

*executive committee of  
the directing council*

*working party of  
the regional committee*



**PAN AMERICAN  
HEALTH  
ORGANIZATION**

**WORLD  
HEALTH  
ORGANIZATION**



48th Meeting  
Washington, D. C.  
April 1963

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Text revised by the Executive Committee  
at the closing session held on  
27 April 1963

The working documents are included in consecutive numerical order under the corresponding index tab, as listed in the agenda (Document CE48/1, Rev. 1) appearing under tab No. 1. The List of Participants is included under tab No. 1B.

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FINAL REPORT

Under the chairmanship of Dr. Alfredo Leonardo Bravo (Chile), the 48th Meeting of the Executive Committee of the Pan American Health Organization was held from 22 to 27 April 1963 in Washington, D. C., in the Conference Hall of the National Wildlife Federation, 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. Claudio Orlich	COSTA RICA
Dr. Orontes Avilés	NICARAGUA
Dr. Carlos Quirós	PERU
Dr. Charles E. Williams, Jr.	UNITED STATES OF AMERICA
Mr. Howard B. Calderwood	
Mr. Carter Hills	
Dr. Arthur E. Rikli	
Dr. Frederick Vintinner	
Mr. Simon Wilson	
Dr. Orestes Vidovich	URUGUAY
Mr. Adolfo Morales	
Dr. Mario Pareja	

Member and Secretary ex officio of  
the Committee

Dr. Abraham Horwitz, Director

PAN AMERICAN SANITARY  
BUREAU

Observers:

Mr. Frans Joseph Van Agt

KINGDOM OF THE  
NETHERLANDS

Permanent Subcommittee on  
Buildings and Installations

Mr. James R. Wachob, Chairman

Organization of American States:

Mr. Howard Salzman, Jr.

Mrs. Alzora Hale Eldridge

Inter-American Development Bank:

Mr. Humberto Olivero

W.K. Kellogg Foundation

Dr. Emory W. Morris, President

Dr. Matthew R. Kinde, Director, Division of  
Medicine and Public Health

Advisers to the Director of the Pan American  
Sanitary Bureau:

Dr. John C. Cutler, Deputy Director

Dr. Victor A. Sutter, Assistant Director

Dr. Stuart Portner, Chief of Administration

Dr. Alfredo Bica, Chief Communicable Diseases Branch

Mr. Clarence H. Moore, Chief, Finance and Budget Branch

Mr. Frank Gutteridge, Chief, Legal Office, WHO

Chief, Secretariat Services:

Dr. José Quero Molares

## AGENDA

The agenda appearing in Document CE48/1 was approved at the first plenary session held on 22 April 1963.

### OPENING OF THE MEETING

In opening the 48th Meeting of the Executive Committee, Dr. BRAVO (Chile) indicated that he would assume the Chair pursuant to Article 11 of the Rules of Procedure of the Committee, since the Chairman, Dr. Francisco Urcuyo Maliaño, had advised that it would be impossible for him to attend the meeting. Dr. Bravo added that if he should have to absent himself from the meeting at any given moment the Executive Committee should designate one of its members to preside temporarily in accordance with the rule he had cited.

Dr. Bravo then invited the representatives to speak to the matter. In the absence of contrary comment he expressed his appreciation for the confidence those present had shown in him and declared the meeting open.

He first paid a warm tribute to the memory of Dr. Alberto Bertolini of Uruguay, Director of the Hygiene Division of the Ministry of Public Health of Uruguay and representative of his country in the Executive Committee.

Dr. Bravo recalled the great technical competence and frank and friendly manner of Dr. Bertolini, which had won him the friendship and respect of all those who knew him. His passing saddened them all. He asked the Director to convey to Dr. Bertolini's widow the condolences of the Committee and of the Bureau. He then invited the members of the Committee to stand in silence for one minute in memory of Dr. Bertolini.

(Those present then stood in silence for one minute)

The Chairman then commented on the heavy agenda of the meeting and drew attention to the financial situation of the Bureau caused by delays in the payment of outstanding quotas. He praised the devotion to duty shown by the Director ever since assuming his post, and said that the technical, financial, legal, and social steps he had taken had united the Bureau with the other international agencies that were taking a very active part in the formulation and implementation of continental and national plans for economic and social development. The association of the Organization with the work of universities and other institutions that were educating and training personnel in such a way as to imbue them with both professional and technical skills as well as attitudes essential for the accomplishment of their mission and with the philosophy of the Alliance for Progress and the Development Decade was further noted with approval. He said that that spirit was reflected in the agenda of the meeting.

