



*executive committee of
the directing council*

PAN AMERICAN
HEALTH
ORGANIZATION

*working party of
the regional committee*

WORLD
HEALTH
ORGANIZATION



46th Meeting
Washington, D. C.
April 1962

CE46/15, Rev. 1 (Eng.)
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F I N A L R E P O R T

The working documents are included in consecutive numerical order under the corresponding index tab, as listed in the Agenda (Document CE46/1, Rev. 3) appearing under tab No. 1. The List of Participants is included under tab No. 15.

Text revised in accordance
with the decisions taken by
the Executive Committee at the
closing session held on
27 April 1962

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FINAL REPORT

Under the chairmanship of Dr. Victorio Vicente Olguín (Argentina) and the vice-chairmanship of Dr. Manuel A. Sánchez Vigil (Nicaragua), the 46th Meeting of the Executive Committee of the Pan American Health Organization was held from 23 to 27 April 1962 in Washington, D. C., in the International Conference Suite of the U. S. Department of State, as convoked by the Director of the Pan American Sanitary Bureau. The following Members of the Committee, Observers, and officers of the Bureau were present:

Members:

Dr. Victorio Vicente Olguín	ARGENTINA
Dr. Alfredo Leonardo Bravo	CHILE
Dr. Alvaro de Angulo	COLOMBIA
Dr. Carlos Antonio Díaz del Pinal	EL SALVADOR
Dr. Manuel A. Sánchez Vigil	NICARAGUA
Dr. Alfredo Lynch Cordero	PERU
Dr. Alberto Bertolini	URUGUAY

Member and Secretary ex officio
of the Committee:

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

Dr. Celia María Girona Fernández	CUBA
Mr. Jacques Pierre Dupont	FRANCE
Mr. Lodewyk A. M. Lichtveld	KINGDOM OF THE NETHERLANDS
Mr. William Bowdler	UNITED STATES OF AMERICA
Mr. Howard B. Calderwood	
Mr. Carter Hills	
Dr. Russell Lee	
Dr. Robert T. Scholes	
Mr. Simon Wilson	

Organization of American States:

Mr. Howard Salzman, Jr.
Mr. Manuel Canyes
Mrs. Alzora Hale Eldridge

Inter-American Development Bank:

Mr. Humberto Olivero
Mr. Rafael Suárez-Guzmán

Advisers to the Director of the
Pan American Sanitary Bureau:

Dr. John C. Cutler, Deputy Director

Dr. Víctor A. Sutter, Assistant Director

Dr. Stuart Portner, Chief of Administration

Mr. Frank Gutteridge, Chief, WHO Legal Office

Chief, Secretariat Services:

Dr. José Quero Molaes

AGENDA

The agenda appearing in Document CE46/1, Rev. 1, was approved at the first plenary session held on 23 April 1962.

DRAFTING COMMITTEE

A Drafting Committee composed of the Chairman, the Vice-Chairman, and the Secretary was established in accordance with Article 14 of the Rules of Procedure of the Executive Committee and entrusted with the preparation of the Final Report.

OPENING OF THE MEETING

The Chairman, on opening the 46th Meeting of the Executive Committee, welcomed the Representatives of the Member Governments, the Observers, and the officers of the Pan American Sanitary Bureau taking part in the meeting. He emphasized the importance of the items on the agenda, and expressed the conviction that the Committee, with the assistance of the Director and the officers of the Bureau, would accomplish their task with the same sense of responsibility, conscientiousness, and competence that all present had shown on numerous previous occasions. Finally, in the name of the Executive Committee and on his own behalf, the Chairman thanked the Government of the United States of America for their kindness in allowing the meeting to be held in the new State Department building.

ITEMS DISCUSSED AND RESOLUTIONS APPROVED

During the 46th Meeting of the Executive Committee, which held nine sessions, the following items were examined:

1. Financial Report of the Director and Report of the External Auditor for 1961

At the second plenary session Dr. Portner (Chief of Administration, PASB) presented Official Document No. 39, the Financial Report of the Director and the Report of the External Auditor for 1961. He gave a general outline of the purpose of both parts of the document and the procedure followed by the Bureau in controlling accounts.

Financial Report of the Director

Dr. Portner stated that the funds invested in the international aspects of health in the Americas were constantly increasing, as was shown by the fact that, in 1961, \$11,034,693 was spent from all sources including the PAHO Regular Budget and the Special Malaria Eradication Fund, the Community Water Supply Fund, the Building Fund, grants and other contributions received by PAHO, the Program of Technical Cooperation of the Organization of American States, the INCAP Regular Budget and grants and other contributions received by INCAP, as well as the regular budget of the World Health Organization, the WHO Special Malaria Account, and WHO Technical Assistance. An additional \$130,254 was expended for procurement services to Governments, public institutions, etc., in the Americas. Total expenditure in 1961 represented an increase of about \$1,300,000 (approximately 13 per cent) compared with 1960. The expenditure for PAHO Regular, including the amount for increasing the Working Capital Fund, reached 97.75 per cent of the authorized budget of \$4,800,000.

As to income, he stated that the collection of quota contributions for the current fiscal year was the highest since 1957: 84.49 per cent as contrasted with slightly more than 76 per cent in the preceding fiscal year. The collection of current quotas and arrears reached a total of \$4,807,545, which together with \$148,074 realized from all other sources amounted to \$4,955,619 or 103.24 per cent of the authorized budget.

The amount of the Working Capital Fund, which, on 1 January 1962, was \$1,707,059 (32.58 per cent of the authorized budget for 1962, had improved with regard to 1 January 1961, when it was \$1,143,185 (23.81 per cent of the authorized budget for 1961), but that figure was still low in comparison with the authorized level of 60 per cent. Consequently, delay in payment of quotas could create a difficult situation in the first six months of the year.

Report of the External Auditor

With regard to the Report of the External Auditor, Dr. Portner stated that, as in previous years, it gave preferential attention to the PAHO Regular Budget. The Report made it apparent that the financial position of the Organization was better at the end of 1961 than at the end of the preceding year, as shown by the fact that the fiscal year closed with a surplus of \$263,874 (which had been transferred to the Working Capital Fund), while in 1961 there was a deficit of \$38,150 (which was met by an advance from that Fund); but it stressed the need for an intensification of efforts for a more efficient collection of quotas, both those corresponding to the current fiscal year and arrears.

The balance of outstanding quotas at the end of 1961 was \$1,135,140, and even though the percentage of collections showed an increase of 8.17 per cent compared with 1960, the External Auditor considered that the collection of current quotas was still too low for an international organization.

Dr. Portner concluded by referring to item 19, iii, of the Report, which showed that the program had been considerably expanded during the decade 1951-1961, and that the financial administration of the Organization had been efficient. The expenses for activities charged to the regular budget rose from \$1,697,262 in 1951 to \$4,391,745 in 1961, while the expenses charged to other funds of PAHO and to the WHO Regular Budget and WHO/TA increased during that period from \$1,215,780 to \$6,642,948.

Dr. Sánchez Vigil (Nicaragua) said that, in the interests of promptness, steps were being taken in his country to arrange for the payment of the quotas of international organizations through the Ministry of Foreign Affairs.

Mr. Hills (Observer, United States of America) said that his Government was pleased with the very favorable statements of the External Auditor on the administration of the different funds. He proposed that the conclusions of his audit of the accounts be included in the minutes, as follows:

- "i) The financial position of the Organization is better at the end of 1961 than it was one year ago, but all efforts must be carried out for better collection of quota contributions and arrears in order to secure the proper fulfillment of the Organization's activities and build up the Working Capital Fund;

- ii) Work dealing with administrative matters is carried out properly; the weakness I found last year in inventory control of equipment at Headquarters has been overcome;
- iii) Looking back on the last ten years since my first audit for the year 1951 I note a striking development in the size of the program and efficient financial management. In 1951 expenditure for activities under PAHO Regular was \$1,697,262 as compared with \$4,391,745 in 1961. PAHO Other, WHO Regular and WHO/TA expenditures increased from \$1,215,780 to \$6,642,948 in the same period. The years between 1951 and 1961 have brought a maturity in administrative methods and a vast improvement in financial records with respect to completeness, accuracy and clarity. It is gratifying to note that studies are being actively pursued to find still more effective management and accounting methods."

It was so agreed.

Dr. Portner (Chief of Administration, PASB), answering the questions asked by Mr. Hills, explained the amount of unliquidated obligations as being due largely to fellowships that were obligated for the full period of study, which often continued into the following fiscal year. As to the estimates and expenditures against the Special Malaria Eradication Fund and the Community Water Supply Fund for 1961 and 1962, Dr. Portner explained the reasons for the actual expenditure of \$2.2 million for malaria in 1961 as against the estimate of \$2.7 million, and then detailed the pattern of expenditures for the Community Water Supply activity for the same year. Concerning the rate of expenditure for those activities in 1962, Dr. Portner referred to the new estimate of approximately \$3 million for malaria in that year and noted that the expenditure rate per month was somewhat under the \$250,000 estimate and was currently approaching \$225,000 a month. The rate of expenditure in the Community Water Supply had been, of necessity, held back by the

non-availability of funds after the carry-over of 1961 balances had been obligated in 1962. After the receipt of a \$300,000 contribution, generously presented to the Bureau by the Government of the United States of America, it was possible to initiate new activities and it was expected that the original estimate of the program would be realized.

Dr. Horwitz (Director, PASB) was delighted that Mr. Hills had raised the question which also applied to national administrations: the constant readjustment between what was budgeted and what was spent in the course of a given fiscal year. He added that in PAHO it was necessary to deal with 21 Governments and 27 political units, and therefore planning had to be done two or more years in advance. That was why it was difficult to obtain a completely accurate correspondence between what was budgeted and what was spent. The Bureau was making a very careful study of that situation, and in due course it would be submitted to the consideration of the Committee.

Dr. Angulo (Colombia) was grateful for the efficient and timely advisory service that the Bureau had given Colombia in the field of community water supply, but he felt that the problem of water supply to small towns and rural sections, where the investment was not returnable in money, should be studied more carefully, and that the Bureau could supply an immensely valuable service in that regard.

Mr. Olivero (Observer, Inter-American Development Bank) said that the Inter-American Development Bank was deeply appreciative of the assistance given by the Pan American Health Organization. With reference to the technical aspects of water supply projects, the Municipal Development Institute of Colombia had recently suggested that three groups of projects be established, one urban, and two rural groups, depending on whether the population was concentrated or dispersed. He had also had an opportunity of considering that problem at the meeting of the Advisory Committee of the Pan American Sanitary Bureau on water supply and sewage problems. He spoke of the different aspects (technical, administrative, and financial) of the problem that had to be approached jointly before a solution could be found. Basing his opinion on a publication of the World Health Organization, he said that, even if both problems were equally important, it would be more practical to try to solve the problem that had more possibilities for financing first; in that way, the countries would be able to devote their domestic resources mainly to solving the rural problem although, of course, the importance of social and economic development should not be overlooked when such aid was given.

Dr. Díaz del Pinal (El Salvador) stated that, in view of the importance of the water supply program, the discussion of it should be left to a later session, and that the debate on the 1961 fiscal year should be resumed.

Then the Committee approved unanimously the following

RESOLUTION I CE46 R1

The Executive Committee,

Having examined the Financial Report of the Director and the Report of the External Auditor on the audit of the accounts of the Pan American Health Organization for 1961 (Official Document No. 39);

Considering that the External Auditor states in his Report that "all efforts must be carried out for better collection of quota contributions and arrears in order to secure the proper fulfillment of the Organization's activities and to build up the Working Capital Fund"; and

Bearing in mind the views expressed during the course of the present meeting,

RESOLVES:

1. To take note of the Financial Report of the Director and the Report of the External Auditor for the fiscal year 1961 (Official Document No. 39) and to transmit them to the XVI Pan American Sanitary Conference.

2. To urge the Member Governments whose quota contributions are in arrears to pay them at the earliest possible date.

2. Proposed Program and Budget of the Pan American Health Organization for 1963

The Executive Committee examined this item at the first, second, and seventh plenary session. On opening the discussion, Dr. Horwitz (Director, PASB) pointed out that the program of the Pan American Sanitary Bureau was organized as a functional unit, in which two elements were given primary consideration: the prevailing health problems in the Americas, and the wishes of the Governments. Because of those two factors, which were exceedingly important and equally valuable and significant, the preparation of the program and budget of the Pan American Health Organization was a continuous process whose results were improving with experience.

Dr. Horwitz emphasized that the Pan American Health Organization considered the activities in the health field as a social function, which found expression in services aimed at preventing disease and averting its spread, as well as at promoting health and prolonging life. In that regard, the nature of the problems, the economic situation of each country, the quality and quantity of the available resources, and the cultural traits of each social group all had to be taken into consideration.

