This, in effect, was the trend initiated in 1940 with the establishment in Panama of an office to serve Member Governments whose territory lies along the Gulf of Mexico and in the Caribbean area. That office was moved two years later to Guatemala. In 1942 the Field Office in Lima was established to serve the South American countries, and the El Paso Office was set up to coordinate health problems along the extensive Mexico-United States border. In 1950 a Field Office was opened in Rio de Janeiro, and by 1951 Zone Offices had been installed with headquarters in Guatemala City, Lima, Rio de Janeiro, and Buenos Aires to serve the groups of countries in those Zones. In 1952 the Mexico City Zone Office and the Kingston Field Office were established. In 1958 the Zone Office with headquarters in Caracas was set up to serve areas in the Caribbean region.

Thus, in the past 20 years an attempt has been made to bring the Bureau's operations as close as possible to the Member Governments. This policy eventually came to require a careful definition of responsibilities, and this was done in the document prepared in 1952 by the Pan American Sanitary Bureau and approved at the XIV Pan American Sanitary Conference, held in Santiago, Chile, in 1954. That document clearly set forth the division of functions between Headquarters and the Zones, and a summary of these was given by Dr. Horwitz.

The Director explained that the Central Headquarters has responsibility for maintaining relations with Member Governments and also with other international organizations that advise those Governments. In this respect he stressed the permanent relations between the Pan American Health Organization and the World Health Organization, as established in 1948, when it was agreed that the Pan American Sanitary Bureau would also serve as Regional Office of the World Health Organization for the Americas. Central Headquarters likewise maintains relations with UNICEF and with other international organizations that have a direct or indirect connection with health activities. It is therefore the function of Headquarters to establish general policy; to define standards, procedures, and work methods; to approve field projects and programs; to direct the operation of intercountry programs involving more than one Zone; and to carry out certain activities that are essentially regional in character (statistical and public information services, for example); and to evaluate, orient, and direct the general activities of education and training. Such are the essential functions of Headquarters, all of them accompanied by the corresponding administrative work, administration being understood as the method for putting into practice the over-all objectives of the Organization.

Dr. Horwitz then reported on how, by means of Zone Offices and field projects, mechanisms were established to carry out the general policy of the Organization. Functions assigned to the Zone Offices comprise the application of policy, procedures, rules and regulations;



direct collaboration with the Governments in the planning and development of projects and programs; and the preparation of draft programs and budgets.

In this connection, the Director explained that because of the nature of the Organization's functions, its program and budget are prepared regularly two years in advance. The Region of the Americas covers 30 per cent of the world's entire surface. Its Organization has at the moment 21 Member Governments plus three European Governments representing areas in the Region, and it also has to deal with the health problems of 27 political units distributed throughout the Caribbean area. Dealing with such a group of authorities in the field of health requires time, so that they may be consulted and a program and budget be established that reflects a harmonious whole closely bound up with the large health problems of the Hemisphere and their priorities. This function should of course be carried out by agencies that are as close as possible to the Member Governments; hence the Zone Offices and the technical staff working in each country. Dr. Horwitz went on to say that the executive responsibility of the Zones, as had been wisely established, came to include the performance of certain administrative services which were considered necessary for the proper implementation of technical activities, since the Zones and field projects, with their respective officers, represent essentially technical, not administrative units. Such has been the policy that has served as a guide for the Bureau's decentralization during the past ten years. Beginning in 1954, new

functions were assigned the Zone Representatives for the purpose of having decisions taken at the place nearest the field operations.

These decisions for the most part were administrative in character, and beginning in 1957 the Zone Offices became responsible for their own accounting operations and were assigned certain functions in connection with personnel, an aspect that involves highly detailed procedures in an international organization which has at the moment approximately 850 staff members from 42 countries. Equally complicated is the collection and administration of funds from five principal sources, as follows: the regular contributions of the Governments to the PAHO, the regular contributions of the Governments to the WHO, the proportion applicable to our Region from the Expanded Program of Technical Assistance, special funds (such as the Malaria Eradication Fund), and the special account from the Program of Technical Cooperation of the Organization of American States. In addition, the Pan American Sanitary Bureau bears the administrative responsibility for the Institute of Nutrition of Central America and Panama, which, after 11 years of great success in its endeavor, has become an organization of world-wide significance technically and of some complexity administratively. Dr. Horwitz stated that within the past few days he had attended the meeting of the Council of the Institute, which will have for 1961 a total budget of approximately \$600,000 and has a staff of 106 members to deal fundamentally with nutrition problems in six member countries. The sources of its funds are also very varied, and a detailed report on the

administration of those funds has to be made to the different organizations that generously contribute to the maintenance of the Institute, this being a function of the Central Office.