The Chairman then announced the order in which the various items would be dealt with and commented on some of their main aspects.

ITEMS DISCUSSED AND RESOLUTIONS APPROVED

During the 48th Meeting of the Executive Committee, which held eight plenary sessions, the following items were discussed:

1. Administrative Rationalization in the PASB

At the first plenary session Dr. PORTNER (Chief, Administration, PASB) presented Document CE48/13 on administrative rationalization in the PASB, containing a summary of the action taken in the Bureau to streamline the structure, procedures, and techniques of the Organization. That action had resulted in the achievement of a more effective and economical operation in administration and had permitted the investment of the savings realized in direct program assistance to the Governments.

The changes in the PASB administrative order were based on the recognition that in an era of rapid social, economic, and technological change, public services in health should be under constant evaluation. The dynamics of development required an international agency such as PASB, as well as national health establishments, to meet evolving needs. And to meet those needs the members of the Executive Committee, who had managerial responsibilities in their own services, could well appreciate the necessity for a constant review of all the elements of an organization's operation.

To give an idea of the Bureau's evolution Dr. Portner pointed out that the PASB, an agency with a staff of approximately 300 and a budget of \$2,000,000 in 1950, had become by 1963 an agency with a staff of about 1,000 and a budget of \$16,000,000. He emphasized the special character of

the operation of the PASB as an international organization and spoke of the implications of time, space, language, cultural and intellectual dissimilarity and other matters as of consequence in the formulation of procedures for an international health establishment. He described the special problems and requirements of an agency of that type, and the resultant complications in the management of such an enterprise.

Dr. Portner sketched, in a rapid administrative history, the steps taken in the program of rationalization, from the original decision that administration should be the first field of endeavor in the PASB to be submitted to definitive review as to the volume and nature of the services rendered, personnel and organization needed, and methods and techniques employed.

Dr. Portner explained that the study had been characterized by various innovations in methods and procedures regarding budget, finance, personnel, procurement and other administrative aspects. Initial concentration was directed toward the operations at Washington Headquarters, and it was noted that, in all, 17 posts had been suppressed during the 2-1/2 years of the program. They included two P5 posts, one P4, three P3, one P2 and the remainder at the local levels. He detailed the organizational changes, mentioned the key posts, and gave examples of reform, including the consolidation of some services, the reduction of others, and the reorganization and redistribution of funds.

Dr. Portner next referred to the administrative rationalization in the Zone Offices, which entailed the transfer of many of the administrative operations and controls to the Headquarters Office and the movement to the various countries of certain minor activities such as the keeping of attendance records. After months of discussion and testing in 1961, the payroll and related records of the professional staff of INCAP paid from PASB funds were absorbed into the Washington system on 1 January 1962. In view of the success of that test, it was extended in May-June 1962 to Zones IV and V, where, in due course, arrangements were made for the movement of allotment activities, all other finance and accounts operations, personnel services, inventory of physical property, and other activities to the Washington establishment. The process was further extended to the remaining four Zone Offices on 1 November 1962. Those activities were currently being performed in Washington, and it had been possible to put into effect a program for the elimination of posts at the Zone Offices. By 1 April 1963, all P4 Zone administrative officer posts had been eliminated and a number of other posts also had been discontinued. It was estimated that 40 posts in all would be eliminated by early 1964, making a total of 57 posts saved in Washington and the field. Those measures represented a saving of about \$160,000 in salaries and allowances for the administrative posts eliminated at Washington Headquarters, and of about \$274,000 for the administrative posts eliminated in the field, or a total annual saving of \$434,000 in salaries and allowances.

Dr. Portner then reviewed in detail how the processes of structural change, revision of procedures and practices, and retraining of personnel had been undertaken. He cited particular examples in the finance, budget, and personnel areas, and emphasized the considerable difficulties and the grave intellectual problems to be resolved in the process. He reiterated that the rationalization activity was an ever-evolving process and the actions he had described were the first in a continuing effort. He spoke of the new program for the training of staff, and noted areas, such as program budgeting, machine accounting, and others, in which particular progress had been made in the introduction of a new and better system.

Dr. Portner emphasized that the process was only beginning and that he did not wish to leave the impression that all elements of the change had been completed and were in perfect order. He declared that the presentation on program budget, the next item of the agenda, would be a clear indication of how the secretariat was in the midst of change in one particular activity. The process of rationalization was an ever-continuing one; new starts were being made at that very moment in several administrative areas and efforts were in progress to refine even further some of the changes introduced during the last year.