When the health situation in the Americas, especially in Latin America, was examined, it became evident that communicable diseases continued to be the most prevalent problem. Moreover, in considering the ten most important causes of death, as they appeared in the reports of the statistical services of the Pan American Sanitary Bureau, it was clear that in the whole Hemisphere, with the exception of North America,

at least 60 or 70 per cent of the causes of the most frequent diseases could be avoided. If the incidence of those diseases had not diminished, it was not because of insufficient knowledge, but rather because of a scarcity of funds and, to a certain extent, the negligence of those who did not utilize the tools which were already available to the Governments for certain activities. The general program of the Pan American Health Organization approached the fight against communicable diseases by means of four basic tools: organization and improvement of health services, training of experts, research, and planning.

After calling attention to the fact that the Pan American Sanitary Bureau had an advisory, not an executive, function, Dr. Horwitz spoke of the manner of presentation of the data in Document CE46/4, which had been submitted to the Executive Committee for consideration. When the program and the budget of the Pan American Health Organization were examined as a whole, it could be seen that they both followed the trend indicated by the most important social and economic problems in the Americas. Accordingly, of all the funds available in 1963, except for the amounts assigned to Headquarters, 36.5 per cent would be allotted to communicable diseases, (31.4 per cent to eradication programs). Approximately 41 per cent of the funds were currently being assigned to communicable diseases (27 per cent was being applied to malaria eradication). The rest was being used to combat the urban vector of yellow fever, yaws, smallpox, and other communicable diseases such as leprosy and tuberculosis, against which activities had been increased in the last three years. The strengthening of

public health services involved an investment of 46 per cent. As the need for funds for the control or eradication of diseases diminished, the funds assigned to services underlying the regular work of the health ministries and their different agencies in the Governments increased proportionately.

With reference to the proposed increases in education and training, Dr. Horwitz said that the Pan American Health Organization was directing its efforts toward giving advice to certain professional schools and further training to technical personnel. As to the latter objective, the Pan American Sanitary Bureau was granting about 500 fellowships annually; but that did not meet the increasing number of requests for such training from Governments. The efforts to increase the number of fellowships by obtaining extra-budgetary funds had not yet produced the desired results.

The Director then spoke of the planning and coordination of research, an activity that was begun in 1961 with the establishment of an office for research coordination. The XIII Meeting of the Directing Council was informed that an agreement had been reached with the United States Public Health Service for the organization of that Office; its projects would be financed by the National Institutes of Health if they met the conditions of its research program. The first meeting of the Pan American Sanitary Bureau's Advisory Committee on Medical Research would be held in Washington in June 1962 when it would examine several proposals related to the most important current problems.

Dr. Horwitz went on to explain the steps taken by the Pan American Sanitary Bureau to reach the health goals of the Charter of Punta del Este, which called for the formulation of health plans as part of the general development plans of the countries. Several Governments had already requested the Bureau's assistance in utilizing national resources more effectively. If the proposed budget was approved, the Organization would allot approximately \$100,000 for planning services in 1963.

After referring to the need for incorporating health activities into general development programs, he pointed out that it was essential to promote research so that economists and statesmen could visualize more clearly the relationship between health and national development. In recent years, there had been a long series of research projects to illustrate that education was actually an investment rather than an expense, since it contributed to increased productivity and therefore to the promotion of the economic development of the countries. However, there had been no similar projects related to health, whose importance for economic development was fundamental.

The Pan American Health Organization had been insisting for many years on the need to coordinate the activities of the different ministries with regard to social problems related to health. Integrated development plans were necessary for the proper utilization of the funds available in the countries and those obtainable from external sources.

Document CE46/4 was the outcome of the consultations that had taken place with Governments after Official Document No. 35 had been approved as the provisional draft of the program and budget for 1963. An increase of slightly more than 9 per cent over the 1962 budget was requested in the provisional draft. Of that amount, 4 per cent corresponded to the regular increase in expenses, and 5 per cent to the expansion of activities, in keeping with the requests from Governments. Subsequently, the United Nations General Assembly approved a new salary scale for its personnel, which was also adopted by the Executive Board of the World Health Organization and, after approval by the Members of the Executive Committee, by the Pan American Health Organization. That salary increase represented an additional \$250,000 in the budget.

Finally, as to changes in the organizational structure of Headquarters, the designation of the two officials directly under the Director had been changed with a view to defining their functions more precisely. The XIII Meeting of the Directing Council had approved a revision of the Constitution to that effect, and henceforth they would be known as the Deputy Director and the Assistant Director. The Deputy Director, who was currently Dr. John C. Cutler, was in charge of the coordination of all field work; and the Assistant Director, Dr. Victor A. Sutter, directed the coordination of technical activities at Headquarters. The Offices of Planning and of Research Coordination, directly responsible to the Director, and the Office of Evaluation and Reports directly to the Assistant Director had been established. A series of changes had been made in the different branches, and the Health Statistics Branch, which formerly was a part of the Communicable Diseases Branch, had been made an independent entity.

Dr. Portner (Chief of Administration, PASB) then gave a detailed explanation of the items of the proposed budget as shown in Official Document No. 35, with the modifications introduced in Document CE46/4.

He pointed out that the total amount foreseen for the joint activities of the Pan American Health Organization and the World Health Organization in 1963 came to a total of about \$14,500,000, of which the PAHO Regular Budget was \$5,990,000.

Of the five parts in which the PAHO budget was divided, the first referred to meetings of the Governing Bodies and to the services relating thereto. A comparison of the amounts allocated for that item, \$255,602 in Official Document No. 35 and \$229,850 appearing in Document CE46/4, showed a reduction of \$72,501.

Part II of the proposed budget related to PAHO Headquarters. The amount proposed for that item in Official Document No. 35 had been \$1,658,221, while the amount currently proposed was \$1,713,198, or an increase of \$76,364.

Part III related to PAHO field and other programs and included the Zone Offices. The amount of \$3,338,677 appeared in Official Document No. 35 and in Document CE46/4 the amount of \$3,559,452 was proposed, representing an increase of \$451,854.

As to Part IV, PAHO Special Fund for Health Promotion, the original amount of \$187,500 was retained. Also in Part V, Amount for Increasing the Working Capital Fund, the amount of \$300,000 was retained as originally proposed. As to the general total for all Parts, Official Document No. 35 indicated the sum of \$5,740,000, while Document CE46/4 showed a higher figure of \$5,990,000. The difference of \$250,000 was necessary to cover the salary increases for staff members that had been approved during the year.

Dr. Portner then stated that a dynamic organization required changes in its programs to meet new situations and undertake new activities or to effect changes in the pace and scope of the activities under way, depending on the circumstances. He said that Document CE46/4 showed the changes made at Headquarters and gave details of the posts abolished within certain services and of new units that had been established. The posts suppressed were basically of the administrative type and were an indication of the constant endeavor to economize while at the same time increasing the efficiency of the services through structural changes.

The highest figure in the budget related to Part III, Field and Other Programs, and that was the Part for which the highest increase was also proposed, i.e., \$451,854, which reflected the changes made in the program. Among those he pointed to nutrition (AMRO-54), for which \$73,623 was initially proposed and for which the supplementary document proposed a sum of \$94,494. The same was true for sanitary engineering; the original figure for AMRO-209 had been \$17,070, and the new figure was \$37,194. For AMRO-45, Laboratory Services, the sum of \$33,648 was being proposed for the purpose of expanding the activities of advisory services and

personnel training. As to AMRO-62, Public Health Aspects of Housing, the sum proposed in Official Document No. 35 had been \$12,541, but in Document CE46/4 the amount proposed was \$52,485. That \$39,944 increase was intended to cover the expansion of housing activities, to provide consultant services in the long-range planning of communities and urban areas, the establishment of housing standards, and the solution of problems arising from unsuitable housing.

After referring to the increases proposed for leprosy control as well as for planning services, medical care and hospital organization, Dr. Portner concluded his presentation by pointing to the increase in general services costs to \$43,912, the major part of which was for the rental of additional space for Headquarters.

The Executive Committee then proceeded to analyze the various items of the proposed program and budget, during which time several questions were asked and various observations made.

Dr. Bravo (Chile) congratulated the Director on the manner in which the proposed program and budget had been prepared and submitted to the Committee for consideration and for the direction he had given to the program and budget of the Organization. He considered the establishment of the Office of Planning particularly important and believed that both the planning and the evaluation services should be under a single officer. He also remarked on the advisability of standardizing the administrative nomenclature since at the present time the titles of division, sub-division, and department, had different meanings in the various national and international organizations and could therefore lead to confusion.

Dr. Angulo (Colombia) referred to the chart of the organizational structure of the Pan American Sanitary Bureau that had been distributed with Document CE46/4 and said it should show that there was permanent contact between the technical branches and the various Zones or services under the Pan American Sanitary Bureau. He also congratulated the Director for the presentation of the proposed program and budget.

Dr. Bravo (Chile), Dr. Bertolini (Uruguay), Dr. Díaz del Pinal (El Salvador), and Dr. Angulo (Colombia) indicated the advisability of making a study of the per diem allowance of the members of the Executive Committee, for the purpose of bringing it into line with the present circumstances.

Mr. Hills (Observer, United States of America) praised the Director's initiative in relating the budgetary problems of the Organization to the needs of the program and felt sure the members of the Executive Committee could make an important contribution by studying in detail the budgetary and administrative matters submitted to them for consideration. In that regard he referred to a statement made by the Honorable Harlan Cleveland, Assistant Secretary of State for International Organization Affairs, before the Foreign Affairs Committee of the United States Senate, to the effect that the initial period of establishment and experiment of international organizations was already past and that the time had come for critically appraising the successes and failures of the past and for fixing a clear direction, -which had not existed during the first years of their activities- as well as for discovering the means to mobilize, organize, and apply more efficiently the means available. The speaker said that that was the viewpoint that the United States of America would adopt in dealing with budgetary and administrative problems and that

it might be of interest to the Executive Committee to take note of it. He concluded by requesting a detailed breakdown of the number of posts financed from all sources of funds.

Dr. Lynch (Peru) requested further information on the Office of Planning. As to project AMRO-60, Smallpox Eradication, he was surprised that it had been reduced by \$13,735 through the suppression of an allocation for a seminar whose objective had been to review the concept of eradication, to stimulate the completion of programs under way, and to raise the level of immunity in countries where no smallpox existed at the present time but could be affected in the future. He proposed that the suppressed seminar be included in the next budget; the proposal was supported by Dr. Sánchez Vigil (Nicaragua).

Dr. Sánchez Vigil (Nicaragua) congratulated the Director on the Pan American Sanitary Bureau's medical education activities and emphasized the need for giving advisory services to the Governments so that the pertinent functions in that field could be suitably coordinated with those of the health and social welfare departments of the various countries. He also wished to know, with reference to Part V of the Budget, what percentage of the total budget the Working Capital Fund represented and how long it was intended to maintain that Part of the Budget.

Dr. Portner (Chief of Administration, PASB) replying to the questions put by Dr. Sánchez Vigil said that, at the end of 1961, the Working Capital Fund contained in round figures \$1,700,000 or a little more than 32 per cent of the authorized budget for 1962. It would take several years to attain the objective of the Directing Council, namely that the amount in the Working Capital Fund should be gradually increased until it reached 60 per cent of the level of the authorized budget.

As for the information requested by Mr. Hills, the figures were as follows:

	1963 <u>OD 35</u>	1963 <u>Revised</u>	<u>Difference</u>
Professional	570	574	4
Clerical Services	<u>465</u>	<u>475</u>	<u>10</u>
Total	1035	1049	14
Headquarters	258	256	(2)
Zone Offices	83	84	1
Intercountry projects	414	432	18
Country projects	<u>280</u>	<u>277</u>	<u>(3)</u>
Total	1035	1049	14

There were decreases in personnel financed under PAHO Regular and WHO Regular, but increases under PAHO Other, most of whom were employed in the malaria eradication program, INCAP, and the Pan American Foot and Mouth Disease Center.

Dr. Horwitz (Director, PASB), in reply to the various questions and observations made during the debate, stated that the Office of Planning would provide advisory services to the Governments requesting them for the formulation of national health plans and, in addition, would give them opportunities for the preparation and training of their own experts. Moreover, the Office of Planning would collaborate with the international agencies responsible for studying the public health aspects of the general development plans. Finally, that Office would coordinate the work of the various technical branches of PASB in the study of national health plans. Dr. Horwitz pointed out that the proposed Unit would possibly have about twelve experts, i.e., public health administrators, planning experts with

advanced university training, a sociologist, economists, and the necessary administrative personnel. This nucleus of staff would work with all the experts of the Organization in studying a national health plan and would have available an up-to-date list of experts in the various countries who could be placed at the disposal of the Governments as soon as they needed them for preparing or improving their national health plans.