The Director then reported on other details related to the Organization's administrative complexities. He invited the members of the Committee to study the tables on pages 4 and 5 of Document CE41/2. The first, which refers to expenditures and estimates, shows a distribution of the budget between Headquarters and the field from 1954 to 1962. As is to be expected, the data on the years 1961 and 1962 are mere estimates, because these projects have not been approved by the Organization's Governing Bodies. In 1954 the expenditures of Headquarters represented 44.1 per cent and those related to field activities represented 55.9 per cent of the Organization's total budget, which was then \$3,700,000, whereas during 1962, should the budgetary estimates be approved, the proportion for Headquarters will be reduced by half --that is, to 22.3 per cent-- while field expenditures will have increased to 77 per cent, with a total budget of \$12,703,000. A brief study of these figures will reveal, though perhaps not completely, the tendency toward decentralization that the Organization has followed during the past ten years. The table on page 5 confirms this statement. This table shows the total number of posts established, chargeable to all funds, during the same period. In 1954, out of the 480 staff members of the Pan American Sanitary Bureau, 212 (44.2 per cent) worked at Headquarters, and 268 (55.8 per cent) worked in the field. For 1962, out of a total of 903

staff members, 245 (27 per cent) will be assigned to Headquarters and 658 (72 per cent) to the field. It should be pointed out that since 1958 the number of staff members assigned to Headquarters has remained the same, whereas the field staff members in that year totalled 505 and will amount to 658 by 1962. This reflects the Bureau's tendency to deal with problems where they are to be found, through the health authorities. In the malaria eradication program the trend was clearly shown during 1956 and 1957 in the rise in the number of staff members from 551 to 677. The approach of the Pan American Sanitary Bureau's present administration, which is to consider the general health problems of each country according to priorities, is reflected in the increase of staff in 1959, which totalled 849 members, while in 1958 there were 750. This increase, to the limits of budgetary possibilities, is reflected in the number of projects in behalf of the Governments: there were 101 projects in 1954, 222 in 1959. Moreover, 282 fellows were able to study under PAHO budgetary appropriations in 1954, 505 in 1959, and it is estimated that 570 fellowships will be awarded in 1962. All these are concrete expressions of the Bureau's aim of decentralizing, following the repeated suggestions of the Member Governments. Other details also demonstrate this tendency. In 1952 there were 21 technical, 17 administrative, and 25 supporting staff members assigned to the Zone Offices, including the El Paso and Kingston Field Offices. In 1960 these figures have increased to 27 technical, 37 administrative and 53 supporting staff members. All this has effected an increase in the

general cost of running the Zone and Field Offices, from some \$450,000 in 1952 to \$885,780 in 1960. (From this item should be subtracted the amount of \$65,000, which represents the generous contribution of the Government of Venezuela for the maintenance of the Zone Office in Caracas, in order to compensate for the high cost of living in that city.) As for administrative personnel, in 1952 this amounted to 38.7 per cent of the Organization's entire staff. It was reduced to 14.7 per cent in 1960, while the technical staff serving the Member Governments directly has increased proportionately.

In conclusion, Dr. Horwitz stated that these data represented the background for the resolution whose operative part he had read at the beginning of his statements. Between April and July, when the document now submitted to the Committee for consideration was distributed, there had not been enough time to carry out the kind of study recommended in the resolution --that is, on the economic and technical aspects of the decentralization system. The matter to be studied involves, not the Zones as separate entities, but the general decentralization process followed by the Bureau to date --that is, the systems at present in effect-- and the possibilities of intensifying it in the near future, maintaining the efficiency of the services and improving them while reducing their cost as much as possible. The possibility of reducing the number of Zone Offices was discussed. Consideration was also given to the possibility of concentrating the administrative practices in some Zones, and also the possibility of concentrating the administrative methods at Headquarters as is done by some international organizations.