Dr. Portner declared that the process of rationalization had been pursued at every level of the administrative structure - from the clerk's desk to the executive. He asserted that that pooling of experiences - in this common effort - had led to the formation of a fund of knowledge of invaluable significance for the program under review.

Dr. Portner concluded by asserting that Parkinson had been routed. He looked forward to the opportunity of presenting a further progress report at a later date.

Dr. HORWITZ (Director, PASB) said that in the Final Report of the Task Force on Health at the Ministerial Level, the meeting which had ended the previous Saturday, emphasis was laid on the need for developing an administrative conscience and suitable competence so as to ensure the effective and economical use of limited resources. According to the Final Report (page 23), "In this area many of the health institutions in the Americas are very weak in terms of organization, regulations, procedures, and practices. Recognition must be given to the fact that public administration is essential to technology, and it must be given the structure, the staff, and the equipment that modern methods demand. Administrative rationalization increases efficiency, decreases expenditure, and facilitates the attainment of the objectives of every program." In his opinion, that quotation summed up the thinking that had guided the Pan American Sanitary Bureau in its administrative rationalization referred to by Dr. Portner in his statement. Administration, as Dr. Portner had so aptly said, was at the service of the technical services, and should be as dynamic as they were. Rationalization had therefore to be considered a continuous process of review; that was the approach the Bureau had been following in recent years and which it intended to follow in the future.

He was in agreement with the statements made in the inaugural speech by the Chairman of the Executive Committee regarding the financial status of the Pan American Health Organization, which was a reflection of the

difficult financial situation the Governments found themselves in as well as the reason their quota payments were in arrears. At the last Directing Council (1961) and the XVI Pan American Sanitary Conference (1962), the Argentine delegate had pointed to the need for the Bureau to review its administrative expenditures and try to reduce them while maintaining its technical efficiency. That was a principle that should be borne in mind as it conformed to the guidelines for the activities of the Organization. In the light of the experience acquired in Latin American countries, it had been his opinion, from the time he had taken office, that administration should serve, to the greatest degree possible, as a testing ground and, on occasions, as a model for the Governments.

As for the problem of personnel in the countries of Latin America, he was convinced that it was not easy to carry out administrative rationalizations leading to the sudden elimination of numerous employees. In view of the financial situation in most of the countries, the State continued to be the main employer, and private industry had not yet been able to compete with the State in offering employment opportunities to labor with the State as the main employer, any administrative rationalization which brusquely decreased the number of posts could give rise to social conflicts, which was precisely what the Governments wished to avoid.

Dr. Horwitz invited the members of the Executive Committee to study that problem. Within the administration of a State, it was always possible to achieve a better distribution of personnel by transferring supernumeraries

in one department to another which needed them, but that did not happen in an international agency.

He was making those statements in the belief that the pattern of administrative rationalization of the Pan American Sanitary Bureau should be followed in the Health Ministries of Latin America. In that way Document CE48/13 would find a practical expression of the value attributed to it by those who drew it up; in other words, the health ministries that had not yet initiated the rationalization of their services should begin to do so, and those ministries which had begun it, should intensify their efforts to improve their administration and make it more effective, at the lowest possible cost.

The CHAIRMAN stated that efficiency and economy were the two requisites of a good administration. That was shown in the constructive report presented by the Director and the Chief of Administration of the Bureau, which was intended to reduce bureaucracy rather than to increase it. He agreed with the remark of the Director that the successful experience of the Bureau could be utilized by the national administrations.

He expressed his satisfaction with the practical results of the measures adopted by the Bureau. They would result in a saving of \$430,000 in the administrative budget, which could be applied to field operations.

Dr. OLGUIN (Argentina) emphasized the importance of administrative rationalization as explained by Dr. Portner, the Director, and the Chairman, especially since the Organization was a very complex agency whose tremendous responsibilities encompassing every health field had been very much enlarged owing to the broad range of activities carried out by the Bureau. Those activities occasioned a gradual, necessary, and continuous increase in the budgets which, in the face of the difficulties some countries such as his own, were undergoing, were a matter of great concern. Administrative rationalization, by means of technical procedures that made it possible to obtain maximum efficiency and maximum economy, would do much to prevent an increase in the quota payments of the countries. He expressed his satisfaction at the efforts the Bureau was making, since the measures taken augured well for the future.