Dr. Horwitz next expressed the Bureau's concern over environmental sanitation matters, including the housing construction programs being carried out or planned in the various countries of the hemisphere with the aid of the Inter-American Development Bank. He said that in speaking of health problems related to housing one should not limit oneself to the usual aspects of sanitation such as water supply and sewage disposal but include even such aspects as mental health related to community housing, without, however, overlooking the matter of lighting, ventilation, recreation, markets, and so forth.

Dr. Horwitz also mentioned the dissociation that was appearing in the countries of the Americas between the health ministries and the other government agencies in charge of community housing plans and said he planned to submit to the consideration of the forthcoming Pan American Sanitary Conference a report on that matter based on a survey being made in some of the countries by Professor Wolman of the Johns Hopkins University in association with the Chief of the Environmental Sanitation Branch of PASB. The Director announced further that the Bureau was actively looking for an expert to initiate the activities of a unit to deal with those problems, possibly

an architect with experience in environmental sanitation problems of housing, or an engineer with the required experience. He expressed the hope that he would be able to obtain extra-budgetary funds for that purpose in the same way as for the community water program, in order that effective measures could be taken in the hemisphere on such a basic problem.

Dr. Horwitz indicated that the interest evidenced by the Governments in that initiative might also give rise to larger allocations in the regular budget.

After an item by item analysis of the program and budget, the Executive Committee decided to appoint a working party composed of Dr. Bravo (Chile), Dr. Angulo (Colombia), and Dr. Bertolini (Uruguay) to study the administrative aspects of the allowances for Executive Committee members attending the various meetings of PASB and to present a draft resolution on the PAHO Proposed Program and Budget for 1963.

At the seventh plenary session, the Working Party presented two draft resolutions on the items previously mentioned, and the Committee unanimously approved the following two resolutions:

RESOLUTION II

CE46.R2

The Executive Committee,

Having studied in detail the provisional draft of the proposed Program and Budget of the Pan American Health Organization for 1963 contained in Official Document No. 35, with the modifications thereto appearing in Document CE46/4, prepared by the Director;

Considering that the XIII Directing Council in Resolution VI recognized that the provisional draft of the Proposed Program and Budget for 1963 appearing in Official Document No. 35 comprised well-conceived and much needed health projects;

Considering that the modifications appearing in Document CE46/4 were made after consultation with each Government and reflect the latest known desires and requirements of Governments with due regard to priorities of needs;

Considering that the program as modified takes into account the emphasis on national health planning as an integral part of plans for social and economic development envisaged under the Charter of Punta del Este; and

Bearing in mind the terms of Article 14-C of the Constitution of the Pan American Health Organization and paragraph 3.5 and 3.6 of Article 3 of the Financial Regulations of the Pan American Health Organization,

RESOLVES:

1. To submit to the XVI Pan American Sanitary Conference the Proposed Program and Budget of the Pan American Health Organization for 1963, prepared by the Director (Official Document No. 35 and Document CE46/4) together with the observations made by this Committee (Point 2 of Document CE46/15).

2. To recommend that the Conference establish the budget level of the Pan American Health Organization for 1963 at \$5,990,000.

RESOLUTION III

CE46.R3

The Executive Committee,

Considering the provisions of Article 17-B of the Constitution of the Pan American Health Organization;

Taking into account Resolution VII of the XIV Pan American Sanitary Conference; and

Having noted Resolution WHA14.5, which provides that

- "(1) members of the Executive Board shall be paid a per diem allowance at the rate of \$23 while attending meetings in Geneva, \$30 while attending meetings in New York, and while attending meetings elsewhere at a rate to be fixed by the Executive Board and not to exceed the equivalent of \$23;
- (2) the applicable per diem allowance shall be paid to members of the Executive Board during periods of necessary travel to and from the place of meeting and attendance at the place of the meeting except that such allowance shall be reduced to \$10 for each full day (midnight to midnight) when traveling by sea."

RESOLVES:

To request the Director of the Bureau to take the necessary steps to raise the per diem allowance of the Members of the Executive Committee to \$30.00 (thirty dollars) and, accordingly, to make such provision as may be appropriate to cover these costs in the Proposed Program and Budget of the Pan American Health Organization for 1963.

3. Report of Activities of the Pan American Health Organization under the Charter of Punta del Este

The item was considered at the third, fifth, and seventh plenary session. Dr. Horwitz (Director, PASB), in presenting Document CE46/12, began by referring to the activities which the Pan American Health Organization had been developing in accordance with the spirit and the letter of the Charter of Punta del Este during the relatively short time since its signature in August 1961. He mentioned the different parts of the Charter that were related to health. In Title I, which defined the objectives of the Alliance for Progress, point 8 referred directly to health activities; Resolution A.2 (Ten-Year Public Health Program of the Alliance for Progress) appeared as an Annex to the Document; and point 4 of Resolution A.4 (Task Forces for Programming) gave the Pan American Sanitary Bureau the responsibility of organizing the task force on health.

The underlying philosophy of the Charter of Punta del Este was based on the need for promoting economic development and social progress simultaneously, i.e., the need for changing customs, methods and development in such a way that development and social progress would be two sides, as it were, of the same coin. And therefore, in fulfillment of the responsibilities that had been specifically assigned to the Organization, Document CE46/12 had been drawn up to follow the general pattern of the Charter of Punta del Este and dealt with the projects that would produce immediate results -because they were already in operation and merely had to be enlarged and extended- and the projects of gradual accomplishment, which would culminate with health planning; for it was obvious in the discussions

at the Conference of Punta del Este that produced the historic document of the same name that the Governments had no wish to interrupt their current activities in order to formulate national health plans -on the contrary, they hoped to extend such activities to other communities with similar needs.

In the Quadrennial Report and in the Annual Report for 1961, which would be presented at the XVI Pan American Sanitary Conference, a description was given of the activities accomplished along those lines and the prospects for the future. The Organization's General Program of Work had been vigorously expanded to the extent permitted by its limited resources. The Director outlined the progress achieved in the eradication of malaria, the urban vector of yellow fever, smallpox and yaws, as well as the expansion of programs against tuberculosis, leprosy, and Chagas' disease; and the activities that had been initiated to conquer cancer and cardio-vascular diseases. The national health organizations were being improved and expanded by the direct intervention of Governments, in proportion as the number of well-trained health experts increased. The latter were influencing clinicians and politicians who in turn were beginning to consider health from a biological and social standpoint.

Broad programs for the training of auxiliary personnel, especially in the fields of nursing and sanitation, were in progress. As to sanitation, the Director read a cable which had just been received from the Zone Office in Buenos Aires, stating that at the inaugural session of the Third Assembly of Governors of the Inter-American Development Bank, held in Buenos Aires on 23 April, the Director of the Bank had expressed his thanks to the

Pan American Sanitary Bureau for the investments in social development programs, particularly those in the field of sanitation, and added that the Bank had been able to participate in 23 projects, with an investment of \$127,000,000, which had benefited ten million inhabitants of the hemisphere in one year and had helped to solve water supply or sewage disposal problems in the following cities: Cali, Cúcuta, Medellín, Cartagena, Concepción, Talcaguano, Quito, Puerto Barrios, Arequipa, San Salvador, Río de Janeiro and six state capitals in Brazil (Salvador, Recife, Natal, Maceio, São Luiz and Terezina); as well as in five hundred small villages in rural areas of Mexico, El Salvador, Guatemala, Brazil and Venezuela. The President of the Bank stated: "We have received valuable assistance for the preparation and evaluation of the respective projects from the Pan American Sanitary Bureau, whose technical efficiency is well known to all of our member countries".

The Director commented that that statement showed that it was not impossible to comply with the provisions of the Charter in urban areas, but that in environmental sanitation much remained to be done in the rural sections if the Governments were to accomplish what they pledged to do at Punta del Este, at least to the greatest possible extent. Since the Organization's budget did not permit a continued extension of that activity, efforts to achieve an increased coordination with all international agencies should be continued, in order to put the health objectives of the Charter into practice.

Speaking of the projects for gradual development, he focused his attention on Resolution A.4 (Task Forces for Programming) and said it was

not possible to bring together a single group of experts to analyze all health problems of the hemisphere and to recommend the measures whose worth was proven by experience. That was why five advisory groups had been convened to deal with environmental sanitation, medical care, medical education, nutrition, and health planning. The members of those groups were experts from the Organization and from public and private agencies. During the first four months of the year, about one hundred experts came to PASB to discuss those matters. When the reports of those advisory groups had been reviewed, they would be submitted to the Governments.

The plan to hold a Conference of Ministers of Public Health was still being entertained. The purpose of the Conference would be to examine the importance of health in the general process of development, the basic problems, the ways to solve them, national and international responsibility, and aspects of financing. Moreover, the Organization staff, in some cases with the collaboration of advisors, had prepared documents on maternal and child health, malaria, smallpox, tuberculosis, leprosy, the treponematoses, schistosomiasis, and plague. It would be necessary to summarize the contents of those reports in a document which could be entitled "Health in the Americas under the Charter of Punta del Este", which would help the various Governments to adapt the conclusions and recommendations to the needs of their respective countries.

Finally, the Director said that health planning was the basic tool suggested by the Charter to attain the objectives in that field. A special document on that subject had been presented to the meeting; it would be

examined under Item 9 (PAHO Organizational Unit for Planning). The document in question explained the strengthening of the planning services of the Bureau. Moreover, negotiations had been completed with the Latin American Institute of Economic and Social Development, which was established under the auspices of ECLA, with Headquarters in Santiago, Chile, and the first intensive course, of three months' duration, would begin in October. The Organization had arranged to grant twenty fellowships a year, one for each country, for that course, which would be given by economists and health experts, in order to train one hundred or more experts on planning in the next five years.

Negotiations were under way with Johns Hopkins University to organize a similar course for English-speaking experts. Moreover, in collaboration with the Center of Development Studies (CENDES) of the Central University of Venezuela, a manual had already been prepared on the principles and methods of planning, and it would be used in the State of Aragua, Venezuela. Finally, two Governments had requested the services of experts to draw up their respective national health plans.

The Director concluded by saying that the Organization was receptive to all suggestions concerning research related to the formulation of integrated development and welfare plans. No one had enough experience in that field, and accordingly it would be necessary to make studies on the methodology of the subject in some areas. Such studies would serve as the basis in the future for readjusting and improving the health plans which were currently in preparation.

The Chairman congratulated the Director for his very interesting treatment of a fundamental aspect of the economic and social development of the Americas, since the objectives of the Charter of Punta del Este in the field of health had broad implications. To achieve them it was extremely important to plan the diverse aspects, from water supply to the reduction of mortality, the eradication or control of communicable diseases, nutrition, the training and improvement of auxiliary health personnel, the improvement of basic public health services at the national and local levels, and the intensification of research.

Dr. Lynch (Peru) expressed his satisfaction with the Director's report. As Dr. Horwitz had said, economic and social development involved two closely interrelated fields of action for the accomplishment of the principles of the Alliance for Progress; what was more, he considered that, in the first years of the ten-year plan, social development should be given more attention than development in the economic sphere, because the repercussions of the latter were much slower and would not be felt for many years. On the other hand, the work of social development produced almost immediate results, and therefore should be given priority, bearing in mind the interrelationship between both forms of development.

In that regard the Pan American Health Organization was performing a very laudable mission, but it would be advisable to establish a closer relationship between the Bureau and the Agency for International Development (AID), the entity responsible for the advancement of the plans of the Alliance for Progress, to ensure that public health would be given increased attention, since priority should be given during the first years of the execution of those plans, to the social aspects of development, i.e., to public health, education and housing.

Dr. Bravo (Chile) said that the Director's presentation revealed the progress which had been made in health matters in relation to the plans enunciated in the Charter of Punta del Este. The section on public health in the Charter, as well as the accessory resolutions which established standards and goals for health planning were due, almost in their entirety, to the initiative of PASB and, especially, to that of the Bureau's Director.

The methodology of planning had to be put into practice by the countries of the Organization in accordance with local conditions and in keeping with the indicated priorities, for it was obvious that financing could not be simultaneous. Speaking of the experience in Chile, he said that as planning progressed, defects were noted in the available statistical information which had repercussions on the administrative organization and even on the financial aspects of the question. Therefore, in order to compile the essential basic information, it would be necessary to make a survey of the national medico-social situation and present it in an orderly, coordinated, and clear form as the basis for future planning. It would be helpful if the Bureau would make the reports of the advisory groups available to the countries, as well as the manual on the principles and methods of planning which could serve as a guide and offset in some measure the lack of qualified planning personnel that many countries were currently experiencing.

A Planning and Evaluation Unit had recently been created in Chile. It was composed mainly of doctors who were trained in public health and had some knowledge of planning; it had the assistance of nurses, social workers and jurists, and would seek to add a sociologist and an anthropologist later. The group would be responsible for obtaining basic information, coordinating

the efforts of the various technical groups, and giving a planning commission composed of highly qualified technical leaders the necessary advice to enable the Commission to define policy and establish coordinated health plans for the country. In that connection, he considered that the courses for planners, announced by the Director, were of paramount importance.