Dr. Horwitz stated that this topic was discussed in detail at the meeting with the Zone Representatives held recently in Rio de Janeiro. He thought it preferable to undertake a more detailed and thorough study and believed it of primary importance to consider the requirements and opinions of the Governments as well as the Organization's general objectives, in order to continue rendering assistance and improving present services. Such a study could be made by a member of the Organization with experience in its general work, together with an officer experienced in administration.

The Director concluded by saying that this is the task it was proposed to carry out in the forthcoming months in the hope that the report on the study may be presented to the 43rd Meeting of the Executive Committee in mid-1961. If any administrative points of obvious solution should come to light during the study, action will be taken, and the Committee will be so informed.

Lastly, Dr. Horwitz stated that a discussion on this matter would be very valuable, for the opinions expressed by the members of the Executive Committee would, as in the past, serve as guidelines for the Bureau.

Mr. Thomas (United States) congratulated the Director on his excellent presentation of the report. He pointed out that the principal aim being pursued is to reduce administrative costs to the minimum and increase to the maximum the funds devoted to programs.

Observing that the sums spent at Headquarters amounted in 1954 to half the budget and had been reduced at present to a quarter of it, he concluded that this aim was being achieved. The same trend might be noted in a comparison of posts between these two dates, despite a rise in the budget from 8 to 12 millions. He stated that, according to his experience with administrative matters in other fields, costs of administration fluctuate between 25 and 33 per cent; for the Organization this proportion, which was 38.7 per cent in 1954, had by now been reduced to approximately 14 per cent. That is, Bureau administration, which had been fairly expensive ten years ago, might at present be described as very inexpensive. He regretted not knowing more about the total functioning of the Bureau, especially the Zone Offices, and expressed his hope that the other representatives could offer some comments of interest on the wisdom of reducing the number of the Zone Offices or changing them in any way. In his opinion, the total of 37 administrative personnel, with an average of 6 persons per Zone Office, is an average that it would seem difficult to reduce, and in any event it would be necessary to avoid impairing the efficiency of the service. He suggested that the present ~~one~~ structure be studied by the Committee to find out whether by merging or splitting Zones the present organization can be improved, but indicated that his impression was that very little needed to be done to improve the organizational structure.

Dr. Zelaya (Honduras) also congratulated the Director on the report and observed that the short space of time available for preparing

the document did not permit arriving at clearer conclusions. He noted that the figures presented reveal a trend towards decentralization but that, in view of the fact that the territory covered by the Zone Offices represents 90 per cent of the total for the Region, the percentage at Headquarters remains very high compared with that for the Zones. He considered that the problem is very important, but that the Director and the Bureau need more time at their disposal in order to be able to present definitive solutions.

The Committee then unanimously approved the following resolution:

RESOLUTION I

CE41.R1

The Executive Committee,

Having studied the report presented by the Director on the question of decentralization of activities of the Bureau (Document CE41/2); and

Appreciating that the complexity of the subject requires a detailed analysis of all possibilities and a careful comparison of them with the present system,

RESOLVES:

1. To take note of the report presented by the Director on the decentralization of activities of the Bureau.
2. To request that the Director continue the study undertaken on the decentralization of activities, in order to be able to present the fullest possible report to the 43rd Meeting of the Executive Committee for consideration, and that he put into effect any measures which in the course of the study may be found to be logically applicable, and report such action to the Committee.



2. Report on Buildings and Installations for Headquarters

Before the presentation of Document CE41/3, Dr. Horwitz (Director, PASB) reported that, in accordance with the provisions of the programs and the budgets for 1959 and 1960, the Bureau has contracted for the services of experts in new fields of activity; that Headquarters already has an expert in viral diseases, an expert in tuberculosis, and an expert in medical-care problems; and that, by the end of the year, the unit concerned with radiological health problems will be in operation. That unit will be staffed by a physician and an industrial engineer, both of whom have specialized in this matter in the United States. There is also a regional expert in nutrition. He pointed out that the total number of staff members working at Headquarters has not increased, as can be seen in Document CE41/2, for the number of administrative staff has been reduced. On the other hand, the space at present available at Headquarters is inadequate. This made it necessary last week to ask the Permanent Subcommittee on Buildings and Installations to meet in special session, to consider the rental of space in a building for additional offices for the Washington Headquarters. He explained the difficulties involved in adequately housing the 245 employees at Headquarters, owing to the highly professional nature of their work. He added that the present facilities, apart from their inadequacy, are also exceedingly inconvenient, because the employees are scattered among four different buildings—the fourth building being located at a considerable distance from the others. He ended by pointing out that the rental of these

