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MANAGEMENT OF WHO'S RESOURCES

In Resolution WHA40.15, adopted in May 1987, the World Health Assembly requested the Regional Committees: a) to review official documents dealing with aspects of general policy on the management of WHO's resources, in particular those relating to the program budget during the period of the Seventh General Program of Work, with a view to taking all necessary action to secure the best possible use of WHO's limited resources; and b) to report on the outcome of their deliberations to the Eighty-first Session of the Executive Board in January 1988.

The following supporting documents are therefore presented for the consideration of the XXXII Meeting of the Directing Council of PAHO in its capacity as Regional Committee of WHO for the Americas:

a) Resolution WHA40.15;

b) The Director-General's Introduction to the proposed program budget for the biennium 1988-1989 (Document PB/88-89); and

c) "Management of WHO's Resources" (Document EB81/PC/WP/2),

as a basis for the Council's discussions on item 6.5 of the Agenda.

It should be noted that in its Eighty-first Session the Executive Board of WHO will review the conclusions reached and actions taken by the Regional Committees and report thereon to the Forty-first World Health Assembly.

Annexes

ANNEX I

FORTIETH WORLD HEALTH ASSEMBLY

WHA40.15

Agenda item 18.1

13 May 1987

MANAGEMENT OF WHO'S RESOURCES

The Fortieth World Health Assembly,

Having reviewed the Director-General's Introduction to the proposed programme budget for the financial period 1988-1989, and in particular his evaluation of WHO's programme budget during the period of the Seventh General Programme of Work and his reflections for 1988-1989 and beyond, as well as the Executive Board's comments thereon;

1. REQUESTS the regional committees:

(1) to review these documents and the comments of the Health Assembly thereon with a view to taking all necessary action to secure the best possible use of WHO's limited resources, in keeping with the letter and spirit of all relevant resolutions of the Health Assembly and the Executive Board;

(2) to report on the outcome of their deliberations to the Executive Board at its eighty-first session in January 1988;

2. REQUESTS the Executive Board:

(1) to review the action taken by the regional committees;

(2) to report thereon to the Forty-first World Health Assembly in May 1988.

Eleventh Plenary Meeting, 13 May 1987
A40/VR/11

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ANNEX II

INTRODUCTION

I. POLICY AND PROGRAMME ASPECTS

Phantom programme budget

1. In normal times I would have stated that the programme budget proposals for 1988-1989, compared with those for 1986-1987, represent a slight decrease "in real terms". The proposals that follow, however, are not in real terms, they are in unreal ones. They constitute a phantom programme budget. For, unless a radical change takes place, a huge shortfall in income from assessed contributions is to be expected. Consequently, if on paper the proposals are as real as they were in previous bienniums, in practice it will most probably not be possible to carry out at least 10% of them, if not more, because of lack of funds. Nevertheless, as chief technical and administrative officer, I am duty bound to present programme budget proposals as though all Member States will pay their contribution in full. Yet it is clear, from the experience of 1986-1987, that this is most unlikely to be the case. The most bitter blow of all is that apparently it is precisely WHO's display of fiscal responsibility in the past that has led to its budget being struck most severely, on the false assumption that it is able to absorb further fiscal shocks.

2. I have already commented on this situation in my addresses to the Thirty-ninth World Health Assembly and to the recent sessions of the regional committees. WHO is being unfairly victimized because it belongs to the United Nations system. If any proof of that were needed, the Pan American Health Organization is to a large extent being spared that fate because it does not belong to the United Nations system, in spite of the fact that it acts as the regional organization for WHO in the Americas. Without justifying the sweeping criticisms of the United Nations, I repeat that WHO should at least not be subjected to them indiscriminately. I underline the word "indiscriminately". We certainly do have to bear the responsibility for ineffective programmes and inefficient programme delivery, and we have to rectify these. We have always been the first to identify our shortcomings and to try to remedy them. Indeed, I shall be faithful to that tradition throughout this Introduction. But there is a vast difference between WHO correcting its deficiencies and it being subjected to slashes across the board that affect the United Nations system wholesale. That system has just had imposed on it a number of financial and administrative strictures. These pall into insignificance compared to those that WHO has imposed on itself over the past decade or so, starting with a massive transfer of funds from the centre to the periphery, accompanied by revolutionary changes in global programme budget policy,

and followed by the study of WHO's structures in the light of its functions that led to fundamental changes in the way the Organization is managed. These facts alone, quite apart from many programme successes that are benefiting rich and poor countries alike, should surely justify judging WHO on its own merits.

3. What is euphemistically called a liquidity crisis in WHO is in fact a confidence crisis, unmerited, but hovering like an unsatiated vulture. That crisis of confidence is evidently shared by many governments; otherwise they would not remain as indifferent as they appear to be. If that is the case, merely remonstrating will not restore the missing dollars. Emergency action is required in the short term and soul-searching in the longer term, to make up for the dollars.

4. I took that short-term action when the crisis emerged in 1986. I had to resort to reducing the implementation of the programme budget for 1986-1987 by 35 million dollars, some 6% of the regular budget. To that crisis was added the sharp fall in the exchange rate of the US dollar. In the past, whenever the opportunity arose, I increased the allocation to countries far beyond what the World Health Assembly requested in 1976. I am afraid, however, that it has been necessary to reduce the implementation of country activities in the biennium 1986-1987, notwithstanding the originally substantial increase in budgetary allocations to them. And I am afraid that that state of affairs will have to continue in 1988-1989. Within the present structures, the regional and global kitties are too empty to draw upon exclusively to make up for missing income. I emphasize "within the present structures" because only far-reaching structural changes could make it possible to absolve country activities from reductions in programme implementation. Moreover, in order to maintain ongoing activities, I propose to exploit the financial regulations to the absolute limits of the permissible. I submit that this is fully justified under the circumstances, particularly when Member States do not respect these regulations. And I have had to draw up an even more drastic contingency plan for reducing the implementation of the programme budget for 1988-1989, because the shortfall is expected to be substantially greater than for 1986-1987.

5. The longer-term soul-searching will unfold throughout this Introduction. At this juncture I should only state that I was greatly concerned at the reaction - or rather lack of reaction - in a number of regional committees to the announcement of these emergency measures. Either Member States do not understand the seriousness of the situation and therefore naively assume that somehow their Organization will muddle through, and that reductions in implementation will not in fact take place, or they do not care. In either event, the matter is a grave one and raises doubts

as to the acceptance of the democratic control of WHO by them. The transfer of that democratic control to Member States took place following the extensive study of WHO's structures in the light of its functions, mentioned above, culminating in the seminal resolution of the Thirty-third World Health Assembly in 1980 (WHA33.17) which spelled out the responsibilities of Member States both individually and collectively, in addition to those of the Secretariat.

6. If confidence crises arise when there is little at stake that is bad enough. It is a tragedy when they arise at a time when a unique world-wide strategy for health for all is gathering momentum; a strategy that was endorsed enthusiastically by all Member States and that could ensure national and international social justice regarding health. Such unjustified crises could stop that momentum. The world political situation certainly gives little cause for optimism. All the more reason to pursue even more energetically than ever social goals that can provide some glimmer of hope to an over-strained world and at least create a desire to reduce political tension. Moreover, a greater sense of realism may be slowly creeping into north:south relationships, and a growing understanding in the World Bank, the International Monetary Fund and a number of countries of the need to foster the interdependence of economic and social thinking and action. This trend too makes it propitious to put social development back on the agenda of top policy-makers. The Strategy for Health for All by the Year 2000 is an outstanding example of an initiative that will greatly contribute to genuine social and economic productivity. If WHO's unreal programme budget for 1988-1989 is to have real meaning it must be geared to enhancing that contribution significantly.

Evaluation of the Strategy for Health for All

7. A level of health that fosters social and economic productivity is the goal of the Strategy for Health for All by the Year 2000. The national strategies that largely make up the global one were recently evaluated by 90% of WHO's Member States. The fact that such a high percentage of countries did carry out such an evaluation, and reported on their findings fearlessly to the world at large, is in itself a remarkable social phenomenon that should inspire confidence. The evaluation revealed the unexpected extent to which developed countries are benefiting from the Strategy, whereas it was initially considered more applicable to developing ones. The more affluent countries are beginning to use the Strategy to define health targets and contain the soaring costs of their medical services; they have the infrastructures to do so, and they could use them more effectively if they applied the information generated collectively in WHO. Surely they owe a debt

to their Organization for that, a debt that ought to express itself by enlightened support to less-privileged countries and defence of their Organization from unwarranted criticism and financial onslaughts.

8. As for developing countries, the evaluation brought known facts to light dramatically. The greatest obstacle to implementing strategies is the weakness of the health infrastructure - that interacting complex of services and facilities of all types, from village health post to hospital, logistic and communication systems and, above all, people operating them to plan, promote and deliver health care. Only the strengthening of such infrastructures will make it possible to deliver the essential programme elements of primary health care effectively and to support such care through the referral system. But to speak of effective programme delivery assumes that there is appropriate technology to deliver. Is there?

9. A wide range of such technology already exists for the essential programme elements of primary health care. Wherever water exists it can be exploited for human use in an appropriate way. Low-cost technology is available for basic sanitation. There are few technical obstacles to attaining adequate nutrition for all, barring exceptional emergency circumstances of drought and natural disaster. Enough is known about maternal and child health for most purposes. Immunization technology is being increasingly applied, leading to steadily growing coverage of the world's children. Enough is known about a growing number of diarrhoeal, infectious and parasitic diseases to make substantial progress towards their control. Effective measures to prevent and control rheumatic and coronary heart disease have been demonstrated. The prevention of a number of cancers is possible, through simple social and behavioural measures. Sufficient technology exists for the care of most common diseases and injuries, and this includes the rational use of essential drugs.

10. What the evaluation of the Strategy for Health for All revealed most was the need for greater understanding by people in all societies of what is beneficial to their health and what is detrimental to it, so that they will be in a position to adopt the social, behavioural and technical measures required for good health and to know when to call on health personnel in times of need. As regards the developing countries, the evaluation revealed the need for a massive influx of capital to establish sound health infrastructures. This has to be accompanied by drastic measures to build up capacities for sound health management, involving planning, budgeting, financing, administrating, monitoring, evaluating, replanning as necessary, and ensuring information support for all of those aspects, as well as the dynamic application of health systems research.

Evaluation of WHO's programme budget during the period of the Seventh General Programme of Work

11. WHO's Seventh General Programme of Work became operational in 1984. Its aim is to support Member States in attaining health for all by the year 2000. It is therefore important to assess whether it is succeeding in doing that, in particular through analysing the extent to which it is adding momentum to the efforts the evaluation of the strategies revealed to be progressing in the right direction, and the extent to which it is helping to overcome the obstacles revealed by the evaluation. Any assessment of this nature at the global level is bound to be impressionistic and to highlight averages and trends. But it is on averages and trends that inferences have to be drawn, while realizing the existence of a wide range around the approximations and the need for each Member State to carry out its own assessment domestically, using the averages and trends as points of comparison. As I mentioned above, I shall be very frank in identifying shortcomings, not for the sake of laying blame, but for the purpose of correcting them and thus improving the work of the Organization even further.

12. Since the inception of the Seventh General Programme of Work WHO's programme budgets have been useful to industrialized countries in defining health targets and grappling with cost containment. Bilateral support from many of those countries has become increasingly "enlightened", in the sense that it fosters policies and principles agreed upon collectively by WHO's Member States. However, there have been a number of serious exceptions; some influential bilateral agencies are still supporting activities that are hardly likely to lead to self-sustaining programme growth and thereby to the progressively increasing self-reliance of developing countries in health matters.

13. Concentrated efforts have been made to involve universities and nongovernmental organizations in applying collective policies to attain the goal of health for all, but, after an initial spurt of general interest, there is now an urgent need for imaginative follow up in and among countries. Intersectoral action for health has certainly gained impetus at the global level; it now remains to ensure that this will be accompanied by parallel action in countries, where it matters most. In my Introduction to the proposed programme budget for 1986-1987 I mentioned the need to ensure that there is a critical mass of health-for-all leaders able to conceive and carry out national strategies for health for all. That initiative has met with enthusiasm and through interregional, intercountry, and national workshops and other activities it is steadily gaining ground. It will need sustained effort and constant experimentation.

14. The most successful use of WHO's programme budget has always been in the vast area of identifying and generating appropriate technology for health, i.e., technology that is scientifically sound, socially acceptable and economically feasible. This Introduction is not the place to provide full details. Suffice it to say that it includes progress in such diverse fields as research in tropical diseases and human reproduction, as well as in the development and testing of simple diagnostic techniques, therapeutic agents and other measures to control a wide spectrum of communicable diseases. Special attention has been given to research aimed at generating new vaccines or improving existing ones. The latest advances in biotechnology are being used in much of this research, which brings to bear the knowledge and enthusiasm of many thousands of scientists in both developing and developed countries. Moreover, the fruits of health care technology assessment have been consolidated in such fields as the use of WHO's low-cost and highly effective basic radiological system and strategies to prevent or control coronary heart disease as well as rheumatic fever and subsequent rheumatic heart disease. WHO has also quickly established itself as an active clearing house for information in support of the prevention and control of acquired immunodeficiency syndrome (AIDS). Even health systems research, which has remained too academic for too long, is beginning to be applied in a promising manner in a number of countries, thanks to a boost from a one-time allocation of funds placed at the disposal of the Director-General in the 1986-1987 regular programme budget and generous extrabudgetary support.