The objectives outlined in the Charter of Punta del Este were exceedingly significant for the whole hemisphere, and Dr. Bravo concluded by pointing out that PASB activities, under the well-defined, progressive, and competent guidance of the Director, were making a valuable contribution to the realization of those ideals.

Dr. Bertolini (Uruguay) also congratulated the Director on his presentation. He recalled that, at Punta del Este, Dr. Horwitz was deeply concerned about the need to include a recommendation or declaration on health problems in the provisions of the Charter and had made a brilliant plea on behalf of that need. During the eight months that had elapsed since that time, the basic activities had been put into operation, and that was in itself a formidable achievement. In Uruguay, a Planning Committee was in the process of being formed to study all the necessary aspects. PASB would be asked to assist in an advisory capacity, because there was a scarcity of planning specialists in the country. He concluded by proposing that an explicit recommendation be made to the Governments to the effect that they establish health planning commissions, if such commissions had not already been organized, for the purpose of making the plans envisioned in the Charter of Punta del Este.

Dr. Angulo (Colombia) also congratulated the Director on his effective efforts in connection with the Charter of Punta del Este. On the subject of planning, he said that Colombia had an office for that purpose in each of the thirteen ministries of the Government, and there was also a national department of political economy which coordinated the activities of the thirteen ministries. That had made it possible for his country to present a ten-year public health plan, covering the period from 1962 to 1971, at Punta del Este. The plan involved an investment of a billion dollars and would create integrated public health districts which would be in charge of all activities in disease prevention and health promotion in areas with approximately one hundred thousand inhabitants each.

As to planning, the Ministry of Public Health in Colombia was in close touch with the other Ministries and especially with the Ministry of Education, which had been the most valuable collaborator in health planning, because it had started to reform teacher training by establishing a department of public health in all teacher training colleges.

In conclusion, he said that, in spite of the intense activities being accomplished in his country with regard to planning, there was a marked shortage of personnel, a situation which would be alleviated considerably by the twenty fellowships for Latin America which the Director had mentioned.

Mr. Salzman (Observer, OAS) spoke of the experience of the Organization of American States in recent months in organizing the activities related to the Alliance for Progress. As he had explained at the preceding meeting of the Directing Council, the principal activity in that regard was

to assist in the economic and social planning of the Latin American countries and to send general missions that could provide technical assistance for the establishment of planning services and the development of those plans. All of the above-mentioned programs were being carried out in accordance with the norms established by a tripartite commission of OAS, ECLA and the Inter-American Development Bank. The OAS had maintained that it was necessary for those general missions to be composed of experts in the social sciences, and an expert on public health would be included in the mission which was being organized at Uruguay's request. That would establish a precedent for the organization of such missions in other countries. The Pan American Sanitary Bureau would, he hoped, assist by advising on the definition of the functions which the expert who occupied it would perform.

Dr. Horwitz (Director, PASB) emphasized the importance of the aspect which the OAS Observer had just mentioned. The World Bank had included public health experts in the economic missions it sent to various countries. While PASB retained its autonomy within its specific field, it could easily take part in economic missions, and therefore the example of Uruguay cited by the OAS Observer was very appropriate. Such activity should be extended to other countries. It might be advisable for the Committee, in its resolution on the subject, to point out the desirability of the Pan American Sanitary Bureau being incorporated in all activities -missions, studies, etc.- related to economic development and social progress undertaken by international organizations like OAS, IADB and ECLA and governmental and nongovernmental agencies active in that field.

At the conclusion of the discussion, it was agreed to establish a working party composed of Dr. Bravo (Chile), Dr. Lynch (Peru) and Dr. Bertolini (Uruguay) to prepare a draft resolution on the item.

The Working Party submitted the draft resolution it had prepared to the seventh plenary session. The Committee unanimously approved the following

RESOLUTION IV

CE46.R4

The Executive Committee,

Having considered the report of the Director on the activities being carried out by the Pan American Sanitary Bureau under the Charter of Punta del Este (Document CE46/12); and

Bearing in mind the importance of these activities for the health and welfare of the peoples of the Americas,

RESOLVES:

1. To approve the report of the Director on the activities of the Pan American Sanitary Bureau under the Charter of Punta del Este (Document CE46/12).
2. To invite the Director to proceed with programs designed to fulfill the responsibilities of the Pan American Sanitary Bureau under the Charter of Punta del Este.
3. To invite the Director to make every effort to secure extra-budgetary funds in support of training in planning for officials of national health services, faculty members of schools of public health, and Bureau staff.
4. To invite the Director to take the necessary steps to incorporate the Pan American Sanitary Bureau fully into every activity, mission, study, etc., related to economic development and social progress that is undertaken by international organizations such as the Organization of American States, the Inter-American Development Bank, and the United Nations Economic Commission for Latin America, as well as by other governmental and nongovernmental organizations active in this field.

5. To recommend to the Governments that have not yet done so, that as soon as possible they establish Health Planning Committees and relate them to the National Development Planning Committees, in order to prepare the plans provided for in the Charter of Punta del Este under the Alliance for Progress program, and take the necessary steps to establish Coordinating Committees with other international organizations providing assistance in the health field so as to secure the greatest benefit for the health of the people.

4. Report on Buildings and Installations for Headquarters

At the third plenary session Dr. Portner (Chief of Administration, PASB) presented Document CE46/13, which was a progress report on the construction of the Pan American Health Organization's permanent Headquarters building. During recent months, the staff of the Bureau, with the excellent assistance of Mr. James Wachob, Chairman of the Permanent Subcommittee on Buildings and Installations of PAHO, and other officials of the United States Government, met with representatives of the different agencies of the District of Columbia and the Federal Government -the National Capital Planning Commission and the Fine Arts Commission, among others- to obtain approval for the plans, the proposed height, access, density and other items connected with the proposed Headquarters building. The National Capital Planning Commission had approved the plans, and the Fine Arts Commission, which was concerned with matters of design, had expressed general agreement with the plans of the building submitted by the architect, Mr. Fresnedo Siri, the winner of the international competition for the design of the building. A few details were still under discussion with the Commission; detailed plans were being prepared by the architect; and cost estimates were being recalculated in the light of the most recent information and in keeping with the provisions of paragraph 4 of Resolution XV of the XIII Meeting of the Directing Council relating to the possible need of an expanded structure for greater growth.

Mr. Wachob (Observer, United States of America), Chairman of the Permanent Subcommittee on Buildings and Installations, said that the Subcommittee

had held two meetings since the XIII Meeting of the Directing Council, as indicated in the annexes to Document CE46/13. At the first meeting on 12 December 1961, the Director of the Bureau had reported on the outcome of the architectural competition and introduced the winning architect, Mr. Fresnedo Siri, to the members of the Committee. On that occasion, Mr. Wachob informed the meeting that negotiations for the acquisition of the site had been completed in the Congress of the United States. On 20 October, the United States Government deposited into the registry of the District Court the sum for the purchase of the land and at the same time received title to the land.

At the second meeting of the Subcommittee, held on 17 April, an account was given of the discussions held by the Bureau staff with the representatives of the governmental agencies to secure the necessary authorizations for the construction of the building. The presentation of the architectural plans, which was made by Dr. Portner, by Mr. Fresnedo Siri, the architect, and by other officials of the Bureau to the competent governmental agencies, was excellent and had expedited their approval. At the same meeting the representative of the firm associated with Mr. Fresnedo Siri reported that the provisional estimate of the cost of the construction of the building would be approximately \$6,060,000. The Subcommittee had interpreted the decision of the last meeting of the Directing Council to mean that the Governments of the Organization would not be required to make additional contributions for the construction of the Headquarters building. If it appeared later that the currently available or the projected funds would not be sufficient for the construction of a building that would satisfy the long-range needs of the Organization, the Subcommittee would consult the Governing Bodies.

Dr. Horwitz (Director, PASB) said that the Subcommittee had performed an outstanding service. The basic source of funds for the new building was the generous grant from the Kellogg Foundation, which would total approximately \$3,750,000; the income resulting from the sale of the buildings currently used for Headquarters; and a relatively small sum from the Building Fund. It was natural that changes had been made in the original plan for the construction of the building during recent months, since it was contemplated that the building would be used for twenty years, during which time the Headquarters staff would increase from 250 to 400 or 450 persons. When space needs had been agreed upon with the architect and the firm with which he was associated, it would perhaps be necessary to discuss the matter of accessory financing with the Governments. There was a possibility that some private institution might once again make a generous contribution for that purpose.

Finally, the Committee unanimously approved the following

RESOLUTION V

CE46 R5

The Executive Committee,

Having examined the reports of the Permanent Subcommittee on Buildings and Installations and of the Director on the progress of the building program,

RESOLVES:

1. To express its appreciation of the work of the Permanent Subcommittee on Buildings and Installations.
2. To approve the steps taken to date by the Director and the Permanent Subcommittee with respect to the new Headquarters building.
3. To transmit the reports of the Subcommittee and of the Director to the XVI Pan American Sanitary Conference.

5(a). Amendments to the Staff Rules of the Pan American Sanitary Bureau

Dr. Portner (Chief of Administration, PASB) presented Document CE46/3 on the item, also at the third plenary session. The amendments made by the Director in the staff rules were being submitted to the Executive Committee for confirmation, in accordance with the provisions of Staff Rule 030. The Director General of the World Health Organization had introduced similar changes in the WHO Staff Rules and they were confirmed by the Executive Board at its 29th Session (Resolution EB29.12).

The amendments that had been approved were principally related to the new salary scales for professional personnel and post adjustments, as well as the allowance for dependent spouse and the education grant, which had been approved by both the United Nations General Assembly and the WHO Executive Board. The members of the Executive Committee had been informed of some of the amendments in December 1961, when they were contacted by mail concerning salary scales for professional personnel.

Dr. Portner proceeded to explain in detail the changes introduced into Staff Rule 210, 220, 230, 235, 250, 255, 330, 450, 810, 820, 830, and 950. Then the Committee unanimously approved the following

RESOLUTION VI

CE46.R6

The Executive Committee,

Having examined the amendments to the Staff Rules of the Pan American Sanitary Bureau, as set forth in the Annex to Document CE46/3, presented by the Director; and

Considering the provisions of Staff Rule 030,

RESOLVES:

To confirm the amendments to the Staff Rules of the Pan American Sanitary Bureau as presented by the Director in the Annex to Document CE46/3.

5(b) Salaries of the Deputy Director and Assistant Director of the Pan American Sanitary Bureau

Dr. Horwitz (Director, PASB) said that the salary scales that had just been approved by the Executive Committee pertained to staff members in grades P-1 to D-2, but that the Deputy Director and the Assistant Director of the Bureau were not affected by them. Staff Rule 230.1 provided that the Director, with the approval of the Executive Committee, would determine the salaries of the Deputy Director (formerly Assistant Director) and the Assistant Director (formerly Secretary General). The matter of the salaries of the Deputy Director General, Assistant Directors General, and Regional Directors of WHO was examined at the last meeting of the WHO Executive Board, and a resolution was adopted. Consequently, the Director proposed to the Committee that, bearing in mind the salaries of similar officers in WHO and the increases in the recently approved salary scales, the Deputy Director's annual salary be fixed at \$17,900 and the Assistant Director's to \$16,900.

At the seventh plenary session, after a discussion on the item,
the Committee unanimously approved the following

RESOLUTION VII CE46 R7

The Executive Committee,

Bearing in mind the provisions of paragraph B of Article 21
of the Constitution of the Pan American Health Organization, as
revised pursuant to Resolution XXXVII of the XIII Meeting of the
Directing Council; and

Bearing in mind Staff Regulation 3.1 and Staff Rule 230.1
of the Pan American Sanitary Bureau,

RESOLVES:

1. To approve the decision of the Director that the
present Assistant Director of the Bureau, Dr. John C. Cutler,
shall be the Deputy Director and that the present Secretary
General, Dr. Victor A. Sutter, shall be the Assistant Director.
2. To approve the proposal of the Director fixing the
salary of the Deputy Director at \$17,900 per annum and that of
the Assistant Director at \$16,900 per annum.

6. PAHO Organizational Unit for Planning

At the fourth plenary session Dr. Horwitz (Director, PASB) presented Document CE46/11 relating to an organizational unit for planning in the Pan American Sanitary Bureau, which had been prepared in compliance with a resolution adopted at the 45th Meeting of the Executive Committee. The Unit was established at the end of 1961 for the purpose of coordinating and promoting the formulation of national and regional health plans and cooperating with other agencies participating in development activities under the Charter of Punta del Este. Dr. Horwitz expressed his satisfaction at the fact that some countries were organizing or had already organized their respective planning units at the national level and were engaged in preparing their national health plans and endeavoring to overcome the limitations imposed by the scant statistical data available at the health ministries.