Rationalization should not be the exclusive domain of the ministries of health but should apply to all government agencies so as to ensure that every activity would develop in a coordinated fashion under the common aspiration of the progress and welfare of the peoples of the Americas.

Dr. QUIROS (Peru) congratulated the Director and Dr. Portner on their presentation of the administrative rationalization in the Bureau. Every organization should be dynamic, especially a health organization; accordingly, a continuous revision of its methods and procedures was necessary. Planning was a technique that must be applied continuously, and two of its aspects were organization and methods. Dr. Portner had shown that with their application it was possible to reduce costs considerably, and to make

the necessary adjustments as circumstances changed. He would like to see the procedures used in the administrative field employed throughout the program of the Organization.

Dr. WILLIAMS (United States of America) expressed his satisfaction with the statement made by Dr. Portner, which had been supplemented by that of Dr. Horwitz, to the effect that administration was destined and would continue to be destined to service the programs, and not vice versa, as had been observed on certain occasions. The savings thus effected could be devoted to programs aimed at improving health in the Americas, which was the objective of the Organization. He asked Dr. Horwitz and Dr. Portner certain details about the work to be done in the field, especially as regards the Zone Offices and the country representatives.

Dr. PORTNER (Chief of Administration, PASB) stated that decentralization in the countries was taking place as a supplement to administrative rationalization. PASB adhered to the standard set by WHO in the matter of establishing country representatives. The aim was to have in each country a central authority representing PASB, with powers to coordinate, supervise, and direct the activities of all programs being carried out there.

He then referred to the application of the new system in Colombia. Previously the 29 persons stationed there had reported to the Zone IV Representative whereas currently there was a single coordinator in that country reporting direct to the Representative on all projects; moreover, that coordinator would be the only one authorized to negotiate with the

Ministry of Health in Colombia. There would thus be a single voice to coordinate the activities of the Organization with both the country's Government and the Zone Representative. That technical program had already been extended to all countries of Zone IV, and would be gradually extended to the entire Region. Already a start had been made in Zones II and III. That decentralization was essentially, related to program activity, although certain secondary administrative responsibilities had also been decentralized. The action toward decentralizing the program was founded on the thesis that the country was the focal point of interest; therefore, the purpose of PASB was to adapt the Organization to enable it to serve that fundamental purpose.

The Committee then unanimously adopted the following

RESOLUTION I

CE48.R1

The Executive Committee,

Having examined the report of the Director on administrative rationalization in the Pan American Sanitary Bureau (Document CE48/13);

Noting the progress made in streamlining structure, procedure, and techniques in the administrative activities of the PASB; and

Bearing in mind the economies made as a result of the program of rationalization and the investment of these funds in program services to the Governments,

RESOLVES:

1. To take note of the report of the Director on administrative rationalization in the Pan American Sanitary Bureau (Document CE48/13).

2. To commend the Director and the staff of the PASB for their efforts to date in effecting economies in administration.
3. To request the Director to continue the program of rationalization and to report progress to the next meeting of the Executive Committee.
4. To transmit this resolution and the report of the Director to the XIV Meeting of the Directing Council.

2. Program Budgeting

Dr. HORWITZ (Director, PASB), when presenting Document CE48/17 on the item at the first plenary session, stated that it represented a further step in the efforts of the Pan American Sanitary Bureau toward preparing a functional budget. He noted that a general plan for such a budget had been submitted for the consideration of the Committee at its 46th Meeting together with a proposed classification of all aspects of the general work of the Bureau, so arranged as to constitute in the aggregate a functional or program budget. The program budget, he pointed out, was a modern technique in general administration and planning, which, in synthesis, sought to arrange investments in accordance with aims or objectives, without placing emphasis on the measures to achieve them. The national budgets for health in the Latin American countries were really only lists of items related to funds and supplies for health activities, and did not directly refer to concrete objectives by activity. Until the Governments gave to the preparation of health plans the emphasis it received in the Charter of Punta del Este, the preparation of functional budgets would not have the importance it deserved.