15. All this has been achieved through WHO's constitutional role as directing and coordinating authority on international health work. That unique role is now incontestably recognized and is being increasingly fulfilled. But WHO has another main constitutional role - technical cooperation with its Member States. It is unique among the United Nations specialized agencies in that a major part of its regular programme budget is for that purpose. The Health Assembly has again and again emphasized that the two roles should be mutually supportive - policies, principles and programmes arrived at through the coordinating role being applied in countries by way of technical cooperation, and the experience gained from that cooperation forming the basis for new or modified collective policy. It is a great disappointment to have to admit that this is scarcely happening, in spite of the availability of a highly socially relevant policy for health and a strategy to give effect to it, which were worked out by all Member States as a collaborative effort. Too many countries still consider the Organization to be only one among many donor agencies, giving them homeopathic assistance, rather than their intimate partner, providing them with not only human but also moral, emotional and intellectual resources, valid information, relevant expertise and the fruits of experience.

16. WHO's endeavours in technical cooperation are lagging far behind. They have had the weakest influence in overcoming the very factor the evaluation of the Strategy for Health for All revealed as being the weakest point of all and therefore in need of the greatest attention; that is the strengthening of the health infrastructures of developing countries, starting at one end with community health facilities and finishing at the other with ministries of health. Of course, it is easier to succeed in implementing programmes over which the Organization has direct control, such as the generation of technology. It is <u>much more difficult</u> when success depends on the will of people and of governments as a whole, not only ministries of health, and on national managerial and financial capacities. However, the contradiction will not go away; what is most needed the Organization has been least capable of delivering. Action is weakest where it is most important - inside Member States.

17. The process of programme budgeting WHO's resources in countries was adopted by the Health Assembly almost a decade ago. It is a very flexible process, avoiding the danger of programme budgeting becoming a managerial straitjacket. With a very few notable exceptions, it is still not being properly used. A new managerial framework was established to ensure government execution of government programmes with WHO support, the only condition being that the programmes should reflect collective policies. Too few countries in too few regions are making the most of that managerial framework. And even when joint government/WHO dialogue takes place it all too often leads to "shopping lists" of separate WHO programmes; or worse, isolated projects, or even items of supplies and equipment. Country planning figures are still considered by too many ministries of health to be their acquired property, for use in any way they feel fit, rather than as collective property for the implementation of collective policy. And the clause in resolution WHA33.17 of the Thirty-third World Health Assembly whereby the Director-General and Regional Directors should respond favourably to government requests only if they are in conformity with the Organization's policies is rarely if ever applied.

18. Even when joint programme activities are properly agreed upon, in far too many instances the management of their implementation leaves far too much to be desired. That was why I introduced a new type of audit in addition to the conventional type, namely, financial audit in policy and programme terms, which aims at determining how decisions to use WHO's resources are arrived at, to what extent joint government/WHO activities comply with collective policy, and what those activities have achieved. A few such audits have already taken place on a trial basis. These, and information derived from more conventional audits and from other sources, have revealed widespread, inadequate programme management beneath the veneer of administrative and financial correctness. Many programme activities

are being pursued in a manner bearing little or no relationship to WHO's collective policy. The vast store of precious knowledge that has accumulated in WHO is not being properly used in countries, including information on what can be done on the basis of existing technology, mentioned earlier in this Introduction. Activities are being implemented at too slow a rate. Too frequently programme budgeting is being carried out as an administrative procedure, without serious government/WHO policy and programme reviews. Too many funds for supplies and pieces of equipment and local costs are being committed on an *ad hoc* basis hurriedly towards the end of the biennium, without ensuring relevance to national strategies for health for all. Training centres are being used in a far from optimal fashion. There are far too many unplanned fellowships and cases of fellows not being properly used on their return, and evaluation of the use of fellowships is grossly inadequate. The reporting requirements for those who receive research grants are not being rigorously applied and there is little or no evidence of how the research findings are being used. These are some of the most disturbing revelations from the new type of audit. They are less a reflection on the efforts being made than on the benefits being derived from these efforts.

19. Of course, not all is negative; in a number of countries the situation is very different. Nevertheless, the alarm signal is on. It is no consolation that the situation is worse in the organizations and agencies providing the type of outmoded assistance that leaves nothing permanent behind. They do not have a policy framework or clear objectives for guidance, so they do not have useful criteria for assessing progress. Whether implementation is efficient in these circumstances is scarcely relevant. WHO does have a clear system of values, a collective policy framework, a well-scheduled global strategy, and a set of programme policies and principles. For that reason the efficient management of its technical cooperation with Member States is a highly relevant concern. It matters that programme implementation should contribute significantly to the attainment of the goal of health for all.

20. The main function of the regional offices, as defined by the World Health Assembly following the study of WHO's structures in the light of its functions, is to manage technical cooperation, particularly with developing countries. However, in relation to that function, with some notable exceptions, there is still too much hesitation about applying the new managerial arrangements for optimizing the use of WHO's resources in countries, too much over-centralization of decisions, to the detriment of decision-making and speedy implementation at country level, and inadequate technical support and guidance. By the new managerial arrangements, the regional offices were to become coordinating centres to ensure coherent support to countries' needs, as defined through continuing dialogue in the country in accordance with agreed criteria. In presenting the state of affairs described

above, I reiterate my profound commitment to decentralized management, on condition that it takes place in full conformity with the collective policy defined by the Executive Board and the World Health Assembly, relating not only to technical matters, but also to the functions, related structures and managerial processes of the Organization.

21. For all the above reasons, I proposed the introduction of regional programme budget policies two years ago. That proposal was supported fully by the Executive Board and the World Health Assembly. In conformity with their request I prepared guidelines, so that the regional committees would have a frame of reference within which to establish their regional programme budget policy and a system for monitoring it. The guidelines provide criteria for using resources in such a way as to support national strategies for health for all and strengthen national capacities for further developing and building up health systems accordingly. They indicate how resources might profitably be used to transfer valid information and facilitate its absorption by Member States, and to engage in related health research and development. The guidelines also provide criteria for deciding on allocations to WHO international services and direct financial cooperation, to intercountry and regional activities and to training. Moreover, they provide guidance on the use of, and limitations on, the provision of supplies and equipment, as well as the use of consultants and meetings. Every region has prepared a regional programme budget policy. Some have faithfully adapted my guidelines to regional particularities, having realized that this was no headquarters subterfuge to centralize operations again.

22. At global level, a programme budget policy was endorsed by the Health Assembly almost a decade ago. On the whole, with some regrettable exceptions, it is being carried out successfully, leading to remarkable achievements in the fields of policy formulation, definition of programme principles, and generation of appropriate health technology. At the same time, although the global administration serves the Organization as a whole, the uneasy feeling has to be dispelled that it might be able to perform more economically through further streamlining of regional and global activities in this domain. Moreover, the budget is still being weighed down by obligatory involvement in United Nations activities that often have little relevance for WHO.

Reflections for 1988-1989 and beyond

23. The sobering findings of the above evaluation must be addressed. There are no easy remedies; what follows is no more than a series of preliminary reflections, some even standing in opposition to others, aimed at stimulating democratic

debate. Such debate would be desirable at the best of financial times; in the face of the present liquidity crisis it is mandatory. And at all times the overriding principle of supporting national strategies for health for all must be borne in mind; it is the people in these countries who are important, not the prestige of WHO. But perhaps that too is an open question. Perhaps enhancing WHO's prestige will make governments take more notice of its policies and use its resources accordingly.

24. One option is to intensify WHO's role in advocacy for health, using its own policies as exemplars and thus at the same time promoting health and increasing the Organization's visibility. Such advocacy would include influencing governments to assume political and fiscal responsibility for carrying out those policies, not only domestically, but also in their bilateral relationships. Similar efforts would be made to directly influence other multilateral, nongovernmental and voluntary organizations involved in health matters.

25. The district level offers greater opportunities than an entire country for building up a sound health infrastructure based on primary health care. Indeed, the Thirty-ninth World Health Assembly decided that such action should receive high priority. Related to that, much greater efforts would have to be made to support countries in strengthening their managerial capacities. Much better management and control of joint government/WHO programme activities would appear to be essential. This would start with insistence on going carefully and systematically through the general programme of work and the regional programme budget policy, to ensure that activities are selected that do indeed conform to the country's strategy for health for all and that that strategy is consistent with the collective policy and strategy. There would have to be equal insistence on complying with the managerial arrangements for optimal use of WHO's resources in countries. And regional directors, as the alter ego of the Director-General in their region, would have to exercise to the full the authority given to them by the World Health Assembly to respond only to requests that comply with WHO's policy.

26. Much closer attention would have to be paid to the management of implementation of collaborative activities, applying good administrative practices and respecting fully WHO's managerial arrangements and its financial and administrative regulations. To ensure this, financial auditing in policy and programme terms to assess how effectively and how efficiently WHO's resources are in fact being used, would have to become current practice, rendering Member States accountable to the regional committees for the use of collective resources, and regional committees accountable to the Executive Board and the World Health Assembly.

27. The practice of making prior allocations of country planning figures might be replaced by allocating funds in the light of the correct application of the flexible process, mentioned above, of programme budgeting WHO resources in the country; this might apply both before and during the biennium concerned. In addition, account might be taken of the extent of the government's political and fiscal responsibility in carrying out collective policy and its commitment to manage the implementation of activities soundly. Moreover, the Director-General might make full use of his constitutional authority by allocating budgets to regions in the light of the seriousness with which they are conducting their technical cooperation activities. Of course, it could be argued that any investment of funds in developing countries will do some good, and that some of those funds will eventually trickle down to people and act as some kind of boost to the economy; but surely useful investments and properly managed activities will do even more good and will act as a greater boost to social and economic development.

28. To put health development firmly on the national agenda, WHO might have to exercise more widely its constitutional right to work with all relevant sectors of government, not only with the ministry of health. It might also have to strengthen its direct relationships with universities, research institutions and nongovernmental organizations. On the one hand, this might induce governments to take health more seriously; on the other hand, it might weaken the country's focal point for health - the ministry of health - placing greater government reliance on WHO than on its own ministry. This has implications for the mechanisms in Member States through which WHO Representatives perform. If they were to function from a government ministry of planning or social and economic development, rather than from the ministry of health as they do today, they might be able to make the international voice of health more audible, more frequently in government circles as a whole. This solution may not be practical; another possibility might be to place the WHO Representative in a separate office outside government premises.

29. Careful study might be made of the work of the regional offices, to make sure that they perform first and foremost the main task devolving on them, namely, the proper management of technical cooperation. This would entail ensuring that they carry out, at senior level, systematic reviews with governments of the needs of Member States for technical cooperation, and that they mobilize coherent support from experts and collaborating centres in their own and other regions and all levels of the Organization as required. It would also entail ensuring that they maintain the effective and speedy communications with Member States required to manage the efficient implementation of activities. All this would have important implications for the staffing at the regional offices, with possibly more generalists who have broad experience in health management and fewer technical

specialists. Technical support to countries can best be provided by making full use of the human resources available to the Organization as a whole, and both technical and financial considerations make it imperative to maintain a critical mass of those resources at headquarters.

30. As another possibility, WHO might devote more resources to global programmes that reinforce what it does best, namely, develop health policy and strategy, generate appropriate technology for health, provide valid information on health matters and promote and support health research and development, particularly the strengthening of research capacities in developing countries. It goes without saying that the knowledge derived from such efforts must be used in all WHO's cooperative activities with its Member States. In turn, the experience gained through such cooperation must be fed back into the further development of these global programmes, thus ensuring that WHO's coordinating and technical cooperation roles are indeed mutually supportive.

31. At global level, in spite of the drastic reductions introduced in compliance with resolution WHA29.48 and the concomitant streamlining of cadres and administrative practices, further study might be made of the balance between technical and administrative functions and of the continued need to become involved in United Nations' matters that are extraneous to WHO's mandate as a technical specialized agency.

32. I realize that good management depends on people, not only on good managerial processes, and that the aptitudes of people in an international setting are not always a proper reflection of their aptitudes in their national environment. So the problems of staffing also have to be considered, taking into account all the constraints and realities impinging on staffing policy and its implementation in an international organization. Unfortunately, the effects of these constraints and realities on the efficient management of the Organization are all too often not taken into account in discussions on staffing in the governing bodies.

33. I repeat that these reflections are intended to stimulate debate, with a view to improving even further the management of resources in WHO. I am fully convinced that we can succeed in doing that if we try even harder.

Objectives for 1988-1989

34. It is obviously too early to incorporate the outcomes of the above reflections in the general objectives for the programme budget proposals for 1988-1989. These

follow the objectives of the programme budget proposals for 1986-1987 but include a number of modifications aimed at ensuring the proper use of regional programme budget policies and the good management of programme implementation, increasing WHO's advocacy role and promoting health research strategies in support of strategies for health for all. The objectives are as follows:

(1) To strengthen national capacities to prepare and implement national strategies for health for all by the year 2000 with emphasis on sound health infrastructure development, particularly at district level.

(2) To focus technical cooperation on activities that are arrived at through the implementation of regional programme budget policies and that support the development and implementation of national strategies for health for all consistent with WHO's collective strategies.

(3) To ensure good management of all technical cooperation activities.

(4) To advocate the policy and strategy for health for all in all appropriate national and international forums.