The Director pointed out further that, as stated in the document, planning was a continuous process; the attainment of one goal was but the starting point for the establishment of new goals. Planning also called for the continuous evaluation of the problems so as to establish their order of priority, as well as the areas in which those problems were to be attacked. It was therefore evident that planning had both long-term and short-term aspects as set forth in the Charter of Punta del Este.

Dr. Horwitz then spoke of the Bureau's endeavors to invigorate the Planning Unit. The proposed PAHO program and budget for 1963 (Document CE46/4) included a series of projects related to planning. One of those was devoted

to organizing the Unit, with an allocation of \$28,142, and the other was AMRO-281 in the amount of \$28,394 to provide advisory services and fellowships for the expansion of planning activities, especially the provision of special consultant services and training, in addition to the 20 fellowships which in the current fiscal year appeared under public health administration. From next year onwards, for a period of five years, 20 fellowships would be devoted to the training of health planners through courses organized at the Latin American Planning Institute. Mention should also be made of the negotiations under way with Johns Hopkins University for a similar course for English-speaking personnel. If the various allocations for planning appearing in the budget were added together, it could be seen that they totaled approximately \$120,000; that was a small sum but it signified the beginning of an important activity arising from a decision of the Governments of the Hemisphere.

In the next fiscal year it would be necessary to consider additional budget allocations to enable the Planning Unit to expand. The unit would need two health administrators with considerable experience in the Hemisphere, one sociologist, one economist, two planning experts with Ph.D. degrees, and the necessary administrative and auxiliary personnel, as well as the short-term consultants who would have to be recruited to meet the needs of the countries. The function of the Office of Planning at Headquarters would be to correlate activities with the various international agencies participating in the preparation or study of general development plans being drawn up in the Hemisphere; with the so-called Committee of Nine; and with the joint missions of OAS-ECLA-IADB. If the Bureau experts could

collaborate with the Governments in the initial stages of preparing national health plans included in the general development plans, the entire task would become considerably simplified. All that work would in the near future require an annual allocation of approximately \$350,000, and it was hoped that it would be possible to obtain from various international sources the one and a half million dollars which the Organization needed for that purpose in the next five years.

Dr. Lynch (Peru) asked the Director whether the Planning Unit would be used for drawing up PASB plans and projects such as the regional, inter-zone, and inter-country projects, or would act only as adviser to the Bureau, or would assist in the planning activities of the countries of the Organization.

Dr. Díaz del Pinal (El Salvador) doubted whether the Unit, in view of the modest resources allocated to it, would be able to properly serve those countries that were not prepared or equipped for planning and which might therefore require such advisory services simultaneously so as not to lag behind in preparing suitable plans for the Alliance for Progress.

Dr. Horwitz (Director, PASB) stated, in reply to Dr. Lynch, that the Planning Unit would participate, when the Bureau was asked to do so, in all matters pertaining to national health plans, their formulation, evaluation, training of experts, advisory services to international credit institutions requesting them, but that the regular work of the Organization would be continued in the normal way. Whenever a national health plan

prepared by a Government had to be reviewed, it was logical for all the technical branches of the Bureau to participate, but the approach to such a review would be the responsibility of the Planning Unit.

As to the concern voiced by Dr. Díaz del Pinal, Dr. Horwitz said that the experts of the Planning Unit who would be providing advisory services to the health authorities of the countries would be detached for relatively short periods of time in view of the fact that the national health plans would be drawn up by experts within the countries, who would have a planning manual as a model to follow. He added that the manual would be made available to the Governments within the next few months. In other words then, the services of the experts of the Planning Unit in the countries where they were needed would be short term, and for that reason the amounts allocated in the budget, although small, would suffice for one year. The problem lay rather in finding the experts with broad experience in formulating national health plans, but the appropriate steps were being taken.

The Committee then approved the following

RESOLUTION VIII

CE46 R8

The Executive Committee,

Having considered the report of the Director on the planning services of the Pan American Health Organization (Document CE46/11); and

Bearing in mind the importance of health planning and the momentum it is gaining,

RESOLVES:

1. To take note of the report of the Director on the planning services of the Pan American Health Organization (Document CE46/11).

2. To invite the Director to continue to study the strengthening of planning activities along the lines of the above-mentioned report, so that they may be able to meet the needs of Governments for advisory services in this field, and to report on further developments to the Governing Bodies in due course.

7. Recruitment and Retention of Staff

Dr. Sutter (Assistant Director, PASB), in presenting Document CE46/7 at the fourth plenary session, alluded to the background of the matter: at the 45th Meeting of the Executive Committee a motion was approved recommending that the Director of the Bureau study the conditions of employment for the staff of the Pan American Sanitary Bureau and report on steps which might be taken to facilitate the recruitment and retention of staff. The measures adopted corresponded to similar proposals presented in the WHO and were related to salary, pensions, health insurance and other conditions which affected professional personnel and locally recruited staff. Opportunities for advancement and for training were offered to the maximum extent possible, compatible with the financial limitations of the Bureau.

The Director, bearing in mind the fact that the professional personnel of the Bureau had not received an increase in salary for many years, supported the steps that had been taken in several international organizations to obtain an increase in the salary scale. All actions taken on those matters followed the decisions by the United Nations General Assembly and the WHO Executive Board. The increases which became effective on 1 January 1962 were reflected in the changes in the staff rules approved at the third session of the current Meeting of the Executive Committee. In addition to that increase, an increase of \$200 for dependent spouse was made effective on the same date. During the course of the preceding year the pensionable remuneration of staff members was increased by the institution of a system of half-gross computation for pension purposes.

The XI Directing Council, in Resolution XIX, authorized the Director to establish a staff health insurance program which would provide coverage to all staff members and their dependents. The plan went into effect in 1960 and served to give staff members protection at a reasonable rate.

The Director had been concerned, as well, with the conditions of employment of locally recruited personnel. He presented to the 43rd Meeting of the Executive Committee a request for the establishment of a dependent's allowance for such staff. During 1961, local wage scales of Bureau staff in six cities were revised upward in order to keep salary rates at parity with other employees in the locality. A review of more than 47 stations in the Region of the Americas resulted in 23 changes upward in the post adjustment.

Promotional opportunities and the recognition of merit by special award had been fostered within the financial limits of the Bureau. Since 1959, promotions had been won by 153 staff members, of whom 95 were locally recruited and 58 in the professional grades. Provision was made for training of staff members: since 1959, 7 staff members had been granted leave to undertake advanced studies in their specialty and had returned to the Organization upon completion of the training. About thirty persons were authorized to receive an allowance for language training.

Dr. Sánchez Vigil (Nicaragua) thanked the Director for his interest in obtaining a raise in the salary and allowances for the staff of the Bureau, and emphasized the importance of pensions, since the Organization

required the services of well-qualified, very experienced personnel and naturally such persons were no longer young. That matter deserved further study to enable the Bureau to ensure a decent subsistence to those who had dedicated their efforts to the Organization for many years.

Dr. Angulo (Colombia) established a distinction between social security on the one hand and, on the other, promotion which depended on length of service or recognized meritorious performance of duty. All the employees of the Bureau ought to enjoy the benefits of a full system of social security covering the risks of disability, old age, and death. It would be advisable for the Bureau to make an actuarial, technical, and mathematical study on the matter.

Dr. Portner (Chief of Administration, PASB) reviewed in detail the social security coverage for the staff of PASB and referred, especially, to the benefits of the United Nations Pension Fund. He noted the bases for pension and the developments in the recent past to raise pensionable remuneration. He also referred to the coverage for sickness and hospitalization, death and disability, and differentiated between the benefits for regular and short-term staff. He concluded by detailing the financial and administrative procedures for the several elements of social security coverage in the Bureau.

Dr. Horwitz (Director, PASB) stressed the importance of being able to assure an employee that his service in an international organization would be taken into account in computing his pension. Since the employee was giving his services to all the countries of the Hemisphere, among

which his own was included, a provision should be incorporated into the national legislations of the countries to add the years of employment in an international organization to the years of pensionable service which an employee had earned in the health ministry of his own country. Currently exactly the contrary happened: many employees were obliged to resign from a position in their own country so as to be able to join an international organization, or had to request leave of absence and, in most instances, were not given credit for the years spent in service to such an organization. The Executive Committee should consider the matter in that light, because such an examination could supplement the efforts of the Bureau to study the pension regulations more carefully and to submit a detailed report on the matter to the next Pan American Sanitary Conference.

Dr. Bravo (Chile) said that, in his opinion, the staff of international organizations should be given greater incentives, although, of course, the interests of the countries of origin of the employees should be considered. Every country was interested in having an official of its health services acquire the international experience which would permit him to improve and broaden his knowledge, provided he would eventually give his own country the benefit of that experience. A country would obtain no advantage from training technical experts, at the cost of much effort and expense, to spend the rest of their lives working as officials of international organizations. Of course, a health official should be given opportunities to leave his country, but there should always be certain ties and incentives which would induce him to return. It was not equitable to give professionally trained men permanent posts in international organizations. It would be better to establish a system of rotation so that certain officials of the national

administrations could spend a definite length of time in the service of international organizations, and then be replaced by their compatriots at the expiration of their term, when they would return to their own country.

Dr. Angulo (Colombia) acknowledged with pleasure the discussion on the item by the Director of the Bureau and by Dr. Portner. Therefore, he deemed it unnecessary for the PASB to make an actuarial, technical and mathematical study on the problem of full social security of the employees, as he had suggested earlier.

Dr. Sánchez Vigil (Nicaragua) expressed his disagreement with Dr. Bravo's opinion that the collaboration of experts in international organizations should not be permanent. On the contrary, he believed that the Pan American Sanitary Bureau ought to be considered as a federal institution of the Republics of the Hemisphere.

Then, the Committee approved the following

RESOLUTION IX

CE46.R9

The Executive Committee,

Having considered the report on the recruitment and retention of staff of the Pan American Sanitary Bureau (Document CE46/7), presented by the Director in fulfillment of the decision of the Executive Committee at its 45th Meeting; and

Considering that it is essential to have well-trained and highly competent personnel whose retention in the service is guaranteed by fully satisfactory conditions of employment,

RESOLVES:

1. To take note of the report of the Director on the recruitment and retention of the staff of the Pan American Sanitary Bureau (Document CE46/7), and to request him to report to the Governing Bodies in due course on such measures that he may adopt to improve the conditions of employment in the Organization.
2. To reiterate the recommendations contained in Resolution XXV of the XII Meeting of the Directing Council.
3. To request the Governments to adopt the pertinent provisions to safeguard the security of tenure and pension rights of officials temporarily seconded to international health agencies.

8. Procurement Services to Governments of the Organization

At the fourth plenary session, at which the discussion of the item was begun, the Vice-Chairman of the Executive Committee, Dr. Sánchez Vigil (Nicaragua), occupied the chair.

Dr. Portner (Chief of Administration, PASB), in presenting Document CE46/5, stated that for more than eleven years the Bureau had been furnishing the Governments upon request with procurement services for the acquisition of supplies, equipment, and materials, in accordance with Resolution XXIX of the V Meeting of the Directing Council. In addition, the Bureau had furnished proforma advice containing detailed information on the prices of certain items. Those purchases were made by the Supply Section of the Bureau, which had acquired a thorough knowledge of the market in rendering the services to the Governments and to WHO, and whose procedures for solicitation of bids were in strict conformity with the financial rules and regulations of the Bureau. It also worked in close collaboration with the technical staff of the Bureau, who had a thorough knowledge of the specifications of the various products. During the early years the requests for purchases had been numerous, but in recent years they had decreased and had reached their lowest level in 1961. There had been a movement upward in the first months of 1962, but the totals were still considerably under that of the period 1951-57.

In view of the fact that the cost of those services had been estimated at about \$40,000 per annum, the Director, in the interest of the best

utilization of the funds of the Bureau, had considered it advisable to submit the matter to the Committee for their consideration and for indication as to whether the service was still necessary and meaningful.

Dr. Olguín, speaking as the Representative of Argentina, believed that the procurement services had proved useful to the countries of the Hemisphere and further that the possibility that the procurement activities of the Bureau might be intensified owing to the many health promotion and development programs being carried out by all countries should not be overlooked. However, in view of the risk of having a service that involved greater expenses than were justified by the services it rendered, he would propose that the Bureau enter into direct consultations with the Governments or that the matter be submitted to the Governments for consideration at the XVI Pan American Sanitary Conference.

Dr. Bertolini (Uruguay) shared Dr. Olguin's opinions and, after an explanatory statement by Dr. Portner to the effect that the Bureau was in a position to secure favorable prices on many items and, above all, to ensure that the products purchased were of the best quality available on the market, he added that the most practical step for the Bureau would be to consult the Governments direct, without waiting until the next meeting of the Conference.