The preparation of such budgets had been retarded in the countries of the Continent. The Ministers of Health did not have concrete arguments to justify their requests for funds, because they had not been able to correlate them with definite objectives. In other words, they had not been able to justify to Governments and, above all, to

parliaments, their requests for increases in their budgets in terms of concrete health activities, such as mothers and children to be cared for, the sick to be treated, sanitation works to be constructed, etc.; instead they had been speaking in a dehumanized language: so much for food, for equipment, for personnel, without stating what those different items were destined for. That then was the essential difference between the current budgetary techniques and the program budgets. The new method, doubtless more complex, gave emphasis to complete objectives, and the weight of individual program elements. The situation was rather special in an international organization, since the essence of the organization's functions was not to execute, but rather to advise. The Pan American Health Organization did not have objectives of its own; instead it implemented the objectives which the Governments established for their specific programs. As an operational entity PASB could only carry on activities aimed at achieving the objectives that the Governments had established for each program in particular. If the Organization had its own objectives, they were rather of an administrative nature, connected with the instruments of health activities, as for example, the training of technicians or the improvement of health services and various units.

It was not easy to prepare a program budget in an international organization that did not have direct executive functions. For that reason he believed that the document presented was a further step forward, a transitional stage toward a real program budget, which

would be feasible when the Governments all had national health plans based upon an exhaustive analysis of problems by geographical areas, regardless of their politico-administrative name.

What were currently termed program budgets constituted an expression of general policy with regard to the important health problems of the Continent. Dr. Horwitz declared that those matters had been kept in mind in presenting the first trial program budget of the Organization, which followed the plan of classification approved by the 46th Meeting of the Executive Committee. On that occasion it had been stated that there was no perfect classification plan, because, especially in matters of health, where functions were not mutually exclusive, but rather mutually complementary, it was necessary to make arbitrary decisions regarding the use of resources, particularly technical personnel. An example that would reduce the classification to simple terms would be that of a sanitary engineer, or a sanitary instructor, assigned simultaneously to one, two, or three programs. It would clearly be necessary to estimate the time he devoted to each in order to establish the investment to be made for each program. There was therefore always an element of arbitrariness, which, though not of great importance for the final result, had nevertheless to be borne in mind. There was no perfect classification, and neither was its content perfect; that applied with even greater relevance to international civil servants who, except when working in specific projects, were concerned with giving advice to Governments

in many diverse fields. The Members of the Executive Committee should examine the document with an understanding eye, since the Bureau itself was not completely satisfied with it, although it was satisfied with the effort being made to apply a modern technique to a job which was inherently complex. The comments of the Members of the Executive Committee would be of great interest, since they would be assisting in improving both the process and the document. In any case, even in the form it was in, it permitted the Governments to see more clearly how the funds were being invested in accordance with the general policy which has been established. That objective had, in his opinion, been attained in the document, which in itself was a great advance. He concluded by requesting that Mr. Moore, Chief, Finance and Budget Branch, be allowed to give a detailed explanation of various aspects of the document.

Mr. MOORE (Chief, Finance and Budget Branch) in presenting the document on program budgeting, began by pointing out that, it has been decided to limit the use of that concept to a general classification that would allow the Governing Bodies to evaluate the importance assigned to the different program objectives of the Organization and the type of activities the Organization was undertaking to attain those objectives. The document presented did not seek to replace Official Document No. 40, but rather to add a new section to it, which would enable the entire program to be seen from the viewpoint of the different activities, whether carried out at Headquarters, in the Zone Office, or in a given country. The figures presented in the document would change as the Budget changed; however, they gave an idea of what the percentage distribution would be if applied to Official Document No. 40.

The heart of a program budget was the classification plan, and he pointed out that the plan was presented in detail in Table VI on page 18. An understanding of what was involved in it, would permit easy discussion and understanding of the other tables. The document was limited, as already pointed out by Dr. Horwitz, not only in its extent, but also in its terminology so that it would be easily understood even by persons not dealing with health problems. Terms were used in a different sense in different countries, or in different health services, and part of the process of growth, a dynamic process, through which the document would pass, would be the establishment of easily understood concepts and an easily understood terminology for the description of program and activities.

As for Table VI, the vertical axis, in column 1, on the left, contained a classification by subject, divided into five major or general programs. The first two general programs were subdivided into two categories, and all, except the last one, into specific subjects. He noted that in Title I.A, Protection of Health, Communicable Diseases, there were only two specific subjects that needed explanation: the one which carried the numeral 1, General, which included personnel concerned with more than one communicable disease, for example epidemiologists and especially personnel at Headquarters; and that which appeared under number 9, Other, which was reserved for those communicable diseases that had not yet acquired sufficient importance in the program of the Organization to merit a separate designation. As those programs