(5) To build up critical masses of health-for-all leaders in countries, in WHO, in bilateral and multilateral agencies, and in nongovernmental and voluntary organizations.

(6) To promote the introduction of health research strategies and the spectrum of research and development required for the further preparation and implementation of national strategies for health for all.

(7) To ensure that valid information required to prepare and carry out national strategies for health for all is made available to all in need, according to their need, and to facilitate its absorption by them.

(8) To foster the coordinated and optimal use of resources for health by all governments, and by bilateral and multilateral agencies and nongovernmental and voluntary organizations, for the preparation and implementation of the national health-for-all strategies of developing countries.

Achievement of objectives

35. It should be possible to discern how the implementation of the programme activities presented in this document may contribute to the achievement of some of the objectives, or part of each objective. However, this will not be possible for some of the activities, particularly those in individual Member States and in regions - some two-thirds of the programme budget. For that purpose the regional

committees will have to monitor the implementation of regional programme budgets rigorously each year. At the same time, I am publishing my own guidelines for regional programme budget policy, mentioned in paragraph 21 above, together with the new managerial arrangements for the optimal use of WHO's resources in direct support of Member States. I am disseminating this publication widely to all governments and to all WHO staff, particularly WHO Representatives, so that it will always be handy for government/WHO dialogue devoted to the use of WHO's resources. I am sending it to bilateral, multilateral and voluntary agencies in the hope that they too will find it useful in their negotiations with the governments of developing countries. If all concerned use the same framework for programme budgeting dialogue there is a greater chance of achieving complementarity of effort.

36. It is proposed to carry out the programme budget at a level of about US$ 600 000 less in real terms than in 1986-1987. This represents a real decrease of more than 0.1%. In spite of that fact, allocations to country activities will increase by more than US$ 2 000 000 in real terms, representing a real increase of more than 1%. This has been achieved by parallel reductions at the other organizational levels. Global and interregional activities now account for only 28% of the regular budget compared with 30% in 1986-1987, if the computation is at the same rate of exchange. It is emphasized that the allocations to regions continue to favour highly the region in greatest need, namely, the African Region, which will receive some 50% more than the region with the next highest allocation.

37. The first appropriation section of the programme budget is devoted to direction, coordination and management. It accounts for about 12% of the regular budget, as in 1986-1987. Particularly in the light of the first five and the last objectives in the list above, the governing bodies and the senior executive staff will have to make special efforts, extending far beyond the budgetary proportion of 12%. This is in keeping with the evolution of WHO from being primarily a technical assistance agency, which its founding fathers never intended, to being an organization fulfilling its constitutional mandate as directing and coordinating authority on international health work. That implies defining and advocating international health policies, devising strategies to put those policies into effect and encouraging the rationalization and mobilization of resources for the attainment of the goal of health for all.

38. In the first year of the biennium - 1988 - WHO will be celebrating its 40th anniversary, which is, at the same time, the 10th anniversary of the Alma-Ata conference on primary health care. Regarding WHO's health advocacy role, within

existing resources I intend to use that occasion to make a major thrust throughout the year in advocating the policy and strategy for health for all by the year 2000, at the same time giving full visibility to WHO's role in developing and supporting them. This initiative will aim at making "Health for All by the Year 2000" a popular household word and social aspiration, while spreading a number of priority health messages, and at the same time enhancing WHO's image among policy-makers, the health professions, and the general public. It will require the attention of all staff, not only those involved in direction, coordination and management and in ensuring public information and education for health. This state of affairs might well bring in its wake searching questions concerning the balance of staff among the different appropriation sections, in the light of the duties devolving on them, not to speak of the balance of other resources.

39. About 32% of the regular budget is devoted to the health system infrastructure, including some 10% for health manpower development. Particular efforts will have to be devoted to supporting Member States in establishing and operating district health systems. This will require working in teams consisting of national health personnel, the staff of collaborating centres, and WHO staff in countries, at regional offices and at headquarters.

40. Much of the activity required to attain the objective of promoting health research strategies, and the spectrum of research required to generate appropriate technology in support of strategies for health for all, will take place in programmes appearing under two appropriation sections - health promotion and care and disease prevention and control. The allocation to health promotion and care is about 18% of the regular budget; that allocated to disease prevention and control is about 14%.

41. The resources that can be identified as being devoted to research, in almost all programmes at global and interregional level, under both the regular budget and other sources of funds, amount to almost 14% of the total budget. However, this figure does not include research activities that form such an integral part of other activities that they cannot be separated and identified as such. In addition to maintaining the broad scope and high level of the research promoted and supported by WHO, the biennium 1988-1989 should see intensified debate on national health research strategies in support of the Strategy for Health for All launched by the global Advisory Committee on Health Research. To that end, the Advisory Committee's report on the matter has been widely disseminated to all governments and to a broad spectrum of national health research councils, national science

research councils, research institutions and universities, and will be further considered by WHO's regional and global advisory committees on health research.

42. Administrative and financial support services account for about 17.5% of the regular budget, compared with 16% in 1986-1987. However, if the calculation were made at the same currency rate of exchange as for 1986-1987 the percentage for 1988-1989 would drop to 15.4%. The allocation to health information support remains at 6%. In view of the seventh objective in the list above, much imaginative action will be required to derive the maximum benefit from this allocation, although much of the responsibility for attaining the objective, in particular the part relating to the absorption of information, will devolve on the technical programmes concerned.

II. BUDGETARY AND FINANCIAL ASPECTS

43. In order to implement the policy and programme approach I have outlined above, I am presenting programme budget proposals for the financial period 1988-1989, of which the highlights are as follows:

(1) a regular effective working budget level of US$ 636 900 000, representing an increase of US$ 93 600 000, or 17.23%, over the 1986-1987 programme budget level;

(2) a real decrease of US$ 619 200, or 0.11%, in the overall programme budget compared with 1986-1987, with continued, sharply focused use of WHO resources for the priorities of health for all at all organizational levels;

(3) a real increase of US$ 2 142 700, or 1.06%, at country level to support the mainstream of national activities, in accordance with national policies that are consistent with the policies agreed on collectively by Member States in WHO;

(4) real decreases at global and interregional level of US$ 1 889 600, or 1.09%, and at regional and intercountry level of US$ 872 300, or 0.52%, in order to make possible the real increase at country level.

(5) a total cost increase of US$ 94 219 200, or 17.34%, over the 1986-1987 programme budget level, of which US$ 52 805 800, or 9.72%, represents cost increases solely attributable to adjustments to budgetary rates of exchange, and US$ 41 413 400, or 7.62%, represents cost increases attributable to statutory costs and inflation.

44. On the basis of the foregoing, the development of the proposed effective working budget level for 1988-1989 in relation to the effective working budget level for 1986-1987 may be summarized as follows:

			Percentage increase (decrease) compared with 1986-1987 budget level			
			Cost increase (decrease)		Real increase (decrease)	Total
			Statutory costs and inflation	Rates of exchange		
	US $	US $	%	%	%	%
Effective working budget level for 1986-1987		543 300 000				
Net increase (decrease) in 1988-1989 compared with 1986-1987						
The regions						
Country activities:						
(i) Real increase	2 142 700				0.40	
(ii) Cost increases	25 421 300		4.68			
Increase		27 564 000	4.68		0.40	5.08
Regional and intercountry activities:						
(i) Real decrease	(872 300)				(0.16)	
(ii) Cost increases (decreases):						
(a) Statutory costs and inflation	16 693 500		3.07			
(b) Adjustments to rates of exchange	1 861 800			0.34		
Increase		17 683 000	3.07	0.34	(0.16)	3.25
Global and interregional						
(i) Real decrease	(1 889 600)				(0.35)	
(ii) Cost increases (decreases):						
(a) Statutory costs and inflation	(701 400)		(0.13)			
(b) Adjustments to rates of exchange	50 944 000			9.38		
Increase		48 353 000	(0.13)	9.38	(0.35)	8.90
Proposed effective working budget level for 1988-1989		636 900 000	7.62	9.72	(0.11)	17.23

45. The proposed programme budget for the financial period 1988-1989 has been prepared in accordance with the principles and procedures outlined in the explanatory notes on the development, presentation and financing of the proposed programme budget (see Annex 5). A step-by-step analysis of the real increase, cost increases, currency exchange rate adjustments and the factors taken into account in the determination of the proposed regular programme budget level is contained in the analytical framework (see pages 5-17). The cost factors and assumptions used in preparing the programme budget proposals for 1988-1989 are detailed in the explanatory notes on the computation of the estimates (see Annex 5).

46. As regards budgetary rates of exchange, the proposed programme budget for 1988-1989 reflects a net increase of US$ 52 805 800, or 9.72%, compared with 1986-1987 as a result of adjustments to budgetary rates of exchange for the major regional office currencies and the Swiss franc against the US dollar. In other words, the level of the proposed programme budget for 1988-1989 would have been lower by US$ 52 805 800 if the Organization had not had to bear the budgetary and financial consequences of currency rate fluctuations, in which case the increase over the approved programme budget for 1986-1987 would have been limited to US$ 40 794 200, or 7.51%. In this connection, it should be remembered that the approved programme budgets for 1982-1983, 1984-1985 and 1986-1987 reflected decreases, in the cumulative amount of US$ 87 439 700, as the result of adjustments for favourable rates of exchange (US$ 18 986 100 for 1982-1983, US$ 29 009 900 for 1984-1985 and US$ 39 443 700 for 1986-1987). For the Swiss franc alone, the budgetary rate of exchange moved from 1.55 Swiss francs to one US dollar in 1980-1981 to 2.50 Swiss francs to one US dollar in 1986-1987.

47. Most of the cost increase attributable to adjustments to the budgetary rates of exchange results from the application to the Geneva component of the proposed regular budget for 1988-1989 of a budgetary rate of exchange of 1.65 Swiss francs to one US dollar, compared with a rate of 2.50 Swiss francs to one US dollar adopted for the 1986-1987 programme budget. In view of the virtual impossibility, under prevailing exchange market conditions, of predicting the evolution of exchange rates so far in advance of the financial period, the adoption of the rate of 1.65 Swiss francs to one US dollar follows the common method agreed by the Geneva-based organizations in the United Nations system, i.e., to take the United Nations/WHO accounting rate of exchange prevailing at the time the estimates are finalized which, in the case of WHO, was October 1986.

48. Similar adjustments were made with regard to the budgetary rates of exchange for the major regional office currencies used in the regional programme budget calculations. In two regions (Africa and Europe) the adjustments resulted in

increased regional estimates and in three regions (South-East Asia, Eastern Mediterranean and Western Pacific) in reduced regional estimates. Taken together, these adjustments have resulted in a net increase for regional and intercountry activities of US$ 1 861 800.

49. It is not possible to predict with any degree of accuracy what the average rates of exchange between the US dollar and the Swiss franc and the five major regional office currencies will be in 1988-1989. A reasonable degree of protection of the programme budget for 1988-1989 could be ensured if the Health Assembly were to decide, as it did for 1986-1987, to continue the casual income facility whereby the Director-General is (a) authorized to charge the net additional costs against available casual income up to a limit of US$ 31 000 000, and (b) requested to transfer to casual income the net savings resulting from differences between the WHO budgetary rates of exchange and the United Nations/WHO accounting rates of exchange with respect to the relationship between the US dollar and the CFA franc, Danish krone, Egyptian pound, Indian rupee, Philippine peso and Swiss franc prevailing in 1988-1989. In the event of increased exchange costs this facility permits the Organization to meet currency fluctuation contingencies up to the indicated limit without increasing the assessed contributions of Members and without requiring the submission of a supplementary budget, which would have the effect of increasing the level of the programme budget. At the same time, in the event of currency exchange costs lower than the budgetary rates for the above-mentioned currencies, the facility ensures the return of the consequential net savings to casual income, which is placed at the disposal of the Health Assembly to reduce the contributions of Member States to future programme budgets and for such other purposes as it may decide.

50. Although the amount of casual income estimated to be available at 31 December 1986 is US$ 47 000 000, I am unfortunately unable, at this juncture when the Organization finds itself enmeshed in an unusually serious financial crisis not of its own making, to recommend that any casual income should be appropriated to help to finance the proposed programme budget. The crisis that has arisen as a result of the expected non-receipt in 1986, and possibly in subsequent years, of a large proportion of assessed contributions has already prompted me: (i) to withdraw, in early 1986, US$ 35 000 000 from programmes approved by the World Health Assembly for 1986-1987 and to transfer them to a reserve account, and (ii) to submit to the Executive Board and the World Health Assembly in 1987, together with the proposed programme budget for 1988-1989, a contingency plan for programme budget implementation reductions in 1988-1989 based on the hypothesis of a shortfall in assessed contributions of the order of US$ 50 000 000. While the amounts involved remain uncertain, recent developments indicate that the dimensions of the financial crisis may be even larger than originally foreseen - at least in

the short term. However, to make further reductions in addition to those already made or to further defer activities, would seriously impair the Organization's ability to be of service to its Members in many programme areas of the utmost importance to them. It would also result in a significant set-back in the joint efforts of the Organization and its Members in attaining the goal and targets of the health-for-all strategy. I therefore propose that the entire amount of available casual income should be retained in the casual income account to cover that part of a possible shortfall in assessed contributions that may occur in the financial periods 1986-1987 and 1988-1989 that is not already met by the programme implementation reductions made or planned.