Dr. Angulo (Colombia) said that the fact that the Governments did not make more purchases through the Bureau was not indicative of their ignorance of the service, but rather of the legal provisions regarding public or private bids, etc., that governed their purchases.

Dr. Horwitz (Director, PASB) said that the Bureau was not pursuing any lucrative purposes in engaging in procurement activities, but rather was interested in providing a useful service to the Governments requesting it. The question the Bureau was now asking of the Executive Committee was whether or not it considered it worth while to continue with these activities. If there was a possibility of the procurement services being used, there was no question about the Bureau having to maintain them and even expand them if necessary. He said further that he knew from experience that certain legal controls could be circumvented, or that a given product could be more readily and cheaply acquired in the country itself, but the Bureau could fully guarantee the quality of the products it supplied.

Dr. Olguin (Argentina) said that, regardless of the reasons for the decrease in requests for purchases, he believed it would be advisable for the Bureau to consult the Governments direct and he again proposed that the Bureau do so, in keeping with the viewpoint expressed by the Representative of Uruguay.

Dr. Bravo (Chile) believed that the system of the Bureau's procurement office was ideal for urgently needed purchases and especially for emergency procurement in the event of epidemics, catastrophes, etc. He added that the changes in health authorities through the years had possibly been responsible for that service of the Bureau not being better known in all countries. He therefore proposed that a circular letter be sent to the Governments informing them of the existence of the procurement office as well as of the rules governing those services.

The Chairman said that the Central American countries had had some disagreeable experiences with European and North American products, which were not controlled before being shipped abroad. The lack of such prior control had led to the failure of entire campaigns, as was the case in one country in a pertussis vaccination campaign covering 280,000 children, because the product received had not had even 5 per cent of the required potency. He added that the Bureau should be congratulated on the useful service it had rendered to the countries, and also that the Bureau should report all those circumstances to the Governments.

Mr. Hills (Observer, United States of America) declared himself in favor of a detailed study of the reasons for the reduction in purchase requests, and proposed that a questionnaire be sent to the Governments so that they could indicate whether they were interested in continuing to use the Bureau's procurement services. If not, the cost of the Service, \$40,000, could be devoted to other activities of greater interest to the Governments..

Dr. Portner (Chief of Administration, PASB) explained that, with the diversification of the activities of the Pan American Health Organization, certain matters fell outside the competence of the Ministry of Health or health services. For example, supplies for water systems, for the purchase of considerable amounts of which inquiries had already been made to the Bureau, were usually items of interest to Ministries of Public Works. He drew the attention of the Executive Committee to the fact that it would not be possible to service those requests unless an amendment were made to paragraph 1(a) of Resolution XXIX of the V Directing Council Meeting, which read:

"The Bureau shall furnish procurement services only to non-profit organizations, institutions, and agencies under the jurisdiction of the Minister and/or Director of Health of the respective country;"

Mr. Olivero (Observer, Inter-American Development Bank) emphasized the fact that the procurement service of the Bureau was most useful to countries that knew how to use it, and that the importance of that service was based not only on the purchase itself, but on the proper specifications. He added that that kind of assistance would be very important to the countries for the community water supply programs, in view of the Bureau's experience in the matter.

For the purpose of combining the various opinions expressed into a draft resolution, a working party composed of Dr. Angulo (Colombia), Dr. Bravo (Chile), and Dr. Diaz del Pinal (El Salvador) was appointed.

Dr. Horwitz (Director, PASB), in reply to a doubt expressed by the Representative of El Salvador about the text of the draft resolution, explained that the procurement office had three definite functions: emergency procurements, which Dr. Bravo had referred to; purchase of products available in the Americas for other Regions in the world, at the request of the World Health Organization; and acquisition of products for the Governments of the Americas. He said that the discussion had in fact centered around the last of those three functions, which represented from 30 to 35 per cent of the total workload of the Supply Section. In theory, therefore, if the service to the Governments of the Americas were to be abolished, the Section's activities would be reduced by 30 to 35 per cent,

and the yearly estimated cost of the Service, \$40,000, would be reduced proportionately. But the other two functions were essential and would still have to be continued; in addition there was the matter of procurement to cover the needs of the Organization itself.

The Working Party submitted the draft resolution it had prepared at the seventh plenary session and, after a short discussion, the Committee unanimously approved the following

RESOLUTION X

CE46 R10

The Executive Committee,

Having considered the report of the Director on the procurement services the Pan American Sanitary Bureau provides to Governments (Document CE46/5); and

Considering that the provision of those services, including procurement as such and proforma invoicing, is extremely useful for both Governments and public institutions,

RESOLVES:

1. To take note of the Report of the Director on procurement services to Governments (Document CE46/5).
2. To invite the Director to remind the Governments of the existence of those services; to bring to their attention the procedures and methods used by the Bureau in meeting the requests of the Governments, in the matter of the price and quality of products; and to request them to state whether they are interested in continuing to use those services.
3. To request the Director to review the operation of the procurement service and, in accordance with the replies from the Governments, to submit a report on the matter to the meeting of the Executive Committee in the Spring of 1963.

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3. To request the Director to review the operation of the procurement service and, in accordance with the replies from the Governments, to submit a report on the matter to the meeting of the Executive Committee in the Spring of 1963.

9. Program Budgeting

Dr. Horwitz (Director, PASB) presented Document CE46/10 at the fifth plenary session. He recalled that in 1959 the Bureau had asked for the advice of four experts in administration to report whether an international agency of an advisory character such as the PASB could possibly prepare and use effectively a functional-type budget, in other words, a budget that would attempt to relate investment more closely with the objective, rather than relate the investment to the means available for attaining the objective. He said that the countries of the Americas, and the international agencies as well, usually had budgets which gave greater importance to items on personnel, supplies, equipment, and services than to the objectives to be attained through their programs. The idea of a functional program or budget was precisely the contrary; by establishing concrete objectives and determining the number and kind of activities to be performed it attempted to relate intentions with anticipated expenditures. The experts who were consulted had been of the opinion that, to a certain extent, the Organization could draw up a budget of that kind, which would include all anticipated expenditures in order to highlight the totality of endeavors devoted to each program, regardless of whether the expenditure was made at Headquarters, at the Zone Offices, or in field projects.

Dr. Horwitz said that those studies on a methodology for preparing the program and budget were in no way intended to change the usual procedures for preparing and presenting the budget document, but they were

rather what might be called an administrative survey which, with the concurrence of the Governing Bodies, might become a milestone in the development of the official records of the Organization.

Dr. Horwitz then said that various parts of Official Document No. 35 already showed some semblance of a functional classification of the expenditures to be incurred. In that regard he referred to the table appearing on page 5 of the budget document (Analysis of Field Program by Subject Classification) and to the summary-tables appearing on pages 14, 15, 16, and 17, saying that they reflected the Organization's trend toward the modern technique of a functional budget, and justified the existing interest in its application.

In the opinion of Dr. Horwitz the basic problem in preparing a functional budget was the classification of activities, both at the national and at the international level. In the final analysis, that constituted a largely objective procedure but to some extent also a subjective procedure. The essential task was to establish clearly which classifications the budget would contain for the various functions, and their probable costs. But that, he said, entailed the dual danger of either sinning by excess or by default. For if the number of items was excessive, it could lead to a huge administrative machinery that would nullify all good intentions and transform the service into an enormous Comptroller's Office. That would be contrary to the objectives being pursued and would therefore prevent an exact knowledge being attained of the investments made for each objective measured as a unit of activity. The classification by activity was the keystone of the entire procedure. There

were five main headings for the proposed functional budget of the Organization namely, protection of health, promotion of health, education and training, governing bodies and administrative direction, and increase to assets, as indicated at the bottom of page 3 of the working document on the item. A second classification would indicate the common activities in the following manner: (a) cooperation in planning and execution, (b) fellowships, seminars, symposia, and conferences; (c) research, and (d) other.

The Director indicated that the Annex to the working document showed the over-all picture of the project and that under the first main heading "Protection of Health" everything related to communicable disease and environmental sanitation would be included. As to water supply, he said that that constituted a basic activity of the Organization and that, in order to show the difference between a budget by activity and the usual type of budget, all expenditures for water supply projects had been combined in a special amount shown on page 2 of the document. In his opinion, those expenditures had been underestimated, but the purpose had been to show that in a budget by activity all the expenditures made for a given activity would be included under a single heading regardless of where the activity was carried out or who carried it out, and including the part contributed by Headquarters at Washington, D. C., by the Zone Offices, by the officers stationed in the countries, and by those assigned to inter-country projects.

Dr. Horwitz then referred to the sub-headings under the second main heading "Promotion of Health," which included the general services

and the various specific programs such as maternal and child health, nutrition, mental health, dental health, and medical care. The third main heading covered everything pertaining to education and training. The fourth covered the expenditures for meetings of the Governing Bodies and administrative direction, and included administrative services and the general expenses relating to the rental and maintenance of the Headquarters buildings, etc. The final and fifth main heading called "Increase to Assets" referred to any capital assets which an Organization such as PAHO might acquire.

Dr Lynch (Peru) considered the matter of the functional budget of extreme importance and said that such budgets were now being tried out in several Latin American countries. In Peru there had been some meetings with ECLA experts, and a trial was now under way on which a report would be given at the next Congress in 1962. He added that a functional budget had two main headings; general expenditures for administrative direction, and specific programs. It was impossible to keep account of the first of those for a given program, but account could be kept of the second category, by program. The great advantage of a functional budget was that it rested on programs with defined objectives instead of being based on a long list of posts of various categories and on general expenses which were subject to -- not always well-founded -- reductions. Under a functional budget, if a country's Congress reduced a given program, it was aware that the program could not attain the established goal, except in proportion to the reduced resources. A better knowledge of the objectives pursued in a program would lead to having the largest amounts of resources allocated to those programs

which were best presented and which had the best basis. Dr. Lynch then congratulated the Director for the Bureau's endeavors in the matter of functional budgets, and hoped that these would become a reality in the very near future.

Dr. Bravo (Chile) was in favor of functional budgets and said they were the essential basis for planning health services. He added that since 1957 he had had personal experience with the difficulties inherent in the system but that that should in no way deter the Bureau from the road it had chosen. He added that the Bureau could profit from the experience gained by countries that had tried the budgetary system which was now being submitted to the Executive Committee for consideration. The first difficulty inherent in the system was to define and classify the programs, because in the field of medicine and public health any classification that attempted to group various activities together would always be artificial since health was a single problem. The other great difficulty was the accounting for costs. It was not possible to work with cost estimates that were not realistic. It was necessary to bear in mind that such estimates were subject to change from one fiscal year to the next, either for reasons of inflation or because of changes occurring in the cost of each working unit. In an organization of the magnitude of the Pan American Health Organization it was reasonable to assume that maintaining the accounts would present considerable difficulties. However, despite those difficulties efforts should be made to put the program budget into practice, for without it effective planning was not possible.

Dr. Bertolini (Uruguay) supported the idea of introducing a functional budget, which he considered an important step forward in the administration of the Pan American Sanitary Bureau. He recognized that the application of the system would entail numerous difficulties but the advantages were so many that it would be worth while trying to put it into practice.

Dr. Díaz del Pinal (El Salvador) believed the functional budget to be an extremely good idea and recommended that it be put into practice as soon as possible and that the system could be improved as lessons were gained from experience.

Dr. Angulo (Colombia) said that the functional budget was used in his country and the activities were divided in a similar manner to that indicated in the working document presented to the Committee, namely, health protection, health promotion, education, training, and administration. He next described the division of public health services in Colombia and said that, although the activities were divided, all health programs in his country were integrated, for that was the way they produced maximum benefits. He believed, however, that the situation of the Pan American Sanitary Bureau was different from that of any given country. He concluded that the application of a functional budget by the Bureau would create difficulties in the presentation of the budget and for that reason he believed that the proposed innovation should not be put into practice.

Dr. Sánchez Vigil (Nicaragua) spoke of his experience with budget problems in health services and said he believed that the system described in the working document should be put into practice, for it seemed to have been well received, judging from the observations made in the course of the debate.

Mr. Hills (Observer, United States of America) also expressed his approval of the idea of a functional budget which, if applied, would constitute a great step forward and would place the Pan American Health Organization in the vanguard in the complex field of controlling program and expenditures. Certainly many details would need to be studied, and the process was indeed difficult, but he suggested that the Director continue to study the new budgetary system and report on the matter at the Executive Committee meeting to be held next spring. In conclusion, he asked whether it would be possible to apply the system experimentally to the 1964 budget, or whether that was considered to be premature.