developed and any item acquired importance in the program, and in the countries, it could be included as a specific subject under number I.A. With regard to Title II, Promotion of Health, with its two categories, A. General Services, and B. Specific Programs, the first included six specific subjects relating to general health services. The programs appearing under numbers 31-39 inclusive, were of a specific nature. That group might be increased or decreased, depending on the importance laid on any one of the programs. For example, rehabilitation did not appear in the list; it was included under Medical Care. However, if it became more important, and the group concerned with planning wanted to learn how much was devoted to rehabilitation, that subject could be added under the heading. Title III, Education and Training, referred to the cooperation lent to the Governments in the field of institutional education, and permanent courses, not in-service training or fellowships. There were some cases, however, in which even institutions had been divided; for example, biostatistics was normally included in public health, but owing to the importance which it had in the program of the Organization it had been shown as a special subject. Title IV, Governing Bodies and Administrative Direction, involved problems of classification and terminology, since almost all those activities directly related to the direction, planning, and support of field programs; consequently, it would have been possible to distribute their cost among other items, but it was deemed preferable to present them as separate items so that they might be viewed in relation to the entire program. With respect to specific subjects, it was

explained that Item 52, Executive and Technical Direction, included the Office of the Director, Chief of Administration, Zone Representatives, and the corresponding secretaries. The percentage for Item 53, Administrative Services, would be reduced as the effects of administrative rationalization began to make themselves felt. Difficulties of terminology had arisen in connection with Item 55, Program Services, which included activities such as fellowships office, library, editorial, etc., that were not administrative services but rather programs, although difficult to identify with individual program subjects. As yet, no better solution in terminology had been found. Title V, Increase of Assets, included funds to increase the Working Capital Fund, permanent equipment acquired, and buildings and installations.

The second classification, the horizontal axis, at the top of the page, indicated the types of activity the Organization carried on to achieve program objectives. That classification into four groups offered many difficulties, and attempts were still being made to clarify the terminology. The first group of this classification, Planning and Execution, covered all activities devoted to cooperation with Governments in the planning and execution of health programs, including advisory services, i.e., services by personnel who cooperated with or advised Governments in the development of health services, together with demonstration supplies and equipment. With regard to Education and Training, for example, the consultants who advised teaching institutions about their curriculum, organization, as well as supplies

and equipment provided by the Organization, were shown under Planning and Execution.

Column 2, Development of Professional Personnel, was devoted essentially to fellowships and seminars. The time of the project personnel devoted to in-service training was not shown separately; but under the item Planning and Execution. If one could differentiate in the activities of a consultant between those devoted to general advice and those devoted to training, the proportion for training might be shown in the second column instead of the first.

Next came Research, and finally Indirect Program Costs, which included all the indirect costs that occurred in Titles IV and V. He suggested that the Committee might wish to discuss the classification plan, after which the remaining tables could be presented.

Dr. PORTNER (Chief of Administration, PASB) elaborated on the place of the document under discussion in the sequence of budgeting in PASB, and declared that the item being considered was based on Official Document No. 40, which the Committee had examined last September; consequently it antedated all the figures given in Document CE48/17. If Official Document No. 40 had been prepared at a later date, it would have reflected the reduction in posts, which were covered by Item 53, Administrative Services, in Table VI.

The CHAIRMAN stated that, while recognizing the implicit difficulties in the process, he considered it essential to have program budgets in order to plan the activities of the Bureau. He noted that the recent Meeting of the Ministers of Health had specifically recommended

that the countries of the Organization should use the program budget and that the Bureau should establish the methodology for these budgets, and encourage their use at the international level. The decision of PASB to use the program budget would serve as an example for the countries to follow at the national level.

Dr. QUIROS (Peru) stated that, despite the fact that he had not studied the document in detail, since he had not received it far enough in advance, he acknowledged that the manner in which the various items were classified constituted a noteworthy advance, although it was difficult to be entirely satisfied. Despite the deficiencies already noted by Dr. Horwitz, the draft presented did allow the Executive Committee to form a rather clear and complete idea of what the Organization was investing for solving the principal health problems. With such information it would be possible to intensify the most urgently required activities. He recalled that he had expressed his concern at previous meetings, especially that of the Directing Council in 1961, when he emphasized the advisability of adopting a form of presentation which the draft program budget resembled.

He further suggested that in the same way as the part of the document referring to the sub-programs would include a summary description of each, it would be interesting to do the same for the major programs in the large headings under which they were grouped.

He pointed out how necessary it was to coordinate health plans with the plans prepared by the various international organizations engaged in promoting human welfare, such as plans for agriculture, economic development, etc. He concluded by stating that as presented the budget should be accompanied by the general program of the Organization, with their objectives well-defined, so as to facilitate the work of the Organization and its coordination with the activities of other international organizations.