quarters will represent an additional general administrative expense. This matter should be taken into account in connection with studying the urgent need of the Organization for an installation that is in keeping with the prestige of the Governments that it represents and with the nature of the responsibilities that they have assigned to it.

Upon the presentation of Document CE41/3, Mr. Simpson (Chief, Division of Administration, PASE) pointed out that the Director, in compliance with Resolution I of the 40th Meeting of the Executive Committee, had called upon the Permanent Subcommittee on Buildings and Installations to meet on 23 June and 1 July, and that the report of both meetings was included as an annex to Document CE41/3. He said that the Director also wished to inform the Executive Committee that on 30 June 1960 the Senate of the United States of America approved an appropriation of \$875,000 for the purchase of the site that will be donated to the Pan American Health Organization for the construction of its headquarters building, when that appropriation is also approved by the House of Representatives and by the President of the United States of America. He pointed out that, in its report, the Permanent Subcommittee on Buildings and Installations had first expressed its satisfaction with Resolution II of the 40th Meeting of the Executive Committee, which had accepted its suggestion and had recommended to the Directing Council that the balance of the amount received from the insurance company to cover the fire that occurred in one of the buildings presently occupied by Headquarters should be transferred to the Building Reserve Fund.

Mr. Simpson reported that the Subcommittee then proceeded with a detailed study of the different factors to be borne in mind in relation to planning the future headquarters building for the Organization. These were as follows:

1. Assignment of Funds to Purchase the Land: The Subcommittee expressed the hope that the legislation appropriating funds for the purchase of the site would be passed without delay. It took note of the fact that the site has an area of 45,640.27 square feet (4,202.79 square meters), and that there are 22 row houses, a shack for the attendant of the parking lot, and fencing which would have to be razed by the Organization.

2. Methods of Selecting Architects, Engineers, and Contractors: The Subcommittee examined at length the standards established by the International Union of Architects for architectural competitions. These are of an open and closed type. In the former any qualified architect may compete, In the latter a jury appointed by the owners of the building selects certain renowned architects to compete. The Subcommittee, after reviewing the arguments pro and con for each type of contest and the experience of other international organizations, including the WHO, in analagous situations, decided to recommend an open competition. Either type, it was recognized requires, under the International Union of Architects rules, the appointment of a professional architect as adviser for planning and supervising the competition, as well as the appointment of a jury of eminent architects to choose the winning design.

3. Estimates as to Space Requirements: Mr. Simpson pointed out that the estimated space requirements were included in the annexes to Document CE41/3. These are rough estimates made by Bureau personnel without professional advice, and they will, of course, have to be revised by architects and other experts before definite plans for the building and its construction are completed. Mr. Simpson outlined in detail the preliminary estimates for each major classification of space needs in the new headquarters building.

4. Installations That Should Be Included in the Building: Mr. Simpson reported that the Subcommittee had determined that, on the basis of information provided by the Secretariat, a cafeteria was not advisable as it could not be economically operated in a building housing as few as 400 people, the most anticipated for the PAHO Headquarters even in 1980. The Subcommittee stressed that the building should be equipped with a sizeable and handsome reception area, that more attention should be given to the need for space for files and records, that a conference suite should be included, and that space for a library should be included.

5. Cost estimates: Mr. Simpson reviewed the data given in the Subcommittee's report on cost estimates and reported that the total cost is \$4,555,000, exclusive of the land which will be donated by the Government of the United States. The total was broken down as follows: \$16,000 for site planning and landscaping costs; \$4,125,000 for gross building construction costs; and \$412,500, or 10 per cent of the building cost, for architectural and engineering fees.