Dr. Horwitz (Director, PASB) said that the debate had been highly significant and thanked the members of the Committee for their observations, which would serve as a guide to future action. He recognized that one of the most difficult problems in preparing a program budget was the attribution of administrative expenses. There were two ways to do that: either to assign them under a single heading or to distribute them proportionately between the various programs. In the beginning it might perhaps be advisable for PAHO to keep those expenses under a single heading, since the creation of an excessively complex accounting machinery had to be avoided. Of course, not all activities could be reflected or expressed in perfectly defined and measurable units, especially if one bore in mind the advisory nature of the Organization's activities. In some cases it would be necessary to establish the realization of the activity itself as the objective, especially in the field of education. In conclusion, the Director said that everything possible would be done to present to the Directing

Council next year a proposed functional budget as advanced as circumstances would permit.

The Executive Committee then unanimously approved the following

RESOLUTION XI CE46.R11

The Executive Committee,

Having examined Document CE46/10 on preliminary plans for application of functional budgeting to the programs of the Pan American Health Organization, presented by the Director in fulfillment of the decision of the Executive Committee at its 45th Meeting; and

Considering that the revision of the budget format, in accordance with the procedure suggested in the above-mentioned Document, would make it easier to appreciate the direction of the efforts of the Organization and their conformance with priorities implicit in given policy objectives,

RESOLVES :

To take note of Document CE46/10 on preliminary plans for the application of the system of functional budgeting to the program of the Pan American Health Organization, presented by the Director and to invite him to complete such detailed studies as may be necessary for this purpose and to report thereon to the meeting of the Executive Committee that will be held in the Spring of 1963.

10. Emergency Revolving Fund

At the fifth plenary session Dr. Portner (Chief of Administration, PASB) presented Document CE46/6 on the item. He reminded the participants that the Emergency Revolving Fund was established by the Directing Council at its III Meeting, which had allocated the sum of \$50,000 to facilitate procurement to Governments in urgent cases. At the beginning of 1961, the Fund stood at slightly under \$45,000, and the outstanding accounts totalled \$5,473. During the year, the sum of \$586 was repaid; therefore on 28 February 1962, the date of the statement of accounts which appeared in the document submitted to the consideration of the Executive Committee, cash in bank totalled \$45,113, and accounts receivable totalled \$4,887. At that time, a supply of monkey kidney cells was being purchased for the Government of Chile, at an estimated cost of \$1,100. Consequently, the available balance for new purchases, at the end of February, was \$44,013.

Dr. Sánchez Vigil (Nicaragua) praised the facilities which the Emergency Revolving Fund offered to the Governments in the matter of obtaining promptly and efficiently medicines and biological products which were urgently needed. As an example, he cited the recent occurrence in his country with regard to the high incidence of rabies in dogs and cattle, for the treatment of which biological products were obtained through the Bureau, in the amount of \$1,917. In the speaker's opinion, the only possible objection to the Fund was its low level, which should be raised. Owing to the reliability of products purchased in the United States, there was a compelling need to buy through the Bureau, for it could obtain lower

prices and higher quality. Finally, Dr. Sánchez Vigil suggested that a system whereby the Bureau could purchase medicinal products for the health services of the Governments be given serious study. The Ministers of Finance could be approached on the subject, and if they approved such a plan, not only the purchases made by the Emergency Fund but also the purchases of all other articles needed by the health services could be made through the Bureau.

Dr. Horwitz (Director, PASB) said that two rather different questions concerning the Emergency Revolving Fund had been raised. One, to the effect that the current level of the Fund, \$50,000, be increased, would not constitute a serious problem, although it was not certain that such an increase was needed. The Governments had to remember that the Fund was only for real emergencies, such as catastrophes, and cases which were urgent because they were related to basic needs for the development of a certain program.

As to the suggestion that the Bureau intervene in the purchases made by the Governments for their health programs, which were not of an urgent nature, Dr. Horwitz declared that it was necessary to bear in mind the conditions governing the Organization's activities and the state of its budgetary resources. If the Bureau were to intervene in making such purchases, the payment would have to be made immediately. Mention was made in the Report of the External Auditor of the considerable amount of arrears. Consequently, if the Organization was charged with the purchase of products and payment was not made promptly, funds which were needed for the operation of the health programs would have to be used.

Finally, Dr. Horwitz suggested that the communication to be sent to the Governments on the supply services, as agreed by the Executive Committee at the current meeting, should include a mention of that matter, and that the Ministers of Health should be urged to bring it to the attention of the Ministers of Finance to enable each Government to adopt the appropriate measures. As to the Emergency Revolving Fund, the important thing for the Governments to bear in mind was the fact that it was intended for truly unexpected situations that had to be solved urgently, in which cases the Bureau would always be prepared to help.

Then the Executive Committee unanimously approved the following

RESOLUTION XII

CE46 R12

The Executive Committee,

Having examined the report of the Director on the Emergency Revolving Fund the activities of that Fund,

RESOLVES:

To take note of the report of the Director on the Emergency Revolving Fund (Document CE46/6).

11. National Health Committees

Dr. Cutler (Deputy Director, PASB), on presenting Document CE46/8, on the item, stated that in 1950 the World Health Assembly had approved a resolution adopting as its own the opinion expressed by the Executive Board to the effect that national WHO committees could carry out a number of essential supporting and advisory functions for the benefit of the Organization and the national administrations.

There were currently such national committees in the following ten countries: Argentina, Austria, Canada, Finland, France, Federal Republic of Germany, Italy, Japan, United Kingdom, and the United States of America. The typical objectives of such committees were to support all initiatives for the improvement of national and international health; to organize a citizens' association that would uphold and strengthen the national health services; to arouse interest in the international implications of health matters; and to promote the coordination of the health activities of governmental and private organizations, as well as the activities of professional organizations and other private groups that were interested in the field of health.

In 1953, as a result of the joint efforts of the National Health Council and the American Association for the United Nations, the National WHO Committee was organized in the United States. The most recent National WHO Committee was organized in Argentina at the end of 1961.

The Bureau believed that the national committees could play an important part in supporting and strengthening the national health programs and in helping the citizens of the country to have a better understanding of the international programs in that field. That had become increasingly evident, after the interest of the Governments of the Hemisphere in health as a basic element in economic progress had been clearly defined in the Charter of Punta del Este and in the programs of the Alliance for Progress.

The Chairman said that the item under discussion was a very important one, since the objectives assigned to the national committees augured well for a marked strengthening of national and international health activities. He expressed his appreciation of the reference to the committee that had been organized in his country, and said that in view of its recent establishment it was still in the initial stage of organization.

Mr. Nelbach (Executive Secretary, National WHO Committee of the United States of America), speaking at the invitation of the Chairman, described in detail the activities of that Committee, which was established in 1952 as a result of the joint efforts of the National Health Council and the American Association for the United Nations. As its primary objective, the Committee worked to support the undertakings of WHO and PAHO, and the results that had been achieved were satisfactory. It had also organized campaigns of an educational nature, among others to promote the fluoridation of water supply systems, to conquer diphtheria, to encourage immunization against smallpox, and to foster improved

nutrition. The Committee also tried to make the celebration of World Health Day as extensive as possible. The current membership of the Committee was 800 persons, and there were also a number of member organizations including voluntary health organizations, private foundations, and commercial firms that produced biologicals, chemicals, insecticides, etc. More important to the Committee than the financial support it received from its members was the active participation of the latter in health education activities. The Committee's Board of Directors, composed of 40 members, established the standards of procedure, and held four meetings each year.

Mr. Nelbach concluded with the statement that, even though the Committee's sphere of activity was originally quite limited, it had been gradually enlarged to include organizations at the local, county, and state level.

Dr. Lynch (Peru) expressed his interest in the formation of the national committees as private entities which would make efforts to arouse the people's interest in national and international health problems. Those committees, outside the political and governmental sphere, and made up of private citizens, should be encouraged. They would have a continuity of action and a freedom of choice which would put them out of the reach of influences which were not in the best interest of community health. In the future, it was possible that the joint activity of similar organizations from different countries might promote not only an interested public opinion in favor of health problems in a single country, but also throughout the whole Hemisphere.

Dr. Diaz del Pinal (El Salvador) said that it would be difficult to organize new national health groups in some countries, such as his own. Therefore, it would be more feasible to utilize the so-called service clubs which already existed such as the Lions Club, the Rotary Club, and others. Those groups had committees that were dedicated to similar activities, and therefore he felt that if the formation of such committees were left to private initiative, the possibilities of success would be enhanced.

Dr. Horwitz (Director, PASB) said that the Bureau had included the item on the agenda because it was convinced that public opinion in Latin American countries had not been mobilized in a systematic and continuous manner with regard to health problems and the solutions contemplated by Governments and private agencies. Therefore, the Bureau had utilized the resolution of the World Health Assembly which was adopted ten years ago on the establishment of national committees composed of representative figures from each country. That matter should be explored more fully in the Hemisphere since, regrettably, only three of the twenty-two countries had an organized committee. In the formation of the committees, each country could consider its own special needs. In the United States, for example, the initiative originated with nine representative personalities, and there was no governmental participation; elsewhere, health experts or other groups could participate. In any case, the noble aims of such committees would be enough to disprove any allegations that they had been established to disseminate government influence on public opinion; their function was clearly to educate the public at large.

Accordingly, the Director thought it advisable for the Executive Committee to take a decision on the plan, and to indicate the manner in which the Bureau might further it. The Governments should be informed of the matter, and negotiations should be begun within the countries, with the participation of the officials who were working there.

Dr. Lynch (Peru) said that the committees would be established on a more solid foundation if they were organized as voluntary and non-governmental associations in order to eliminate any prejudices against them.

Finally, a working party composed of Dr. Díaz del Pinal (El Salvador) and Dr. Lynch (Peru) was appointed and entrusted with the preparation of a draft resolution. The draft resolution prepared by the Working Party was presented at the seventh plenary session and the Committee unanimously approved the following

RESOLUTION XIII

CE46.R13

The Executive Committee,

Having examined Document CE46/8, presented by the Director of the Bureau, which provides background information on the establishment of National PAHO/WHO Committees; and

Considering that such Committees can perform valuable services in supporting and disseminating information about the public health programs of the respective countries, which will be of benefit to the national public health administrations as well as the Pan American Health Organization and the World Health Organization,

Accordingly, the Director thought it advisable for the Executive Committee to take a decision on the plan, and to indicate the manner in which the Bureau might further it. The Governments should be informed of the matter, and negotiations should be begun within the countries, with the participation of the officials who were working there.

Dr. Lynch (Peru) said that the committees would be established on a more solid foundation if they were organized as voluntary and non-governmental associations in order to eliminate any prejudices against them.

Finally, a working party composed of Dr. Díaz del Pinal (El Salvador) and Dr. Lynch (Peru) was appointed and entrusted with the preparation of a draft resolution. The draft resolution prepared by the Working Party was presented at the seventh plenary session and the Committee unanimously approved the following

RESOLUTION XIII

The Executive Committee,

Having examined Document CE46/8, presented by the Director of the Bureau, which provides background information on the establishment of National PAHO/WHO Committees; and

Considering that such Committees can perform valuable services in supporting and disseminating information about the public health programs of the respective countries, which will be of benefit to the national public health administrations as well as the Pan American Health Organization and the World Health Organization,

RESOLVES:

1. To invite the Director of the Bureau to use every means at his disposal to foster the organization of National Committees in the countries of the Americas, with the following objectives: (a) to arouse the interest of public opinion in health problems, and (b) to disseminate information about the importance of international cooperation, especially with regard to the activities of the Pan American Health Organization and the World Health Organization.

2. To invite the Director to report to the Governing Bodies in due course on the results of his efforts to that end.

12. Arrangements for the XVI Pan American Sanitary Conference,
XIV Meeting of the Regional Committee of the World Health
Organization for the Americas

Dr. Horwitz (Director, PASB), in presenting Document CE46/14 at the sixth plenary session, explained the different stages the preparations of the Conference had passed through. The first report on that subject had been presented to the XIII Meeting of the Directing Council, which had taken note of it and charged the Bureau to continue with the necessary measures for the organization and conduct of the Conference. On that occasion the Council authorized the Director to take the necessary steps to organize the Secretariat services of the XVI Conference so that the business of the Conference be dealt with in plenary sessions and in the sessions of the two main committees, one to deal with technical matters, including the topics for the Technical Discussions, and the other to deal with administrative, financial, and legal matters.

As the members of the Executive Committee already knew, the country in which the Conference was to be held, namely Argentina, had informed him in a letter dated 4 April 1962 that circumstances forced it to "decline the honor its sister Republics conferred on it to hold the XVI Pan American Sanitary Conference in Buenos Aires." The Government of Argentina had sent a similar letter to the Secretary General of the Organization of American States, Dr. Mora, who had so informed the Bureau on 12 April. On 13 April the Director had sent the Governments a cable informing them of the situation and stating that the Executive Committee, in accordance with paragraph D of Article 14 of the Constitution of the Organization, could examine the matter at its 46th Meeting.