Dr. AVILES (Nicaragua) asked whether provision would be made in the Budget for the needs of the Organization in 1964 as new measures had been recommended in the field of environmental sanitation, training of technical personnel, etc., for the purpose of reaching the objectives of the Charter of Punta del Este.

Dr. HORWITZ (Director, PASB) declared that the budgetary distribution by activity in the document under review reflected what the Governments had agreed upon up to the time of the preparation of Official Document No. 40, (1962), the basic problems in the protection of health being communicable diseases and environmental sanitation. For the year 1964, 45 per cent of the total funds would be invested in the major program entitled Protection of Health by the Bureau, and 33.8 per cent in class A, Communicable Diseases; of which 23.1 per cent was for malaria; 11.2 per cent would be invested in environmental sanitation, including nearly 6 per cent for water.

It should be borne in mind that international activities in the fields of malaria and environmental sanitation were not exactly on a par with each other. He referred to the commitment of all Governments of the world to eradicate malaria, and drew attention to the fact that many Governments, especially that of the United States of America, had made generous voluntary contributions to a special fund that in recent years had made it possible to conduct a program of international cooperation, in the matter not only of advisers, but also of certain basic supplies, such as drugs, and other aspects related thereto.

He added that the meeting of the Task Force that had just ended gave to environmental sanitation, and above all, to rural sanitation, an importance equal to that of malaria. That fact was clearly reflected in the recommendation on the creation of a special fund for rural welfare which, as stated in the Final Report, should be financed by contributions from Governments, from the Alliance for Progress funds, and from other national or international funds. If such a fund were to be established, the fact would be reflected in the document, as was the special malaria fund, which in great part derived from the voluntary contribution of the Government of the United States of America. Nevertheless, he considered that in the last three years sanitation had received international funds several times greater than the original investment. Moreover, he noted that the Organization currently had approximately 50 consultants working in the Continent on sanitation projects.

He declared that the fundamental cost of the installation of sanitation works had to be provided by Governments in order to obtain credits from international credit markets. In discussions on this matter during the meeting of the Task Force it had been emphasized that the Inter-American Development Bank had played an outstanding role during the first two years of its operation in granting credits for water supply projects. In response the Bureau had intensified its technical advice in that field. Dr. Horwitz in conclusion said that if the ideas emanating from the Meeting of the Ministers of Health were put into practice, it would be possible to show larger voluntary contributions for water than were indicated.

Dr. AVILES (Nicaragua) stated that, if he had called attention to those points, it was not to suggest that the percentage of the budget for malaria should be reduced in favor of sanitation, but because the plenary session of the meeting of the Task Force had discussed the special rural welfare fund, and he wanted to know how it was going to be established.

Dr. OLGUIN (Argentina) stated that he wished to associate himself with the comments made by the previous speakers. He considered that very important progress had been made in the presentation of program budgets. It was clear that technically, and from the viewpoint of health problems, the presentation was of great assistance, not only because it enabled the aims and investments made to be clearly seen but because of its great importance as a method that should be used in the countries.

He believed the improvements the Bureau would undoubtedly continue to introduce in these groupings, or sub-divisions, would be very important and would help to give a more complete idea of health activities. He concluded by congratulating the Bureau on the work done.

Dr. HORWITZ (Director, PASB) stated that he wished to thank the speaker for his gracious remarks on behalf of the entire Bureau. Each institution would have to find its own classifications and formulas in order to obtain the best results, and that was precisely what the Bureau was trying to do. He cited as an example Table VI and pointed to the concise narrative on tuberculosis as an illustration of what it was proposed to be for each major program and each specific program. Whenever the Governments set the Bureau precise objectives, they would be translated into specific programs. He referred to the form of presentation of the budget of PAHO, emphasizing that each Organization was governed by a document approved by its legislative body. Thus the Bureau itself could not change the form of presentation, since it had no authority to do so.

He proposed that if there was agreement with the general system of a summary statement of the sources of funds, that document could be added to the PAHO budget to form an additional chapter, without altering the general format. If, as time went on, the conclusion was reached that that system of presentation made it possible to prepare budgets in other forms, either the Council, or the Conference, as was deemed pertinent, should consider the matter. He suggested that, for the time being, not more than one chapter should be included, precisely because the method was not as yet sufficiently refined.