6. Financing Methods: The Subcommittee examined three basic methods for financing the new headquarters building. After considering them, as well as numerous combinations of them, it recommended that the Organization should finance the construction largely through assessed quota contributions amortized over a 10- to 20-year period. It also pointed out that this would require a loan, hopefully without interest, or at very low interest, from foundations or other private sources, in order not to delay the start of construction of the building. Mr. Simpson reported that the Director felt that such a loan could probably be obtained in view of the excellent performance of the Bureau in the past in repaying a similar loan at the time the temporary headquarters buildings were purchased in 1951. The Subcommittee also recommended that the possibility of obtaining donations should be explored in order to reduce the amount to be obtained from governments. It was hoped that such donations might be made by foundations, private individuals, and others interested in the work of the Organization.

Mr. Thomas (United States) said that, as a member of the Permanent Subcommittee on Buildings and Installations, he wished to enlarge on some of the proposals put forth in the Subcommittee's report. One of the first points studied was the method of choosing an architect. There are two types of competitions, a closed and an open one, as Mr. Simpson mentioned. It would be possible to hold a closed competition similar to the one held by the World Health Organization for the construction of its new building, choosing six or seven of the leading architects in the Region of the

Americas and requesting that they prepare plans for the building. On the other hand, an open competition might be held, in which any architect would be free to compete. The Secretariat felt that the latter method would probably be the better. The Subcommittee, however, felt that in an open competition there was the danger that the leading architects of the Hemisphere might not take part, and moreover, it was not known what might happen should some young architects without financial backing and without the experience necessary to supervise the construction of the building win the competition. He added that, when these reservations were expressed, the Secretariat had pointed out that in an open competition it would still be possible to invite leading architects to participate, and that should the competition be won by a young, inexperienced architect, there was no objection to his becoming affiliated with an experienced architectural group that might collaborate with him in the supervisory work. Under these conditions, the Subcommittee decided that it was preferable to adopt the open competition. Mr. Thomas then pointed out that the World Health Organization paid a certain fee to the contestants to cover the cost of the plans presented, and he asked if the same system would be applied to the competition held by the Pan American Sanitary Bureau.

Mr. Simpson (Chief, Division of Administration, PASB) indicated that, in accordance with the standards established by the International Union of Architects for competitions of this kind, the jury would first examine preliminary plans submitted by specially invited architects, as well as by any other architects. These plans would be mere sketches that would not involve too much time or work. The jury would then proceed to

eliminate those plans that it considered inappropriate for one reason or another until the number of contestants was reduced to something like six or twelve; these would then be asked to prepare the necessary detailed plans, and they would be paid a fee commensurate with the cost of their work.

Mr. Thomas (United States) stated that the Subcommittee recommended that the program and conditions for the competition should be established by an architect of international reputation who would serve as an adviser to the Bureau. This will undoubtedly entail expense to the Organization, but in the long run it will be advantageous to have this kind of professional collaboration from the beginning.

Turning to another matter, he pointed out that the Subcommittee had certain reservations about the fact that the space estimates do not provide for any increase in the area set aside for files during the period 1965-1980. However, this being a technical question, the Subcommittee decided that it should be resolved by the consulting architect. As for conference facilities, the Subcommittee felt it desirable that the meetings of the Governing Bodies of the Organization should be held on Organization premises. However, he added, great care should be taken to have these facilities spacious. It had originally been thought that the main conference room, for 300 people, should be only one story high, but the Subcommittee believed that it should be at least two stories high to prevent a cramped feeling. He added that the Subcommittee also had in mind that the Organization building should be a tourist attraction, as

the Pan American Union is. For this reason it was agreed that the reception area should be large and spacious.

Concerning the area for the library, the Subcommittee made no specific recommendations, since at present a PASB committee is studying all the problems connected with the library. He went on to mention the Subcommittee recommendation that the building be financed primarily by assessed quota contributions on Member Governments to be amortized over a ten- to twenty-year period, together with any voluntary contributions that might be obtained.

He pointed out that the provisional draft budget for 1962 assigns no funds for this purpose, and commented that it might be worth while to consider including approximately \$200,000 to begin paying construction costs.