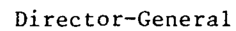
51. I should like to assure all the Organization's Members that, should the current financial problem appear to be less acute by the time of the Fortieth World Health Assembly in May 1987 or the Forty-first World Health Assembly in May 1988, I shall propose that up to US$ 47 000 000 of available casual income should be appropriated to help finance the 1988-1989 programme budget and thus reduce assessments on Member States in 1988 and 1989, or in 1989 at least. In effect, therefore, the use of casual income for the purposes outlined in paragraph 50 above is nothing more or less than borrowing casual income pending the receipt of contributions, in accordance with the authority granted to me by Financial Regulation 5.1. It will not, and cannot, be used either to increase the programme budget the Health Assembly will approve for 1988-1989 or to relieve any Member State of its constitutional obligation to pay its assessed share of the expenses of the Organization. In the circumstances I believe my proposal to be amply justified by the overriding need to tide the Organization over a financial crisis of unusual proportions.

* * *

Conclusion

52. I ended my Introduction to the proposed programme budget for 1986-1987 by stating "It is not a matter of tightening the belt, but rather of making sure that it fits accurately with no unnecessary slack." There is no way of doing that for 1988-1989. As I stated at the beginning of this Introduction, the proposals that follow are for a phantom programme budget. Yet phantoms can have powerful effects, as illustrated by Shakespeare in Hamlet. The effects can be powerfully negative; they can also be powerfully positive. Some of humankind's most remarkable achievements have been accomplished under conditions of greatest adversity. WHO's adverse financial situation should therefore be seized as yet another opportunity

to discard inadequate management practices and replace them with more useful alternatives. I should therefore like to suggest, without hindering the Executive Board and World Health Assembly from raising additional issues, that they should debate in particular the issues I have raised in this Introduction.



Director-General

ANNEX III

WORLD HEALTH ORGANIZATION

ORGANISATION MONDIALE DE LA SANTE

EB81/PC/WP/2

27 May 1987

EXECUTIVE BOARD

Eighty-first Session

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MANAGEMENT OF WHO'S RESOURCES

CONTENTS

	Page
Policy basis	2
Functions and structures	3
Decentralized management	4
Managerial framework for the optimal use of resources	4
Functions of the Secretariat	5
Regional programme budget policy	5
Audit in policy and programme terms	5
Issues for review	6
Value system, policy and strategy	6
Managerial arrangements and regional programme budget policies	7
Use of WHO's structures	8
Staff capacity	9
Comments of the Executive Board	9
Comments of the Fortieth World Health Assembly	10
Options for action	11

Policy basis

1. The purpose of this document is to clarify how the management of WHO's resources over the next decade and beyond might be improved. It is stressed at the outset that the Organization's resources are, by its Constitution, implicitly the collective property of all its Member States.

2. The management of any organization's resources is an integral part of the management of that organization in general. WHO's Constitution indicates clearly how the Organization should be managed. Thus, having defined certain principles, the Constitution states: "Accepting these principles, and for the purpose of cooperation among themselves and with others to promote and protect the health of all peoples, the Contracting Parties agree to the present Constitution ...". It can be seen that cooperation among Member States is an essential constitutional feature.

3. The Constitution also defines WHO's organs. Thus, Article 9 reads: "The work of the Organization shall be carried out by: (a) The World Health Assembly (herein called the Health Assembly); (b) The Executive Board (hereinafter called the Board); (c) The Secretariat".

4. The functions of the Health Assembly are listed in Article 18 of the Constitution, the first of them being to determine the policies of the Organization. The functions of the Board are listed in Article 28, the first two of them being to give effect to the decisions and policies of the Health Assembly and to act as the executive organ of the Health Assembly. The Constitution does not define the functions of the Secretariat as such. In Articles 30, 31 and 35, respectively, it states that the Secretariat shall comprise the Director-General and such technical and administrative staff as the Organization may require; that the Director-General, subject to the authority of the Board, shall be the chief technical and administrative officer of the Organization; and that the Director-General shall appoint the staff of the Secretariat in accordance with staff regulations established by the Health Assembly.

5. The Constitution also defines the scope of regional arrangements. According to those arrangements, the Health Assembly is responsible for defining the geographical areas in which it is desirable to establish a regional organization, and each regional organization is an integral part of the Organization in accordance with the Constitution. Each regional organization consists of a regional committee and a regional office. The functions of the regional committee are defined in Article 50 of the Constitution, the first two being to formulate policies governing matters of an exclusively regional character and to supervise the activities of the regional office. Article 51 states that "Subject to the general authority of the Director-General of the Organization, the regional office shall be the administrative organ of the regional committee. It shall, in addition, carry out within the region the decisions of the Health Assembly and of the Board".

6. For more than a decade a constant institutional evolution has taken place within WHO. Reviews of the world health situation and possible avenues for its improvement have led to the crystallization of a WHO value system, reflecting a new international moral conscience regarding health and development. That value system gives renewed emphasis to WHO's constitutional basis, such as the principles whereby the enjoyment of the highest attainable standard of health is one of the fundamental rights of every human being, without distinction of race, religion, political belief, or economic or social condition; the health of all peoples is fundamental to the attainment of peace and security and is dependent upon the fullest cooperation of individuals and states; and governments have a responsibility for the health of their peoples.

7. In line with the above, in 1977 the Thirtieth World Health Assembly decided that the main social target of governments and WHO in the coming decades should be the attainment by all the citizens of the world by the year 2000 of a level of health that will permit them to lead a socially and economically productive life. That target is popularly known as "Health for All by the Year 2000". Four years later, in 1981, following the preparation of national and regional strategies, the Health Assembly adopted a global strategy for achieving the target "through the solemnly agreed, combined efforts of governments, people and WHO". It is an ambitious strategy, a new model for development, with health development promoting socioeconomic development and being in turn promoted by that. The strategy involves

achieving greater equity in health matters through health systems based on primary health care, the health infrastructure delivering well-defined programmes and those programmes using technology that is not only scientifically appropriate, but also appropriate socially and economically to the country concerned. Essential to the strategy is the social control of health systems through the committed involvement of people in shaping their own health destiny. Additional pillars of the strategy are the commitment of governments as required by WHO's Constitution and the involvement not only of the health sector but of all other sectors whose action contributes to people's health. In 1982, the Health Assembly approved a plan of action for implementing the strategy, thus endorsing in concrete terms the realization of a new health policy that it had defined and the value system that was its basis.

8. In 1982, the Health Assembly approved WHO's Seventh General Programme of Work for the period 1984-1989, the first of three new general programmes of work to be implemented by the target date of the year 2000. In the Seventh General Programme of Work, the manner of determining priorities was spelled out, emphasis being given to the principle of decision-making in the final analysis by governments individually at country level, and by the regional committees and the Health Assembly at regional and global levels. The pool of matters from which Member States could receive support, as well as the criteria for deciding on the organizational level at which such support could be provided, were also spelled out. Those principles have been reinforced in the recently approved Eighth General Programme of Work for the period 1990-1995.

Functions and structures

9. At the same time, a considerable amount of attention was being given to the manner in which the Organization was functioning within the framework of its collective policy and value system. Thus, in 1978, the Health Assembly responded to the Executive Board's organizational study on WHO's role at the country level by urging Member States to take care that their requests for technical cooperation with the Organization conform to the policies adopted by them in the Health Assembly. The Health Assembly then requested the Director-General to re-examine the Organization's structures in the light of its functions with a view to ensuring that activities at all operational levels promote integrated action.

10. In fulfilment of the Health Assembly's request, the Director-General launched a worldwide study of WHO's structure in the light of its functions, involving close consultation with Member States individually and in the regional committees. He presented his findings to the Board and the Health Assembly in 1980. In that year, the Thirty-third World Health Assembly adopted resolution WHA33.17, by which it decided to concentrate the Organization's activities over the coming decades on support to national, regional and global strategies for attaining health for all by the year 2000. By the same resolution the Health Assembly urged Member States to undertake a series of domestic measures in the spirit of the policies, principles and programmes they had adopted collectively in WHO. The Health Assembly went on to urge the regional committees, inter alia, to take a more active part in the work of the Organization, to support technical cooperation among all Member States, particularly for attaining health for all, to extend and deepen their analysis of the implications of Health Assembly and Executive Board resolutions, and to provide such analyses to Member States, to increase their monitoring, control and evaluation functions and to include in their programmes of work the review of WHO's action in individual Member States within the regions.

11. As for the Board, the Health Assembly requested it, inter alia, to foster the correlation of its work with that of the regional committees and the Health Assembly, to monitor on behalf of the Health Assembly the way the regional committees reflect the Assembly's policies in their work and the manner in which the Secretariat provides support to Member States individually and collectively. To ensure compliance with collective policy, the Health Assembly requested the Director-General and Regional Directors to act on behalf of the collectivity of Member States in responding favourably to government requests only if these are in conformity with the Organization's policies. Finally, the Health Assembly requested the Director-General to ensure the provision of timely, adequate and consistent Secretariat support to the Organization's Member States, individually and collectively, to redefine the functions of the regional offices and of headquarters in such a way as to ensure that they do provide such support to Member States and to adapt accordingly the organizational structures and staffing of the regional offices and of headquarters.

12. One year later, in 1981, the Thirty-fourth World Health Assembly went further. In resolution WHA34.24 it reiterated that WHO's unique constitutional role in international health comprises in essence the inseparable and mutually supportive functions of acting as the directing and coordinating authority on international health work and ensuring technical cooperation between WHO and its Member States, and it urged Member States to formulate their requests for technical cooperation with WHO in the spirit of the policies, principles and programmes they have adopted collectively in WHO.

Decentralized management

13. The Director-General has taken a long series of measures to ensure the implementation of the above resolutions and has reported on those measures periodically to the Health Assembly, the Executive Board and, both personally and through the Regional Directors, to the regional committees. He has introduced the decentralized management of WHO's activities, stretching the regional arrangements to that end to the absolute limits of what is constitutionally permissible. There has been, and remains, much confusion in most people's minds about the nature of a kind of decentralization that reflects the Constitution and the decisions of the Health Assembly. As described above, the terms of the Constitution and the decisions of the Health Assembly imply democratic control of the Organization's activities by Member States, cooperating collectively to define international health policies, and acting individually to use WHO's resources in conformity with those policies. Decentralization, therefore, means the transfer to individual Member States of policy and fiscal responsibility for the use of WHO's resources in ways that are consonant with the collective decisions of all Member States. As a corollary, individual Member States are accountable to the collectivity of Member States for the way they use WHO's resources. Such decentralization facilitates the identification of Member States with WHO's collective policies and the willing application of those policies domestically. Decentralization in no way implies the transfer of power from the global level of the Secretariat to the regional or country level of the Secretariat. Constitutionally the power lies with Member States; the constitutional role of the Secretariat is outlined in paragraphs 4 and 5 above.

Managerial framework for the optimal use of resources

14. In 1983, the Director-General introduced a new managerial framework for the optimal use of WHO's resources in direct support of Member States, in which the respective responsibilities of individual governments, of the Organization as a whole and of the Secretariat were spelled out. In that framework, emphasis was laid on the assumption of responsibility by governments for the work of WHO and the use of WHO's resources in their country. That involves the management by them of various national health programmes, services and institutions that form part of their health system, that conform to policies they have agreed to in WHO, and in which WHO has a supportive, participatory role. That role implies the proper use of the Organization's limited resources by supporting countries in strengthening their planning and managerial capacities to develop and carry out their strategies, build-up their infrastructures and implement their technical programmes. To achieve that, joint government/WHO policy and programme reviews were advocated, with a view to assessing whether existing joint programmes conform to national policies and strategies for health for all that are consistent with those agreed upon collectively in WHO and to ensuring that future joint programmes do indeed conform. The systematic use of the general programme of work was advocated, both to ensure that governments are made aware of what WHO has to offer and to enrich with the experience of each and every Member State the information that WHO can make available to all Member States.

15. The new managerial framework includes the proper use of the process of programme budgeting of WHO's resources in countries that was approved by the Thirtieth World Health Assembly in 1977. It involves a continuous process of programming by objectives and budgeting by programmes, in the early stages of which the government and WHO collaborate in identifying priority programmes for cooperation and in outlining the broad programme actions and resource allocations for the next biennial financial period. Detailed plans of action and related budgetary estimates are worked out closer to, and as a part of, programme implementation. To facilitate that, the Regional Directors issue a "provisional country planning figure" to each country in the region.

16. In the managerial arrangements, stress is laid on monitoring and evaluating the use of WHO's resources in the country, and on government responsibility for resources to meet the

country's own national needs as well as to meet international standards of accountability acceptable to the collectivity of Member States. Moreover, the WHO representative (WR) is accountable for WHO's activities in the country, both to the government and to WHO as a whole, as represented by the governing bodies, the Director-General and the Regional Director as the alter ego of the Director-General in the region.

Functions of the Secretariat

17. The Director-General has redefined the functions of WHO representatives in countries, of the regional offices and of headquarters in such a way as to enhance their capacity to support Member States in the system of decentralized management described in paragraph 13 above. Thus, the principal functions of the WHO representatives are: to clarify to the government of the country of the assignment the policies of the Organization's governing bodies; to support the government in the planning and management of national health programmes; to negotiate with the government the most effective use of WHO's resources in ways consistent with collective policy; to collaborate in joint government/WHO activities in the country; and to help the government to rationalize the use of internal and external resources for approved national health programmes. The main functions of the regional offices are: to service the regional committees; to ensure technical cooperation with individual Member States as well as technical guidance and coordinated support to them from all levels of the Organization; to support the WRs; and to facilitate intercountry cooperation. The main functions of headquarters are: to service the World Health Assembly and the Executive Board; to conceive, and promote throughout the world, useful ideas regarding health; to crystallize and disseminate valid information; to develop and transfer appropriate health technology; and to support the regional offices.