The Director declared that the document presented to the Committee dealt with three matters relating to the Conference. First, the Rules of Procedure of the Conference. They had been considered by the Sub-Committee on Basic Documents which had presented a revision to the XIII Directing Council, which in due course would be reviewed by the Conference as it adopted its own Rules of Procedure. The second point concerned the reports that the Governments of the Organization were to submit on public health conditions and progress achieved during the four years between the XV and the XVI Pan American Sanitary Conferences. It was planned to prepare a summary based on the data sent to the Bureau and to have it considered in plenary session. The heads of delegations could then supplement the information on their respective countries. After completion of the oral reports of the delegations, specific points on public health problems that were considered to merit a special study would be selected for examination by Committee I (Technical Matters).

Finally the Executive Committee had to select the site of the Conference. Since the time available was so short and bearing in mind that there was a resolution of the XIII Pan American Sanitary Conference which stated that whenever for special reasons the Conference could not be held in the country selected it would be held at the Headquarters of the Bureau (a provision confirmed in Article 13 of the current Rules of Procedure of the Conference), the Director suggested that the XVI Pan American Sanitary Conference should be held at the Headquarters of the Bureau. However, since the premises of the Bureau were not adequate, and in view of the limited time, there was a need for some

flexibility in fixing the site of the Conference and arranging the details of its organization. The Director suggested that the Executive Committee might authorize the Chairman and himself to take the appropriate measures in the circumstances.

The Chairman stated that as an Argentinian he would like to express his thanks to Argentina's sister Republics for having accepted the invitation made at the preceding Conference, an invitation which circumstances made it necessary to postpone, but he reiterated the desire of his country that the Pan American Sanitary Conference be held there on another occasion.

At the seventh plenary session, the Committee adopted the following resolutions:

RESOLUTION XIV

CE46 R14

The Executive Committee,

Considering that the Government of Argentina has informed the Director of the Bureau that owing to unforeseen circumstances it finds it necessary to postpone its invitation to hold the XVI Pan American Sanitary Conference, XIV Meeting of the Regional Committee of WHO in Argentina and to defer its offer to a future occasion;

Considering that Resolution XXIII adopted by the XIII Pan American Sanitary Conference and Article 13 of the Rules of Procedure of the XV Pan American Sanitary Conference, as well as Rule 2 of the Rules of Procedure of the Pan American Sanitary Conference whose approval was recommended by the XIII Directing Council, provide that should the country chosen for the site of a Pan American Sanitary Conference be unable to comply with this commitment for special reasons, the meeting of the Conference will automatically be held at the Headquarters of the Pan American Sanitary Bureau;

Bearing in mind that Resolution XXI of the XIII Pan American Sanitary Conference resolved to retain the Headquarters of PASB in the United States of America; and

Considering that it is necessary to determine an alternative site for the holding of the XVI Pan American Sanitary Conference and taking into account the short period of time remaining for making the necessary material and other arrangements,

RESOLVES:

1. To request the Chairman of the Executive Committee and the Director of the Bureau to consult together concerning the arrangements necessary to permit the holding of the XVI Pan American Sanitary Conference, XIV Meeting of the Regional Committee of the World Health Organization for the Americas, at the Headquarters of the Pan American Sanitary Bureau.

2. To request the Director to convoke the Conference when the date has been established.

RESOLUTION XV

CE46.R15

The Executive Committee,

Considering that Resolution XV of the III Meeting of the Directing Council recommended that Member States present a written report, preferably statistical, to each Pan American Sanitary Conference on the work accomplished between Conferences;

Bearing in mind that Resolution XXIV of the XIV Pan American Sanitary Conference considered that the "Summary Report of the Member States" was a valuable document for providing knowledge about the health problems of the Americas;

Considering that Resolution XXXVII of the XV Pan American Sanitary Conference recommended to Member Countries that they take the necessary measures to have their reports on health conditions for the XVI Pan American Sanitary Conference include complete information in the various fields of statistics and requested the Pan American Sanitary Bureau to collaborate by providing technical services to aid the countries in obtaining the statistical information they will have to prepare for the report to be presented to the XVI Conference; and

Having examined the proposed procedure (Document CE46/14) for the consideration of the said reports to be presented to the XVI Pan American Sanitary Conference (item 29 on the preliminary draft agenda of the Conference),

RESOLVES:

To recommend to the Director that for the presentation and consideration at the XVI Pan American Sanitary Conference of the summary of the reports of the Governments to which the item "Report of the Member States of the Organization on Public Health Conditions and Progress Achieved During the Period Between the XV and XVI Pan American Sanitary Conferences" refers, the following procedure be adopted:

a) That the summary of the four-year reports of the Governments be presented in plenary session.

b) That the Delegates of the Governments who may wish to present supplementary information on their respective countries be given the floor immediately after the presentation of the document.

c) That, at the conclusion of the oral reports of the Delegations, specific items on public health problems that are deemed to merit special study be assigned to Committee I (Technical Matters) for consideration.

13. Preliminary draft agenda for the XVI Pan American Sanitary Conference, XIV Meeting of the Regional Committee of the World Health Organization for the Americas

Dr. Sutter (Assistant Director, PASB) presented Document CE46/2 on the item at the sixth plenary session. He said that Article 7-E of the Constitution of the Pan American Health Organization provided that the provisional agenda of the Conference should be prepared by the Director of the Bureau and submitted to the Executive Committee for approval. In accordance with that constitutional provision, the Director had prepared a preliminary draft agenda containing 33 items. In view of the fact that the provisional agenda would also include any item proposed by the Governments, the Director sent the document in question to the Governments on 20 February 1962 and asked them to be good enough to propose any additional items they deemed appropriate for consideration by the Conference.

Dr. Bravo (Chile) presented a motion to the effect that Item 16 on the agenda of the current meeting of the Executive Committee, entitled "Letter from the Secretary General of the Organization of American States transmitting the Final Act of the Eighth Meeting of Consultation of Ministers of Foreign Affairs, Serving as Organ of Consultation in Application of the Inter-American Treaty of Reciprocal Assistance" be included in the agenda of the Conference.

The Committee unanimously adopted the motion presented by the Representative of Chile and at the seventh plenary session approved the following

RESOLUTION XVI CE46.R16

The Executive Committee,

Having examined the preliminary draft agenda (Document CSP16/1), prepared by the Director for the XVI Pan American Sanitary Conference; and

Considering that Article 7-E of the Constitution provides that "the provisional agenda of the Conference shall be prepared by the Director of the Bureau and submitted to the Executive Committee for approval" and that, in accordance with existing regulations, the Governments may propose items which they wish the Conference to consider,

RESOLVES:

1. To approve the preliminary draft agenda prepared by the Director (Document CSP16/1) for the XVI Pan American Sanitary Conference, XIV Meeting of the Regional Committee of the World Health Organization for the Americas, adding to it the item entitled "Letter from the Secretary General of the Organization of American States transmitting the Final Act of the Eighth Meeting of Consultation of Ministers of Foreign Affairs, Serving as Organ of Consultation in Application of the Inter-American Treaty of Reciprocal Assistance."

2. To authorize the Director to incorporate into the above-mentioned draft agenda any additional items proposed by the Governments and by organizations that have the right to propose agenda items.

14. Letter from the Secretary General of the Organization of American States transmitting the Final Act of the Eighth Meeting of Consultation of Ministers of Foreign Affairs, Serving as Organ of Consultation in Application of the Inter-American Treaty of Reciprocal Assistance

When Document CE46/9 on the item was presented at the sixth plenary session, Dr. Angulo (Colombia) proposed that it should not be examined, since the Committee had just approved the inclusion of the item in the agenda of the XVI Pan American Sanitary Conference.

The Committee unanimously approved the motion of the Representative of Colombia.

The Chairman said that, in view of the Executive Committee's decision not to discuss the item and to include it in the agenda of the Pan American Sanitary Conference, the document, together with the necessary background information, would be transmitted to the Conference for appropriate action, bearing in mind the instruments that governed the Organization, the dual role of the Pan American Health Organization as a specialized agency of the inter-American system and the Regional Office of the World Health Organization, and the fact that the American States which were members of both organizations were all represented there.

It was unanimously so agreed.

15. Motion of the Representatives of Nicaragua and Uruguay

At the eighth plenary session, Dr. Bertolini (Uruguay) said that despite the recently approved increases in the basic salary scale of the professional staff of the PASB following similar measures approved by other international agencies, the salary of the Director was still the same as when it was fixed ten years ago. Moreover, the Director did not receive the allowances which other international officials enjoyed. Dr. Bertolini was therefore of the opinion that that state of affairs should be rectified and he proposed that the Committee recommend to the XVI Pan American Sanitary Conference that the salary of the highest officer of the Organization be raised to a level commensurate with his position. It should also be suggested to the Conference that the Director be assigned a suitable proportion of the allowances already enjoyed by other international officials.

Dr. Sánchez Vigil (Nicaragua) fully concurred with the proposal of Dr. Bertolini.

Dr. Bravo (Chile) was of the opinion that it was a matter on which it was clearly for the Conference to decide. On the other hand, the World Health Assembly was going to study the matter of the salaries of Regional Directors at its forthcoming session and it might therefore not be opportune for the Committee to take a decision on the matter at the moment.

Dr. Díaz del Pinal (El Salvador) said that, in his view there was a difference of opinion only about the procedure to be followed, but not about the substance of the motion.

At the proposal of Dr. Bertolini and Dr. Sánchez Vigil, the Executive Committee finally approved by three votes in favor, none against, and two abstentions, the following

RESOLUTION XVII

CE46 R17

The Executive Committee,

Bearing in mind the increases in the basic salary scales of professional staff members recently introduced by the United Nations, the World Health Organization, the Pan American Health Organization, and other international agencies;

Considering that the Executive Committee in the course of the present meeting approved a salary increase for the Deputy Director and the Assistant Director of the Pan American Sanitary Bureau;

Bearing in mind that the salary of the Director of the Pan American Sanitary Bureau has undergone no change whatsoever since it was established more than ten years ago and that it would be only fair to raise it to a level commensurate with the position and responsibility of the highest officer of the Pan American Health Organization; and

Considering that professional staff members of international agencies receive, in addition to their basic salary, post adjustment, cost of living, and family and other allowances,

RESOLVES:

To suggest to the XVI Pan American Sanitary Conference that the salary of the Director of the Pan American Sanitary Bureau be increased to a level commensurate with his high position and important functions, and that in addition he be granted a suitable proportion of the allowances enjoyed by other international officials.

At the closing session Dr. Bravo (Chile) asked that it be placed on record that his abstention from voting on the motion of the Representatives of Nicaragua and Uruguay concerning a salary increase for the Director was not because he considered such an increase unjustified but because he did not agree with the form and timing of the motion.

Dr. Lynch (Peru) stated that he, too, had abstained for precisely the same reason as that expressed by the Representative of Chile.

16. Closure of the Meeting

The closing session was held on 27 April. After the Final Report was read, the Representatives of Chile, Peru, and Nicaragua made certain observations and requested amendments to the text. The amendments were approved.

Dr. Bertolini (Uruguay) asked that the thanks and congratulations of the Committee to the Secretariat and to all the staff of the Pan American Sanitary Bureau that had assisted in the work of the meeting be placed on record. He also asked that the Committee's thanks to the Government of the United States of America for their hospitality to all the participants in the meeting be likewise placed on record.

Dr. Bravo (Chile) endorsed Dr. Bertolini's remarks and asked that the Committee's congratulations to its Chairman, Dr. Victorio Vicente Olguín, Representative of Argentina, on his skillful, polite, and calm conduct of the discussions be placed on record. He also congratulated the Director of the Pan American Sanitary Bureau and its staff on the documentation submitted to the Committee; it had been clear and precise and has provided all the necessary background information.

Dr. Lynch (Peru) associated himself with the remarks of the Representatives of Chile and Uruguay.

Mr. Olivero (Observer, Inter-American Development Bank) thanked the Pan American Health Organization for having invited the Inter-American Development Bank to send an observer to the meeting. He also thanked the Pan American Sanitary Bureau on behalf of the agency he represented for its collaboration and assistance in public health programs which, like sanitary engineering programs, especially water supply and sewerage programs, were so very important for the economic and social development of Latin America.

The Chairman emphasized the importance of the decisions taken and thanked the Vice-Chairman of the Committee and all the Representatives for their assistance during the meeting. In his own name and on behalf of the Committee he thanked the Director of the Pan American Sanitary Bureau and its staff for the efficient organization and conduct of the meeting, and also expressed the Committee's thanks to the Government of the United States of America for its hospitality in making the premises of the Department of State available for the meeting. Finally, he declared the 46th Meeting of the Executive Committee closed.

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

DONE in Washington, D.C., United States of America, this twenty-seventh day of April 1962. The Secretary shall deposit the original texts in the archives of the Pan American Sanitary Bureau and shall send copies thereof to the Member Governments.

Chairman of the Executive Committee,
Representative of Argentina

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