Dr. Horwitz (Director, PASB) emphasized the necessity for the Committee to express its opinion on the method of financing, since this is the most serious problem connected with the subject of the new building. He asserted that the justification for the new building is obvious, in view of the difficult conditions in which work is at present being carried on at the Bureau. It should be kept in mind that the estimates have been prepared in accordance with current cost levels. The estimated cost of the building is approximately \$4,555,000, and the sum available in the Building Reserve Fund—including what would be obtained from the sale of the present buildings—is estimated at \$812,000. Thus, the balance still to be raised amounts to \$3,743,000. Dr. Horwitz pointed out that all the



methods proposed in the report embrace the fundamental idea that the building should be financed by the Member Governments, since the land has been generously contributed by the United States Government. For this reason, it is important that the suggested methods be discussed in the light of the Subcommittee report, for the decision adopted will determine measures that should be taken by the Bureau as soon as possible. He added that he regarded as highly suitable the position adopted by the Subcommittee on Buildings and Installations that a loan should be obtained that could be amortized over a 10- to 20-year period, without interest or with very low interest, plus donations from foundations and other groups or persons interested in the activities of the Organization. Finally, he recalled that the two buildings at present belonging to the Organization were acquired by means of interest-free loans from the Rockefeller and Kellogg Foundations, and indicated that it might not be impossible to obtain a similar loan if the proper steps were taken.

Mr. Thomas (United States) said it was necessary to determine whether the interest-free loan would be amortized in ten or in twenty years, since this would be an important factor in the financing plans.

Dr. Lattuf (Venezuela) declared that it was unquestionable that the Organization needed an adequate building for its Headquarters, and that the Member Governments must interest themselves in contributing what was necessary for its construction. He believed that the Subcommittee recommendations in this respect were very appropriate, and announced that the Government of Venezuela agrees with them in principle but that the precise

extent of its participation in the financing would have to be determined later.

Mr. Thomas (United States) stated that he also could not commit himself at this time to a specific amount, since this requires long-term negotiations with several government agencies of his country.

Dr. Zelaya (Honduras) expressed his agreement with the financing method proposed by the Subcommittee on Buildings and Installations.

Mr. Simpson (Chief, Division of Administration, PASB) underlined the fact that the estimates of construction costs are based on 1960 levels. An architect had told him a few days earlier that it would be highly desirable to begin construction of the building within the next year, since construction costs in the United States are fairly stable at present and would probably go up in another year or eighteen months.

Finally, the Committee adopted unanimously the following resolution:

RESOLUTION II

CE41.R2

The Executive Committee,

Having reviewed the report of the Subcommittee on Buildings and Installations (Document CE41/3, Annex I);

Noting the progress made by the Government of the United States of America toward acquisition of a site for a headquarters building of the Pan American Health Organization; and

Wishing to implement a building program which will avoid unnecessary delays.

RESOLVES:

1. To express again its deep appreciation to the Government of the United States of America for the measures it has taken with respect to the donation of the site for the construction of the headquarters building of the Pan American Health Organization.

2. To express its appreciation to the Permanent Subcommittee on Buildings and Installations for the excellent work it is performing and ask that it continue to render such services to the Organization.

3. To endorse the proposals of the Subcommittee regarding: (1) methods of selecting architects, engineers, and contractors; (2) estimated space requirements; (3) facilities to be included in the building; (4) estimated cost; and (5) methods of financing, as outlined in the report of the Subcommittee (Document CE41/3, Annex I).

4. To request the Directing Council to delegate to the Executive Committee full powers to act on behalf of the Pan American Health Organization regarding the construction of the headquarters building and, at the same time, authorize the Executive Committee to redelegate these powers to the Permanent Subcommittee on Buildings and Installations. The latter will keep the Executive Committee informed on the development of its activities.

3. Preparations for the XII Meeting of the Directing Council, XII Meeting of Regional Committee of the WHO for the Americas

Dr. Wegman (Secretary General, PASB) reported that at the Directing Council meeting held in Washington in September 1959 a resolution was adopted which, in addition to expressing appreciation to the Government of the Republic of Cuba and accepting its invitation to hold the XII Meeting of the Council and the Executive Committee meetings in Havana, requested the Director to prepare a report on the obligations of the Government of Cuba and of the Pan American Sanitary Bureau with respect both to the financial arrangements and to those relating to premises, equipment, services, and secretariat personnel, and to present it to the 40th Meeting of the Executive Committee for consideration. In compliance with this resolution, the Director presented to the Committee the report appearing in Document CE40/7. Dr. Wegman stated that all that needed to be added to the report was an expression of the Bureau's appreciation for the full compliance on the part of the Government of Cuba with the obligations established in the Agreement concluded in January 1960 between the Minister of Public Health of Cuba and the Director of the Pan American Sanitary Bureau. The Bureau, on its part, is carrying out with the greatest interest its own commitments under this Agreement, the purpose of which is to provide every possible facility to the representatives on the Executive Committee and the Directing Council.