Regional programme budget policy

18. Seventy per cent. of WHO's resources are spent in the regions on country, intercountry and regional activities, and those activities are supported by significant resources at headquarters. It was that fact that led the Executive Board, in 1985, to request the regional committees to prepare regional programme budget policies that ensure optimal use of WHO's resources at both regional and country levels in order to give maximum effect to the Organization's collective policies. In compliance with a request made by the Board, the Director-General prepared guidelines as a frame of reference within which the regional committees could establish their regional programme policies and a system for monitoring them. Those guidelines include a wide range of criteria for making optimal use of the Organization's resources in support of the strategies and related programmes of Member States for attaining health for all by the year 2000. They lay particular emphasis on research and development, to ensure the availability of the information required to deal with the country's health problems, the use of the most appropriate technology by the health infrastructure, and the optimal organization and financing of the health system. The guidelines stress that WHO's resources have to be invested primarily as a spearhead for development; they are much too limited to be used for national recurrent expenditures.

19. Later in 1985, the Health Assembly strongly supported the preparation of such policies by the regional committees. All regional committees subsequently prepared regional programme budget policies, each after its own fashion. Thus, whereas some regional committees adapted the Director-General's guidelines to the specific regional situation, others prepared more general or more succinct documents based on, or with reference to, those guidelines. To ensure that in the course of their continuing dialogue all concerned would have detailed criteria available for making optimal use of WHO's resources, the Director-General disseminated his guidelines to all governments and senior WHO staff, starting with the WRs. He also sent them to bilateral and multilateral development agencies.

Audit in policy and programme terms

20. To review the use of WHO's resources by governments, with a view to improving any defects that might come to light, the Director-General recently introduced a new type of audit, in addition to the conventional type, namely, financial audit in policy and programme terms, which aims at determining how decisions to use WHO's resources are arrived at, to what extent joint government/WHO activities comply with collective policy and what those activities have achieved. A number of such audits have been carried out, experience has been gained and the audit protocol is being refined.

Issues for review

21. It can thus be seen that WHO now has a well-defined system of values regarding health, a collective policy that reflects that value system, a strategy for giving effect to the policy, a plan of action for ensuring the implementation of the strategy and wide-ranging managerial arrangements to ensure that all concerned throughout the Organization, starting with individual governments, are responsible for the use of WHO's resources and accountable for the way they use them. The crucial questions are:

- Is the value system being adhered to, the policy being applied and the strategy being faithfully carried out?
- Are the managerial arrangements and regional programme budget policies for making optimal use of WHO's resources to the above-mentioned ends being followed?
- Are WHO's structures being properly used for the functions devolving on them?
- Are national and WHO staff adequately equipped to make effective and efficient use of WHO's resources for national health development?

22. The Director-General addressed those issues in his Introduction to the proposed programme budget for the financial period 1988-1989. Some of the main highlights of that Introduction follow. It is stressed, as is mentioned in the Introduction, that these are impressionistic averages and trends and that there exists a wide range around them. The impressions are supported, however, by information drawn from audits in about 20 countries.

Value system, policy and strategy

23. From the statements of government representatives to the regional committees and of delegates to the Health Assembly it appears that the WHO value system and related policy for health and development are greatly appreciated and wholeheartedly supported. Inquiry into the degree to which the value system is being adhered to by Member States throughout the world, as must be evident from their health policy and strategy for giving effect to it, requires an answer that has more nuance. The fact that 90% of WHO's Member States reported on the evaluation of their strategies for health for all by the year 2000, remarkable as it is in itself, has to be balanced by the fact that all too frequently such evaluations are considered by governments as being a "WHO exercise" that is not relevant to the national health system but rather to some international shadow health system. In too many cases the WR has been requested to complete the WHO common framework and format for evaluating the strategy, with little or no national involvement.

24. The policy mentioned above, of using WHO's coordinating and technical cooperation roles in a mutually supportive manner, is being applied far too infrequently. Too many countries still consider WHO to be only one among many donor agencies providing technical assistance. They use the Organization's resources in too unplanned a manner, to fill in gaps in their budgets, often as a last resort among "external donors", rather than using them - policy decisions, intellectual and moral resources, valid information, relevant expertise, and the fruits of experience, in addition to limited funds - to further the development and implementation of national strategies for health for all based on primary health care. That being so, the question that has to be asked is whether it is really necessary to employ WHO technical staff in countries and in regional offices, since the ad hoc filling of national or international budget gaps can be ensured by a small number of non-technical staff. That very question was raised in launching the study of WHO's structures in the light of its functions, and governments invariably replied that they were interested in technical support from WHO. The contradiction between assertions on the one hand and reality on the other has to be resolved.

25. The Strategy for Health for All by the Year 2000 lays overriding emphasis on the development of health infrastructures based on primary health care. Yet WHO's technical cooperation has had insufficient impact in strengthening the health infrastructures of developing countries, starting at one end with community health schemes, encompassing whole districts, and finishing at the other end with ministries of health. The use of WHO's resources as a catalyst to mobilize people and strengthen national managerial and financial capacities has not had as successful an outcome as could have been expected.

Managerial arrangements and regional programme budget policies

26. Progress has been slow in following the new managerial arrangements for making optimal use of WHO's resources. Moreover, there are few, if any, signs of serious use of the recently introduced regional programme budget policies. All regional offices have certainly taken steps to introduce mechanisms to ensure government/WHO dialogue, in line with the managerial arrangements and regional programme budget policy. However, the audits referred to above revealed that the ensuing dialogue was found wanting, either totally or in a number of important respects. In most countries, it did not include a systematic review of the national health situation for which WHO's support might be useful; nor did it proceed systematically through WHO's general programme of work, to identify both what WHO could do for the country and the country experience that could enrich WHO's information base. For example, relevant WHO technical publications, such as reports of expert committees, are rarely if ever placed before governments as important resources. That too is the case for resolutions of the governing bodies that provide important policy guidance or programme principles. A consolidated audit report concluded that the government/WHO dialogue "was often an empty shell, a formal process with no content; the dialogue was limited to discussing administrative procedures and it did not deal with the substance of programmes".

27. The audits also revealed that established procedures for WHO programme budgeting were closely followed but in a purely administrative manner, missing the opportunity to apply regional programme budget policy guidelines and the substance of the general programme of work. Extensive reprogramming proved to be necessary in most cases, indicating that the dialogue had not properly identified priorities for action. The possible involvement of sectors other than the health sector was neglected, in spite of the emphasis given to intersectoral action by the governing bodies of WHO. Even within the health sector, a tendency was noted for certain groups to monopolize WHO, thus narrowing the range of beneficiaries from WHO support. Inadequate attention was paid to the long-term commitment required of many collaborative activities, leading to the initiatives being short-lived and falling short of achieving expected goals. That was particularly the case when such activities were initiated through personal contacts and were not reviewed by the joint government/WHO mechanism in the country. The habit of considering the tentative country planning figure as the property of the ministry of health has seriously impeded rational programme budgeting and open government/WHO dialogue concerning the use of WHO's resources.

28. Linked to the habit of presuming that the tentative country planning figures are owned by the ministries of health is the unsystematic use of fellowships, revealed once more by the audits; the policy formulated by the Executive Board in resolution EB71.R6 is far from being taken into account. Quite apart from considering whether to award a fellowship or whether to ensure training in other ways, as advocated by the Board, when fellowships were awarded they were often not relevant to the health development priorities of the country, let alone to the spirit of any national strategy for health for all. After failure in one or more subjects of study, extensions to study new subjects were being agreed to. The same individuals were receiving successive fellowships, usually from a different donor agency, and they were not being monitored. Unfavourable reports from the regional office of the region in which the country of study was situated were often ignored by the regional office sending the fellow. Instances were noted where the fellowship failure rate and the attrition rate from the emigration of successful fellows were persistently high, rendering the investment of WHO's resources of little value. As an example, one of the audit reports revealed that no more than one-quarter of the fellowships awarded for university training are expected to have a positive outcome for the country. That situation has to be considered in the context of the percentage of WHO's resources in countries devoted to fellowships - often 50% - pointing to the risk of there being severe imbalances in WHO's involvement in the country health programme as a whole.

29. Criteria for the use of, and limitations on, the provision of supplies and equipment from WHO's resources are provided in the Director-General's guidelines for regional programme budget policy; those criteria are too often not being properly applied. The audits revealed great variations in requests for supplies and equipment. In many cases excesses were observed. In general, supplies and equipment continue to be requested late in the biennium, because of either not knowing what to do with WHO's resources or an inability to implement planned joint activities. The quantities of supplies and equipment not essential for implementing a joint activity that forms part of a strategy for health for all, or even

directly relevant to that activity, point to the conclusion that too many countries still think of WHO as a donor technical assistance agency rather than as their partner in technical cooperation.

30. The audits also revealed slowness in implementing joint activities. Thus, for the biennium 1984-1985, three regions obligated more regular budget funds in the last quarter of 1985 than in the first three-quarters of the same year. Organization-wide, US$ 71 000 000 were obligated in the fourth quarter of 1985 compared with US$ 89 000 000 for the first three-quarters combined. At the end of 1985, three regions showed more than 20% of their total regular budget allocation for 1984-1985 as unliquidated obligations; the figure was 14.5% for the whole Organization. An analysis for the biennium shows that, for the Organization as a whole, the amounts obligated for the last quarter of 1985 for contractual services, supplies, materials, maintenance of premises, stationery, utilities, communications and local costs exceeded the total for the first three-quarters of 1985 for the same categories of expenditure. More than one-third of the total amount obligated for the entire biennium was obligated in the last quarter of the biennium. Those facts indicate that WHO is being reactive, rather than proactive as demanded by resolution WHA33.17. Such deficiencies in the management of technical cooperation can only lower the Organization's credibility, in spite of the tremendous efforts it is making.

Use of WHO's structures

31. Great variation exists among countries and regions concerning the way WHO structures are used. The following comments highlight some common problems; they have emerged in the light of experience rather than through systematic evaluation. Many of the comments are therefore presented in the form of questions that require further study.

32. Can WRs' offices, as currently staffed, carry out the functions devolving on them described in paragraph 17 above? Any reinforcement of those offices should aim at strengthening their capacity to fulfil their functions in support of the government; in no way should it aim at substituting them for the government in the dialogue between WHO and individual Member States.

33. The regional committees are undoubtedly taking a more active part in the work of the Organization since they were urged to do so by the Thirty-third World Health Assembly in 1980, but a review of the many resolutions adopted by them suggests that they are couched in much the same terms as Health Assembly resolutions. Surely regional committee resolutions should be much more regionally specific and more operationally oriented.

34. By resolution WHA33.17, the regional committees were urged by the Health Assembly to include in their programmes of work the review of WHO's action in individual Member States within the region. A review of the reports of the regional committees does not suggest that they in fact do so. That makes it very difficult for the regional committees to assume their responsibility of accountability to WHO as a whole for the use of resources in the region.

35. About a decade ago, health research was added to the fields of work taking place in the regions, and regional advisory committees on health research were established. While in some regions the advisory committees have been highly active and their work has been reviewed by the regional committee, in other regions that has hardly taken place, making it difficult to know how useful the advisory committees and the research activities have in fact been. Yet considerable resources are being devoted to such research.

36. The way in which the regional offices and headquarters carry out the functions devolving on them, as described in paragraph 17 above, has also not been systematically studied. Once more there is great variation, but the following questions have to be addressed. Do the regional offices really concentrate on the management of technical cooperation, including intercountry cooperation, or do they perform the functions that should be carried out either on the one hand by the WRs and on the other hand by headquarters? Do headquarters staff bypass regional offices and establish joint activities with governments or with their technical counterparts in the country?

37. The audits referred to above revealed great disparity among the regions concerning the delegation of responsibility to WRs. In some cases practically all programme decisions have been delegated to the WR, including the financial authority to act upon the decisions taken.

In others, essentially every matter for decision must be referred to the regional office. And in yet others, in spite of the WR being authorized by the regional office to take limited programme decisions, the WR prefers not to. While decisions concerning the delegation of responsibility to WRs must depend to some extent on the capacity of the WR concerned to assume them, nevertheless it would appear that in too many cases caution regarding such delegation of responsibility is too great.

38. Both the new managerial arrangements and the regional programme budget policy guidelines referred to above emphasize the establishment at regional offices of an appropriate country support mechanism. The purpose of such a mechanism is to ensure coordinated support to countries by providing a coherent response from all levels of the Organization to the total needs of each country as identified by the joint government/WHO mechanism in the country. While there is much variation among regions, the impression cannot be avoided that there is great reluctance to enlist support as necessary from other regions and from headquarters. That impression is supported by numerous requests from governments directly to top executives and programme managers at headquarters to provide them with various forms of support, particularly technical knowledge and know-how.

39. Of course, managerial arrangements and mechanisms, while useful bases for sound management, do not of themselves ensure effective outcomes; the quality of those involved is of paramount importance. So questions have to be asked regarding the capacity of the structures concerned to ensure that the management tools are indeed effective and are not mere facades. For example, has it been possible to attract and maintain staff and consultants of sufficient professional competence for the regional offices to become the regional centres of excellence they were designed to become? Has the situation in that respect changed over the years in some regions, in the light of the growing body of expertise in Member States and their increasing self-reliance in handling current technical aspects of health programmes? If the regional offices have the capacity to provide Member States with the technical support they require, why do a number of governments make direct requests to the global level as mentioned in paragraph 38 above?

40. In turn, it is not always clear in which ways headquarters programmes can in fact support the regional offices in ensuring technical cooperation with Member States. For example, what expertise and what information and technical documentation emanating from those programmes are of practical use. Nor is it clear, on the one hand, if attempts are being made by headquarters programmes to ensure that what they produce has in fact practical value for countries and, on the other hand, if the regional offices are paying adequate attention to the assessment of the practical value for the countries of their region of headquarters publications and documents and of the possibility of making greater use of expertise residing in headquarters. It is often maintained by headquarters programmes that in their attempts to generate appropriate technology they need to be involved in the conduct of related research and development in countries and that they are often prevented from gaining such access. Those assertations too have not been studied systematically.

Staff capacity

41. An important question has to be asked with regard to the resolution of the above issues, namely, are national staff and WHO staff in countries and at other levels properly equipped to carry out the functions required of them to ensure the effective and efficient management of WHO's resources in support of national health development? There is evidently a great gap on the one hand between the availability of processes, mechanisms and information to make the above possible and on the other hand the capacity of those involved to use those tools. Any scheme for improving the management of WHO's resources will have to devote considerable attention to that problem. The situation is compounded by the growing tendency to employ, in countries and at regional offices, almost entirely individuals from within the region, thus diminishing the worldwide international character of WHO and the feeling by staff that they owe allegiance to the collectivity of all Member States throughout the world.

Comments of the Executive Board

42. The comments of the Executive Board on the Director-General's Introduction to the proposed programme budget for the financial period 1988-1989 are to be found in document EB79/1987/REC/2, pages 15-30. The comments highlighted below relate in particular to the management of WHO's resources.

43. In the current financial crisis it is more vital than ever that the new managerial arrangements for optimizing the use of resources should be applied. WHO must be seen primarily as a source of guidance and not as a donor agency. Regional programme budget policies should be applied more firmly. Joint government/WHO dialogue in countries should give rise to WHO support to priority national health programmes, rather than to shopping lists of separate WHO programmes, isolated projects, or items of supplies and equipment unrelated to joint programme activities. Much greater attention should be given to strengthening health infrastructures and a greater proportion of resources devoted to that. In particular, attention and resources should be used to strengthen the management of health systems based on primary health care, especially at the district level. In so doing, account should be taken of country specificity, including the particular sociocultural characteristics of the people concerned. All possible sources of funds, including alternative financing and the private sector, should be explored and expanded.

44. Particular attention should be given to the implementation of resolution WHA33.17, referred to in a number of paragraphs above. The Executive Board should endeavour to ascertain why resolution WHA33.17 is not being implemented as required. It should also investigate why the fellowship scheme continues to be abused. Financial audit in policy and programme terms is a particularly useful innovation and should continue. The possibility should be explored of allocating funds to countries in the light of each country's correct application of WHO policies and resources in the past.

45. WHO's role in advocacy for health must be greatly intensified. In many activities WHO has played a key role, but others have received an undue share of the credit. Moreover, over the years there has been a gradual widening of the Organization's constituency to include broader segments of the world's population. WHO should therefore make its work known to other sectors besides the health sector, for example, politicians and selected members of the general public.

46. As for the regional and global levels, much of the impact of the Organization lies in the successful implementation of its global programmes, and any shift towards strengthening its capacity to do so is worthy of support. There is merit in arguing for the strengthening of the managerial role in technical cooperation at regional level, but it is also important to retain an adequate technical input in at least some fields at that level if credibility is to be maintained. A balance must therefore be struck between the types of expertise that should be deployed at headquarters and in the regions, which will no doubt vary over time. It is the responsibility of the regional offices and their directors to ensure that WHO's resources are put to the best use within individual Member States; but that responsibility is a delicate one, since it is sometimes difficult to resist ad hoc schemes evolving from the political level. Without implying any disrespect for the regional offices, a careful study might be made of their work, in view of the concern of the global governing bodies that the Organization's limited resources should be employed in the most effective manner.

Comments of the Fortieth World Health Assembly

47. The comments of the Fortieth World Health Assembly on general policy matters concerning the programme budget for 1988-1989 are to be found in documents A40/A/SR/1, pages 3-8, and A40/A/SR/2, pages 2-7. The following is a summary of those comments that relate to the management of WHO's resources.

48. WHO is part of the United Nations family and Member States have constitutional obligations, including the obligation to pay assessed contributions according to the scale in force for the whole United Nations system. To facilitate the sound management of WHO's resources, all Member States should pay their assessed contributions in full and in time. Such management of resources should lead to maximum results for the least possible cost. On no account should WHO be considered as just another donor agency providing technical assistance; rather, the Organization should fulfil its constitutional functions of directing and coordinating international health work and undertaking technical cooperation with its Member States in a complementary manner.

49. Broad allocations of resources have to be approved by the World Health Assembly. To that end, the Health Assembly should establish priorities for programme activities, and guidelines to ensure conformity with Health Assembly resolutions and to avoid undue imbalance. Some delegations supported the idea that the level of allocation of resources to

countries should be based on the degree of their application of the Organization's collective policy. Only those requests of Member States that are in keeping with the Organization's policies should be met from WHO's programme budget. That is emphasized in resolution WHA33.17, which the Secretariat is responsible for implementing no less than Member States. However, the infrastructures of developing countries are often not adequately developed for proper planning, management and evaluation, and corrective measures should be applied in such a way that that situation does not deteriorate. WHO should, therefore, cooperate with those countries to strengthen their capacities in such areas, thus enabling them to use the resources of WHO and other external partners more effectively. A number of delegations supported the idea of devoting more resources to global programmes that develop health policies and strategies, generate appropriate technology for health, provide valid information on health matters and promote relevant health research.

50. To ensure optimal use of WHO's resources, attention should be paid to the proper relationships between programme activities at headquarters, regional and national levels; between WHO, bilateral agencies and the governments of developing countries regarding technical cooperation; and between programme activities financed through assessed contributions on the one hand and voluntary contributions on the other. It was stressed that programme needs should always be ranked higher than purely administrative functions and that efforts should focus on improving WHO's technical and administrative functions rather than studying the balance between them. Support was given to laying emphasis on the district level in order to build up sound health infrastructures based on primary health care. Greater efforts should be made to support countries in strengthening their managerial capacities, thus at the same time facilitating the better management of joint government/WHO programme activities. In that connection greater use should be made of WHO's General Programme of Work and the regional programme budget policies, and further efforts should be made to ensure compliance with the managerial arrangements for the optimal use of WHO's resources in countries and the application of good administrative practices. While the concept of financial audit in policy and programme terms was supported, one comment was that care should be taken to avoid the routine application of such audits which might in itself constitute an inefficient use of resources.

51. As regards activities in regions, emphasis was laid on the role of the regional committees in preparing better programme budgets and ensuring a more rational use of resources. Moreover, the regional committees should introduce or intensify the review of each country's plans for the use of WHO's resources. While strengthening the managerial capacities of regional offices and making greater use of the resources in countries and the WHO collaborating centres for technical know-how, there is a need to retain adequate technical expertise at the regional level if credibility is to be maintained. Some delegations raised a note of warning over the idea of transferring the offices of the WHO representatives out of ministries of health to ministries of planning or socioeconomic development, or outside government premises altogether.

Options for action

52. The following are a number of options for action in response to the above analyses.

53. If, after more than a decade of constant institutional evolution, Member States believe that WHO's system of values for health and development is too utopian, or if they believe that the policy and strategy for health for all by the year 2000 are a separate WHO affair that does not commit them domestically or in their bilateral relationships, then there is something radically wrong. When that is the case, it is possible either to change the policy or to make renewed efforts to implement it. It would seem unthinkable, but not impossible, to reverse the decisions of the regional committees and of the Health Assembly concerning the value system, policy and strategy. For example, regional committees could submit appropriate resolutions to the Health Assembly incorporating any reservations they might have. But if they do not wish to change the decisions, they should discuss practical ways of carrying them out in the region, obstacles hindering implementation and possible ways of overcoming those obstacles. Alternatively, a referendum among all Member States could be held, the results being reported to the Health Assembly.

54. Specifically, Member States are entitled to have second thoughts about resolution WHA33.17, regarding their individual responsibilities, their responsibilities in the regional committees and the Health Assembly, and the functions of the Executive Board and

Secretariat. They are also entitled to have reservations, in the light of experience, regarding resolution WHA34.24, which urged technical cooperation between Member States and their WHO in the spirit of the policies, principles and programmes those same Member States adopted collectively in WHO. It is their prerogative to separate completely the functions of directing and coordinating authority on international health work from that of technical cooperation and to convert the latter back to the old form of technical assistance, providing supplies, equipment and ad hoc types of fellowship. If they do have second thoughts or serious reservations they could adopt resolutions to that effect, proposing to the Health Assembly that the above-mentioned resolutions be nullified and replaced by more appropriate ones. If they do not wish to do that, they should discuss seriously, in practical ways, how best to implement the resolutions, subsequently adopting very specific, regional, operationally oriented resolutions. They might act as pilot resolutions indicating how specific regional resolutions might be formulated in the future on other matters.

55. If the monitoring and evaluation of national strategies for health for all are considered by Member States to be burdensome chores aimed at providing reports to please WHO, they should decide to stop submitting such reports. If, however, they consider the common framework and format they agreed upon to be a useful tool for monitoring and evaluating their strategies for health for all, they should take practical measures to use that tool, ensuring the support of WHO as necessary.

56. It is suggested that the regional committees should re-examine the main features of the managerial arrangements for ensuring the effective decentralization to Member States of operational responsibility for technical cooperation activities, which were presented in document DGO/83.1. If they then have any objections or doubts, they should state so frankly so that the issues can be either clarified or modified. If they do not have serious objections, they should decide in the regional committee to take practical measures to introduce those arrangements into every Member State in the region and to ensure that the work of the Secretariat, in countries and in the regional offices, complies with them. As a corollary, they should ensure that they receive support from WHO from the most appropriate source and organizational level.

57. Regional programme budget policies have just been established. There is a need to use them systematically. No regional committee queried the principles in the Director-General's guidelines, but the degree of detail in the regional policy ultimately adopted varies widely from region to region. It is suggested that each regional committee should reconsider how best to use its regional programme budget policy and the Director-General's guidelines for formulating it, taking into account the fact that they provide a detailed check list for deciding on the use of WHO's resources in countries in such a way as to ensure that the policy basis, the information, the technology and the know-how available to WHO are applied in practice. The check list includes criteria for the following:

- support to national strategies for health for all;
- promotion of the national health strategy;
- development of the health system through support to national health programmes;
- strengthening of national capacities to prepare and implement national health-for-all strategies and related programmes;
- transfer of validated information and facilitation of its absorption;
- research and development for health for all;
- making the optimal use of resources;
- deciding on the form of WHO cooperation;
- intercountry and regional activities;
- training, including fellowships;
- use of and limitations on the provision of supplies and equipment;

- use of consultants;

- meetings.

Moreover, the guidelines indicate how those elements should complement one another so that, together with the national resources and those of other external partners, they give rise to a self-sustaining socially and economically relevant health strategy whose component infrastructure and programmes are managed by the country itself.

58. The continuing dialogue with governments regarding the preparation of the 1990-1991 programme budget proposals offers the first real opportunity of implementing regional programme budget policies and using the Director-General's detailed guidelines for them. It is suggested that that opportunity be vigorously seized. In that connection, the regional committees could, for example, request the Regional Directors not to accede to requests for fellowships from countries that do not report periodically and comprehensively on the use made of fellows who have returned, or that are not using fellows properly on their return. As another example, the regional committees could consider what types of supplies and equipment might appropriately be ordered by countries from WHO, with financing from WHO regular budget funds, and what types should not be ordered. The Regional Directors could be requested to include in an appendix to their reports to the regional committees on the work of WHO in the region a complete list of supplies and equipment purchased under regular budget funds for technical cooperation activities in countries. To give yet another example, the regional committees could urge Member States to use WHO regular budget funds to purchase WHO health literature, including periodicals.

59. By resolution WHA33.17 regional committees are expected to review WHO's action in individual Member States within the region. It is suggested that that be carried out in two ways. Firstly, the regional committees could review the programme budget proposals for technical cooperation between each and every Member State within the region and WHO. Secondly, they could institutionalize regional audit in policy and programme terms, using the protocol referred to in paragraph 20 above, and selecting a few countries at random each year. They could possibly set up special subcommittees or charge existing subcommittees with those tasks, reviewing the outcome at the subsequent session of the regional committee. The Executive Board could then assume the function devolving on it by resolution WHA33.17, namely, of monitoring the work of the regional committees in those areas. Moreover, the Executive Board could request the Director-General to continue to perform independent audits, but to report on them not only to the governments concerned through the Regional Directors but also to the regional committees and the Executive Board itself. In general, it could be profitable if Board members were to take an active part in the work of the regional committees, bringing to their attention global policy, following closely what is taking place in them and discussing their findings openly in the Board, which in turn could report on its review to the Health Assembly.