Dr. Wegman added that at its 40th Meeting the Executive Committee decided to hold the 41st Meeting immediately prior to the XII Meeting of the Council, and authorized the Director, after appropriate arrangements

with the Government of Cuba, to convoke the meeting on the dates agreed upon. Subsequently the Director notified the official authorities of the Member Governments of the fact that the Government of Cuba had accepted the Committee's proposal, and he now wished to inform the representatives that the Cuban Government had provided all necessary facilities to the Bureau for holding the Committee meeting on the dates established.

Dr. Wegman added further that the Director wished to take this opportunity to reiterate his appreciation to the authorities of the Government of Cuba, particularly to the Minister of Public Health, Dr. José R. Machado Ventura, and his co-workers, for the excellent cooperation given to the Bureau and for all the facilities they provided for these meetings of the Governing Bodies of the Pan American Health Organization.

He also pointed out that in the absence of the Chairman of the Directing Council, the Representative of Colombia, Dr. Patiño-Camargo, would act as Provisional Chairman until the XII Meeting elects its Chairman, in accordance with Article 3 of the Rules of Procedure. This was in view of the fact that the Representative of Colombia was the first Vice-Chairman to be elected at the previous Council meeting.

The Committee took note of the preparations made for the holding of the XII Meeting of the Directing Council.

Finally, Dr. Wegman announced that the inaugural session of the XII Meeting of the Council would take place at the National Capitol on Sunday evening, 14 August, at nine o'clock, with the attendance of

Dr. Osvaldo Dorticós Ferrado, the President of the Republic of Cuba. Invitations to the diplomatic corps and to high officials of the Government had been issued by the Minister of Public Health, and both the Minister and the Director of the Pan American Sanitary Bureau would deliver addresses. It was expected that, as is customary at Directing Council meetings, one of the representatives would reply, on behalf of all the delegations, to the address of the Minister of Public Health of Cuba, and it would therefore be advisable for the Executive Committee to designate that person.

At the proposal of Dr. Lattuf (Venezuela), the Committee unanimously agreed to designate Dr. Patiffo-Camargo, Representative of Colombia, to deliver an address at the inaugural session, on behalf of the delegations attending the XII Meeting of the Directing Council, and to that end adopted the following resolution:

RESOLUTION III

CE41.R3

The Executive Committee,

Bearing in mind that Resolution XXXI of the XIV Pan American Sanitary Conference authorized the Executive Committee to take such measures concerning the preparation for meetings of the Directing Council and the Conference, in situations not specifically provided for in the Constitution of the Pan American Health Organization or in the respective rules of procedure, as may be necessary to facilitate the conduct and expedite the work of the meetings,

**RESOLVES:**

To designate the Representative of Colombia, Dr. Luis Patifio-Camargo, to reply, on behalf of the delegations attending the XII Meeting of the Directing Council of the Pan American Health Organization, XII Meeting of the Regional Committee of the World Health Organization, to the address that will be delivered at the inaugural session by the Minister of Public Health of Cuba,

On behalf of the Government and people of Colombia, Dr. Patifio-Camargo expressed his appreciation of the high honor that had been accorded to him.

IN WITNESS WHEREOF, the Chairman of the Committee and the Director of the Pan American Sanitary Bureau, Secretary ex officio, sign the present Final Report in the English and Spanish languages, both texts being equally authentic.

DONE in Havana, Cuba, this seventeenth day of August 1960. The Secretary shall deposit the original texts in the archives of the Pan American Sanitary Bureau and shall send copies thereof to the Member Governments.

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Chairman of the Executive Committee,  
Representative of Colombia

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Director of the Pan American  
Sanitary Bureau,  
Secretary ex officio of the  
Executive Committee