60. The system of issuing tentative country planning figures might be abandoned. It could be replaced by programme budgeting in the real sense of the term, namely, programming by objectives and budgeting by programmes, the budgetary allocation being made in the light of the compliance of proposed programme activities with collective policy and prospects for successful outcomes in terms of self-sustaining national programme action. Funds could then be held at the regional level and released when the regional committee, or a body to which the responsibility has been delegated by the regional committee, is convinced that the programme budget proposals are sound. Regional committees could of course delegate that responsibility to the Regional Director. At the same time, the Executive Board could monitor and control the process, possibly retaining part of the funds as a reserve to be released when it is satisfied that WHO's technical cooperation activities comply with the Health Assembly's policies. The Board too could delegate that task to a subcommittee or to the Director-General.

61. To ensure the timely implementation of joint activities, the regional committees could review the scheduling of the planning and management of those activities, with a view to ensuring that they start promptly, as soon as resources are available, and are carried out speedily and efficiently. To reinforce that action, a decision could be taken that, if three-quarters of the allocation to any country had not been obligated for agreed activities by the end of June of the second year of any programme budget biennium, the unobligated funds would be used for agreed activities in other countries that had fully used their allocation in the appropriate manner.

62. Member States are entitled to disagree with the way in which the Director-General has redefined the functions of WRs, the regional offices and headquarters in compliance with resolution WHA33.17. For example, they may find it embarrassing to be briefed by the WR on the Organization's policies. They may believe that, since they attend the regional committees and the Health Assembly, they are better aware of those policies than the WR, and they may prefer that functionary to act merely as a liaison officer with the regional office. Or they may prefer him/her to obtain support directly from all levels of the Organization, including headquarters. They may feel that WRs should be much more independent than most of them are at present. If they feel the latter, the regional committee concerned could request the Regional Director to ensure speedy delegation of responsibilities to WRs, as specified under the new managerial arrangements and the Director-General's guidelines for regional programme budget policy. At the same time, Member States could review the capacities of the WRs' offices, with a view to strengthening them if necessary, but in such a way as to support governments and not supplant them in their relationships with WHO.

63. The regional committees might also wish to review the structures of the regional offices to ensure that they are best organized to fulfil their designated functions; that would, of course, include related questions of staffing. The Executive Board might wish to study such regional committee reviews; or it might wish itself to undertake such a review of both regional offices and headquarters and the relationships between them.

64. If the regional committees, and ultimately the Board, believe in the importance of having the right kind of staff in countries and in WHO they should not hesitate to commit WHO resources to that end. Thus, they might wish substantially to increase the allocation of resources for the systematic training of staff, so that they can successfully fulfil the functions of WR. Any reluctance to allocate resources to that end in the past may have stemmed from the assumption that there is an adequate pool of such staff in countries, but in the meantime the functions of the WR have evolved and cadres of potential candidates have diminished.

65. Adequate staffing of the WHO Secretariat being essential for it to carry out its role of supporting Member States, the present system of staffing should be reconsidered to ensure truly international support to Member States throughout the world - to individual Member States, under the regional arrangements, and globally. Any system of staffing must be based on Article 35 of the Constitution, namely: "The paramount consideration in the employment of the staff shall be to assure that the efficiency, integrity and internationally representative character of the Secretariat shall be maintained at the highest level. Due regard shall be paid also to the importance of recruiting the staff on as wide a geographical basis as possible". To ensure the "distribution" part of "geographical distribution" rather than geographical concentration, it might be necessary to introduce a centralized staffing system, a central bureau recruiting staff on as wide a geographical basis as possible in accordance with the Constitution but assigning them to posts in the light of needs. To start with, that might be tried out with regard to WRs. Since such an idea has implications for all levels of the Organization, the Executive Board may wish to request the Director-General to study it.

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directing council

PAN AMERICAN HEALTH ORGANIZATION

XXXII Meeting

regional committee

WORLD HEALTH ORGANIZATION

XXXIX Meeting

Washington, D.C.
September 1987

Provisional Agenda Item 6.5

CD32/11, ADD. I (Eng.)
20 August 1987
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MANAGEMENT OF WHO'S RESOURCES

The Director is pleased to transmit to the XXXII Meeting of the Directing Council an additional document in relation to the issue of Management of WHO's Resources. The annexed document, "Management of WHO's Resources and Review of the Organization's Structure," is a report of the Program Committee of the Executive Board. The Program Committee discussed this topic at its latest meeting (29 June-2 July 1987). The report summarizes key policy issues of interest to the Directing Council in its role as Regional Committee of WHO for the Americas. The Executive Board of WHO, at its Eighty-first Session in January 1988, will review the conclusions reached by the different Regional Committees and, in turn, will report to the Forty-first World Health Assembly in May 1988.

Annex

WORLD HEALTH ORGANIZATION

ORGANISATION MONDIALE DE LA SANTE

EB81/PC/Conf.Paper No. 1 Rev.1

16 July 1987

EXECUTIVE BOARD

Programme Committee of the Executive Board

29 June - 2 July 1987

Agenda items 3 and 5

MANAGEMENT OF WHO'S RESOURCES AND
REVIEW OF THE ORGANIZATION'S STRUCTURE

Report by the Programme Committee of the Executive Board

1. At its seventy-ninth session in January 1987 the Executive Board, following the consideration of the Director-General's Introduction to the Proposed Programme Budget for 1988-1989, requested its Programme Committee to review the management of WHO's technical cooperation activities. In addition, the Executive Board requested the Programme Committee to review (a) opportunities for strengthening relations between the regional offices and headquarters; (b) the involvement of the Director-General in the appointment of all regional directors; and (c) the decision making processes regarding the implementation of WHO policies, programmes and guidelines in the regions (decision EB79(10)).

2. Accordingly, in response to these requests, the Programme Committee at its twelfth meeting considered the management of WHO's resources on the basis of a working paper contained in document EB81/PC/WP/2 which is annexed to this report; this document described, inter alia, the decision-making processes for the implementation of WHO's policies, programmes and guidelines in the regions and thus also provided a basis for the Committee's review of component (c) of decision EB79(10). Complementary background information, including a number of proposals for strengthening relations between the headquarters and regional offices, and suggestions, within the framework of the Constitution, for improving the selection procedures for the regional directors, was provided to the Programme Committe for its consideration of components (a) and (b) of decision EB79(10).

3. In view of the complementarity of the issues it had reviewed, the Programme Committee decided that its discussions should be reported in one single document. Thus, section 1 of the following report covers the EBPC review of the management of WHO's resources and component (c) of decision EB79(10); the Committee's comments to the Executive Board on components (a) and (b) of decision EB79(10) are reported in sections 2 and 3, respectively.

1. MANAGEMENT OF WHO'S RESOURCES

4. In considering document EB81/PC/WP/2, "Management of WHO's resources", the Executive Board Programme Committee recognized that the aim of this document was to facilitate discussion on how the management of WHO's resources over the next decade and beyond might be improved. The document, therefore, had two basic components: (1) a description of the existing managerial framework; and (2) an analysis of the obstacles to improved management and options for overcoming them. The managerial framework outlined WHO's policy bases, strategies, programme principles and the value system on which they were based, against the background of the Thirty-third World Health Assembly's decisions to concentrate the Organization's activities over the coming decades on support to national, regional and global strategies for attaining health for all by the year 2000.

5. The document also explained that decentralization meant the transfer to individual Member States of policy and fiscal responsibility for the use of WHO resources in ways that were consonant with the collective decisions of all Member States, as well as the

accountability of each Member State for the use of the Organization's resources. The new managerial framework, introduced in 1983, was founded on this concept of decentralization. It emphasized WHO support to national health programmes that were consistent with WHO collective policy, and strengthening countries' capacities to use their own and all external resources rationally. This was to be achieved through government/WHO dialogue, the use of the general programme of work and the application of the flexible programme budgeting process adopted by the Health Assembly a decade ago.

6. The functions of the secretariat at each level had been redefined to enhance its capacity to support Member States in the system of decentralized management outlined above. Regional programme budget policies had been introduced to ensure optimal use of the 70% of WHO resources devoted to country and regional activities.

7. Finally, financial audit in policy and programme terms had been introduced to determine how the decisions to use WHO resources were arrived at, to what extent joint government/WHO activities complied with collective policy and what those activities had achieved.

8. The Executive Board Programme Committee could thus see that WHO had now a well defined system of value regarding health, a collective policy that reflects that value system, a strategy for giving effect to the policy, a plan of action for ensuring the implementation of the strategy and wide ranging managerial arrangements to ensure that all concerned throughout the Organization, starting with individual governments, are responsible for the use of WHO resources and accountable for its use. The crucial questions were:

- Is the value system being adhered to, the policy being applied and the strategy being faithfully carried out?

- Are the managerial arrangements and regional programme budget policies for making optimal use of WHO's resources to the above-mentioned ends being followed?

- Are WHO's structures being properly used for the functions devolving on them?

- Are national and WHO staff adequately equipped to make effective and efficient use of WHO resources for national health development?

9. The second component of the document, namely, obstacles and ways of overcoming them, was based on the Director-General's introduction to the 1988-1989 programme budget and the above-mentioned audit.

10. Notwithstanding a number of successful uses of WHO's programme budget, the progress in implementing the provisions of resolution WHA33.17 was extremely slow; such obstacles as the following were identified:

- the present system of staffing in the regions does not ensure truly international support to Member States throughout the world and should be reconsidered;

- evaluation of national strategies for health for all was all too often considered by governments as a separate WHO exercise;

- technical cooperation activities do not sufficiently reflect the collective policy; too many countries still consider WHO as only one among many donor agencies providing technical assistance;

- WHO's technical cooperation has not had sufficient impact in strengthening the health infrastructures of developing countries;

- progress has been slow both in the regional offices and in Member States in following the new managerial arrangements for making optimal use of WHO's resources;

- regional programme budget policies are still not being adequately applied, having recently been introduced;

- government/WHO dialogue in countries is not sufficiently substantive in nature;

- while the procedures for WHO programme budgeting are being followed, they take place mainly administratively, with inadequate application of regional programme budget policy guidelines and the substance of the general programme of work;

- inadequate attention is being paid to the long-term commitment required of many collaborative activities;

- tentative country planning figures are too often being considered as the property of the ministry of health rather than the collective property of the Organization;

- fellowships are on the whole not being used systematically enough in line with resolution EB71.R6;

- provision of supplies and equipment is often unrelated to collaborative programme activities and is often requested late in the biennium;

- implementation of joint activities is too slow.

11. The Programme Committee was unanimous in stating that the value system and policy basis, the strategies, managerial processes and arrangements were all valid and should be pursued vigorously. They therefore suggested that:

(a) Regional committees should take necessary measures to implement resolutions WHA33.17 and WHA34.24, which spelled out ways of ensuring the complementarity of technical cooperation activities and the Organization's collective policies and strategies. The Director-General should monitor the implementation of the decisions in these resolutions and keep the regional committees, the Executive Board and the Health Assembly fully informed of progress.

(b) The new managerial arrangements for the optimal use of WHO's resources mentioned above should be introduced as quickly as possible to all Member States so that WHO becomes fully supportive of national health development in conformity with WHO's decentralized management system.

(c) Regional committees should discuss how to get across to Member States the oft-repeated statement that the evaluation of the Strategy for Health for All is of national importance and should therefore be pursued in the light of the capacities of each country to do so. WHO should invest resources in strengthening these capacities.

(d) Regional committees should discuss practical ways of carrying out the abovementioned policies, strategies and, using the managerial processes and arrangements in their region, identifying obstacles hindering implementation in the region and ways of overcoming them.

(e) Regional committees should also consider how best to reinforce all the managerial instruments the Organization had put at the disposal of Member States through their proper application and appropriate adaptation without deformation.

(f) Regional committees should seize the opportunity of preparing the 1990-1991 programme budget proposals to implement the regional programme budget policies, and use the Director-General's detailed guidelines for them, and to develop in detail their regional programme priorities and administrative priorities.

(g) Special attention should be paid to global, interregional and intercountry activities that are of practical use to the majority of the Member States.

(h) The regional committees should consider requesting the Regional Directors only to accede to requests for fellowships from countries that report periodically and comprehensively on the use made of fellows, including those who have returned, and provide evidence that they are used properly after their return.

(i) The Executive Board and World Health Assembly should establish criteria for the types of supplies and equipment that countries might appropriately order from WHO with financing from the WHO regular budget, as well as types of equipment that should not be ordered; on the basis of these criteria the regional committees should define the type of supplies and equipment acceptable or non-acceptable for purchase in the region from the WHO regular budget.

(j) To monitor the above, Regional Directors should include, in an appendix to the report to the regional committees on the work of WHO in the region, a complete list of supplies and equipment purchased under the regular budget for technical cooperation activities in countries.

(k) Regional committees should encourage Member States to purchase WHO health literature, including periodicals that are useful to them, from the country allocation of WHO's regular budget.

(l) In conformity with resolution WHA33.17, the regional committees should review programme budget proposals for technical cooperation between each and every Member State within the region and WHO.

(m) With a view to ensuring transparent accountability of Member States for the application of the collective policy, the regional committees, should set up an information system containing information on the progress of each and every country towards the attainment of health for all and the related use of WHO resources to this end.

(n) The practice of issuing tentative country planning figures should be retained; however, this is contingent upon the increased accountability of governments for the use of such resources, reporting thereon to the regional committees, and review by the regional committees of the use of the resources.

(o) In order to serve as an incentive for ensuring the use of WHO's resources in the country in conformity with collective policy, a certain percentage of the country allocation should be withheld thus strengthening the leadership of the Regional Directors and the hand of the Director-General, who had to be involved in the process, and improving the exchange of information. There was no consensus on the usefulness of this proposal and on how much this percentage should be; it ranged from 5 to 100. The regional committees should discuss this proposal and transmit their conclusions to the Executive Board.

(p) To ensure the timely implementation of joint activities, the regional committees should review the scheduling of their planning and management with a view to ensuring that they start promptly and are carried out speedily and efficiently.

(q) One way of reinforcing that action might be to decide that if, say, three-quarters of the allocation to any country had not been obligated for agreed activities by the end of June of the second year of any programme budget biennium, the unobligated funds could be transferred to casual income or be used for agreed activities in other countries that had fully used their allocation in the appropriate manner. However, such speedy action should not take place at the expense of thorough planning. A forward rolling plan process should ensure the continuity between programme budget biennia, thus facilitating the implementation of activities in good time.

(r) Regional committees should institute regional audits in policy and programme terms, using an agreed universal protocol to this effect, and selecting a few countries each year. The Executive Board, again in conformity with resolution WHA33.17 will monitor the work of the regional committees in performing such audits.

(s) The Executive Board should request the Director-General to continue to perform independent financial audits in policy and programme terms and report on them to the governments concerned through the Regional Directors.

(t) Anonymous aggregates of such audits should be reviewed by the Executive Board itself; moreover, Board members should participate in such audits.

(u) Furthermore, Board members should take an active part in the work of the regional committees bringing to their attention global policy and following closely what has taken place in them and discussing their findings openly in the Board. The Executive Board should establish to this effect a small committee to review the use of WHO's resources for technical cooperation in each region. This should include a review of an anonymous aggregate of financial audits in policy and programme terms carried out in countries of the region, and consideration of the conformity of technical cooperation activities in the region with WHO collective policies. The Committee should include members from countries in each of the regions. It was agreed that a detailed mandate for such a committee would be prepared by the Secretariat for the Programme Committee to consider at an informal meeting during the January 1988 session of the Executive Board.

(v) Continuing monitoring of implementation of activities by Member States should be be introduced or strengthened in the regional offices and the use of funds should be carefully controlled by using the procedures mentioned above, namely review by regional committees, institutionalization of regional audit in policy and programme terms, independent global audits, and participation of the Board and its members in the whole process.

(w) The Executive Board and World Health Assembly should reconsider the present system of staffing in the regions to ensure truly international support to Member States throughout the world, starting with WHO representatives.

2. OPPORTUNITIES FOR STRENGTHENING RELATIONS BETWEEN THE REGIONAL OFFICES AND HEADQUARTERS

12. At its seventy-ninth session in January 1987 the Executive Board, mindful of concerns expressed by members of the Board, requested the Programme Committee to review opportunities for strengthening relations between the regional offices and headquarters.[1] Although problems had existed in relations between regional offices and headquarters, the Secretariat considered, however, that many had been overcome and the issue now was rather the strengthening of these relations. The Committee reviewed proposals for doing so and recognized that in any large and complex international organization such as WHO, good staff relations depended to a large extent on:

(a) common aims, as expressed in WHO's global policy, strategies and programmes, and in the managerial process to apply them. Thus the global policy and strategy for health for all, the general programmes of work, and the managerial process for WHO programme development constituted, respectively, the policy, substantive and managerial framework for human relations between the levels of the Organization. The EBPC, in its discussion of the management of WHO's resources, had reaffirmed the universal acceptance of the WHO value system on which this framework was based (Section 1 of the present report);

(b) defined functions for the staff at each organizational level; the role of the Secretariat at each level progressively redefined by the Director-General, as requested in resolution WHA33.17. Those functions are to a large extent being fulfilled by staff at all levels;

(c) positive human relations between staff in different parts of the Organization and between supervisors and those they supervise.

[1] Decision 10, "Review of the Organization's structure" (EB79/1987/REC/1, p. 26).

13. Thus, to improve relationships between staff at different levels of a system of controlled federalism and decentralized management, such as that of the World Health Organization, it is necessary to ensure among staff at all levels loyalty to policy, adherence to the functions devolving on each level and respect of managerial principles, together with a sense of belonging to the same family and pride in reaching common positive results.

14. To ensure common aims the issue was not so much one of central management as the necessity of maintaining consistency and coherence throughout a decentralized Organization. In this particular case coherence did not mean the same as uniformity, as each region was substantially different not only programme-wise but also in managerial style. The purpose of the various mechanisms[1] set up within the Secretariat was to ensure a dialogue on this subject between the senior executive staff of the regional offices and headquarters, and to ensure the systematic application of the Organization's managerial process for the development of general programmes of work and for medium-term programming, programme budgeting, monitoring, evaluation and information support and global control of this application. These mechanisms should be used more intensively to promote good relations between staff at all organizational levels, by ensuring a clearer understanding of policies, programme principles and managerial decisions, and their implications for each level, and by exchanging relevant information, the possession of which could lead to improved capacity to support Member States.

15. From the description of the functions of the Secretariat at all levels,[2] it was clear that one of the main functions of the regional offices was to manage technical cooperation activities and one of the main functions of headquarters was to support them in that function. The Programme Committee of the Executive Board recognized that part of this support could be the use of suitable WHO headquarters staff as "well briefed consultants", which could also help to speed up WHO's response to government requests. In this connection it was noted that most WHO headquarters professional staff had, at some stage in their career with WHO or within a national set-up, acquired considerable experience of working in a country setting. However, the EBPC noted that the present budgetary constraints at headquarters were restricting the use of this solution.

16. The Programme Committee considered that what might appear as a relationship crisis was in fact largely an information crisis due to deficiencies in communications, including in many cases, physical communication - for example telephone communication in Africa. The improvement of the lines of communication for the exchange of information should be two-way; in addition improvement in communications between regional offices and headquarters and vice-versa should also be geared to improving the quality of the Organization's communications with the outside world. To effect improvements in the lines of communication, various experiments had been carried out, such as the progressive reduction of the bureaucratic and hierarchic practices, and the increased use, as yet insufficient, of modern telecommunications facilities.

17. Considerable efforts had been invested in building up the Organization's information system; while a certain amount of success could be noted within each level, the transfer of information from one level to another still left much to be desired. Ensuring appropriate information support to the managerial system throughout the Organization, through the inclusion of relevant, sensitive and consistent information and the selective transfer of information to those who need it within each organizational level, and among levels, thus continued to be an important challenge. The proper use of such information by staff could lead to improved reciprocal awareness and understanding among staff in the regional offices and headquarters, and could facilitate better working relations among them.

18. The Programme Committee acknowledged the need for broader exchange of opinion and information than the exchange that could take place within one region; this exchange would not only ensure a cross-fertilization of ideas but would strengthen the ability of all regions to work together in a coherent manner and enhance the level of understanding among staff from different cultural backgrounds. There were many ways of fostering this exchange,

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[1] Global Programme Committee, Headquarters Programme Committee, Regional Programme Committees, Programme Development Working Group.

[2] See Eighth General Programme of Work, paragraphs 101-104 (document A40/6) and working paper EB81/PC/WP/2, paragraph 17.

such as periodic meetings between regional office and headquarters staff working in the same programme, selective visits of headquarters staff to regional offices to discuss matters with regional colleagues, attendance of certain headquarters staff at the meetings of the WRs, visits to other offices, joint briefings, etc.

19. In addition to these formal measures for improving working relations among the staff, the Programme Committee recognized that informal ones were at least as important. The issue was to create empathy between the various levels of the Organization around a unity of doctrine, behaviour and communication. Improved human relations do not depend solely on an increased number of contacts; the quality of those contacts is an essential factor. Mutual respect between colleagues, courtesy, cordiality and acceptance of cultural differences help to create a working environment conducive to effective working relations and the better management of activities.

20. Staffing issues had been presented as being of paramount importance in the proper management of the Organization's resources, and in achieving optimal functioning of all the levels of the Organization. Aware that the Organization's strength lay more than ever in its scientific integrity, technical competence and credibility, which flowed to a large extent from the calibre of its staff, the EBPC considered carefully improvements that could be made to the Organization's staffing policy and devoted particular attention to the key post of WHO representative at the country level.

21. Against the background of decentralization discussed in section 1 above, the EBPC preferred a unified approach to staff management rather than a centralized staffing system. Due regard should continue to be paid to the importance of recruiting staff on as wide a geographical basis as possible. To ensure the "distribution" part of geographical distribution rather than geographic concentration, widespread talent-scouting was required. A central roster of potential candidates, the updating of which would be the responsibility of all WHO staff as well as nationals, should cover as wide a geographical range as possible, and include a sufficient number of women to redress the present imbalance. An initial aim might be to develop an elite corps of WRs with the necessary competence in policy and management, as well as technical expertise, and who could function in any region.

22. The EBPC considered that there was a need to recruit younger people in the Organization, providing that they could be progressively introduced to the work and receive appropriate training, including in the languages required. In fact continuing education was a necessity for all the staff, and resources should be allocated for this purpose at all levels of the Organization with special focus at present on the WHO representative. Any reluctance to allocate resources for staff development and training in the past may have stemmed from the assumption that there was an adequate pool of candidates in countries; this might still hold for highly technical staff, but experience had shown that the Organization's work, and in particular the functions of the WR, had evolved and cadres of suitable candidates had diminished.

23. The EBPC was informed that in the Americas young graduates in public health were being employed as interns for one or two years. Other ways could also be utilized to try out potential staff as well as to train selected nationals in international-health work. For example, five-year contracts could be offered to national health staff on the understanding that they would return to their national setting afterwards; wider use could be made of associate professional officers working at the country, regional and global levels. Such initiatives should be reviewed by the regional committees.

24. The Committee stressed the importance of mobility of staff to facilitate the exchange of experience and improve communications as mentioned above, taking into account that some people performed better in one situation or another. The present trend was movement from regional offices to headquarters. There was little incentive for the reverse, which generally only occurred when promotion was involved. In organizing staff rotation to increase mobility, there was a need to plan career development for rotating staff in at least a medium term perspective. It was also necessary to take account of the problems created for staff assigned to low post adjustment stations whose families, for one reason or another, and usually for reasons of children's education, had to remain in hard currency countries. The EBPC stressed that such a rotation policy also had to take into account the situation of those staff whose spouse had a professional activity in the present duty station.

25. Finally, the EBPC would like to propose to the Executive Board that the Board should monitor the implementation of the measures described above, in keeping with the provisions resolution WHA33.17. It recommended that the Director-General make a study of the modaliti.. and implications of a unified approach to staff management, applying it first of all to WHO representatives, as mentioned in paragraph 21 above, and in line with the final paragraph of working paper EB81/PC/WP/2 on the management of WHO's resources, and report to the Board thereon.

3. INVOLVEMENT OF THE DIRECTOR-GENERAL IN THE APPOINTMENT OF ALL REGIONAL DIRECTORS

26. The Programme Committee reviewed a suggestion, prepared at the request of the Executive Board, regarding the involvement of the Director-General in the appointment of all regional directors. This suggestion was that the regional committee should nominate three candidates whose appointment would be acceptable to it, ranking them in order of preference, and would transmit an appropriate resolution to the Board. If the Board found that it could not agree on the candidate of first preference, it would be able to appoint one of the others considered acceptable by the regional committee. The same procedure, but with certain adaptations, was suggested for the Region of the Americas. The involvement of the Director-General would take the form of comments to the Regional Committee on the qualifications of each of the candidates for the post and comments to the Board on the relative merits of each of the three candidates submitted to it by the Regional Committee.

27. The Committee did not reach consensus on the matter. Some members stressed that, irrespective of the procedure for appointing regional directors, the Director-General should use his constitutional prerogatives to the full. At the same time, in view of these constitutional responsibilities, the importance of involving the Director-General in some manner or other in the appointment of all regional directors was put forward. The Committee realized that the proposal it had before it would not obtain consensus throughout the Organization. It therefore felt that options other than the one presented to it should be devised and considered. It stressed that any option should maintain the present emphasis (the predominant role of the governments in the region concerned, in view of the importance a regional director being fully acceptable to the region as represented by its regional committee.

28. The Committee favoured any procedure that would deviate as little as possible from existing ones, yet ensure greater involvement of the Director-General. It reached general agreement on certain principles, realizing that further details for their application would have to be worked out. These principles are as follows:

- There is a need for consensus in the regional committee, and the process of arriving at such consensus should be depoliticized as far as possible.

- Agreement should be reached on criteria for the incumbent of the post of regional director. These would have to be elaborated, but examples were given, such as integrity and transparency, loyalty to WHO's value system and to the Organization as a whole and readiness to assume a leadership role in promoting this value system. Such Organization-wide criteria should be agreed upon by the regional committees and the Executive Board. Candidates would then be considered in relation to these criteria.

- A search committee should be set up in each region by the regional committee. It should start its work well in advance of the date of nomination for the post of regional director by the regional committee and should hold consultations with all Member States in the region with a view to reaching consensus on one candidate.

- The Director-General shall be consulted by each regional search committee to help ensure a unified approach to the application of the above mentioned criteria.

29. The Programme Committee requested the Director-General to prepare a working paper for the Executive Board based on the above elements and providing further details as to how th might be applied in practice. The present report of the Programme Committee would be accompanied by this working paper for presentation to the eighty-first session of the Executive Board in January 1988.

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