Dr. WILLIAMS (United States of America) stated that the new budgetary method would be very useful in examining the budget of the Pan American Health Organization. The same problem had been faced by the Department of Health, Education, and Welfare of the United States of America; its budget was now organized by activity and the classification used would correlate very well with that proposed by the Pan American Health Organization. The work done would facilitate the task of the representatives charged with examining the budget of the Organization.

Dr. QUIROS (Peru) asserted that he agreed with the observation of Dr. Avilés, and declared that while it might be relevant to study environmental sanitation, very little was currently being invested in it; when the countries requested international cooperation, account would have to be taken of the magnitude of the problems and the urgency for solving them.

He said that that would probably cause the World Health Organization to take similar action in the future, and he expressed his conviction that the Pan American Health Organization was offering an example, which was only logical considering its long experience. He further stated that if in the future it were possible to have countries frame their budgets in accordance with these guidelines, it would be possible to see how they were implementing the objectives of the Charter of Punta del Este and the other programs dealt with by the Task Force. That information would be very helpful in guiding the Governments in their requests for assistance and international cooperation.

He concluded by stating that international cooperation could not be compared with programs of a national type, since it was not a matter of quantitative activities; however, any program may be the object of a program budget, such as that presented for the consideration of the Committee, an idea of great educational value for the Governments of the Continent.

Finally, the Executive Committee unanimously approved the following

RESOLUTION II

CE48.R2

The Executive Committee,

Having examined the Report of the Director on Program Budgeting (Document CE48/17); and

Considering that if the budget format were revised in accordance with the procedure suggested in the above-mentioned document, it would be easier to form a clearer idea of the direction of the efforts of the Organization and their conformity with the priorities assigned to given policy objectives,

RESOLVES:

1. To take note of the Report of the Director on Program Budgeting (Document CE48/17).

2. To approve the change recommended by the Director in the format of the budget document; namely, to add a chapter containing a summary statement of the sources of funds from which programs will be financed and summary statements showing distribution of funds by major programs and by object of expenditure, these changes to be effective with the presentation of the 1964 Budget of the Pan American Health Organization.

3. Task Force on Health at the Ministerial Level

Dr. HORWITZ (Director, PASB) said that the Meeting of the Ministers of Health served as a task force on programming and on health, by virtue of Resolution A.4, item 4, of the Charter of Punta del Este. That Resolution charged the Secretary General of the Organization of American States with the organization of meetings of task forces in various fields of economic and social development. It also stipulated that the task force on health was to be organized by the Pan American Sanitary Bureau. Accordingly, Dr. Mora, Secretary General of the Organization of American States, had delegated to the Pan American Sanitary Bureau the task of organizing the Task Force and serving as its secretariat, which was a particular honor for the Bureau and a source of satisfaction in view of the manifest results of the meeting. After reading item 4 of Resolution A.4, which enumerated the specific functions entrusted to the Task Force on Health, he said that the meeting was held in Washington from 15 to 20 April 1963, and was attended by fifteen of the twenty Ministers of Health of the Hemisphere, and a large group of advisers, or about eighty experts in all. In the plenary sessions, the Ministers expressed their views on major health problems in the Hemisphere, their order of importance, the general measures for solving them, and recommended the adoption of certain measures. Two committees, established in plenary session, met simultaneously to study specific problems. The first considered prevalent problems such as communicable diseases, sanitation, nutrition, and the general objective: an increase in life expectancy

at birth by an average of five years per person. The second committee studied the fundamental tools employed by public health services to achieve their aims, which were sometimes called administrative goals, such as planning, the training of professional, subprofessional, and auxiliary personnel, the organization and improvement of services, and research. Each committee's recommendations were forwarded to the plenary session, approved with the necessary changes, and then published in a final report. That report contained a chapter on the role of health in the economic and social development of the Americas, the doctrine of the Charter of Punta del Este, also advocated by the Pan American Health Organization and the World Health Organization in their desire to incorporate health into the general process of economic and social development.

The major health problems in the Americas, or the factors that contributed to the reduction of life expectancy and the increase of morbidity and mortality, were dealt with in the Final Report. Those factors were communicable diseases, poor sanitation, malnutrition, inadequate clothing, insanitary housing, ignorance, and low per capita income. Among the communicable diseases malaria would occupy first place in some countries, while, in others, a different disease would predominate. The report also set forth criteria that could be used by the Governments for establishing priorities in health problems and preparing program budgets, which would permit a rational distribution of their revenues and health investments. Those criteria were expressed in hemispheric terms, and needed to be translated into each country's own terms.

The fundamental problem for health technicians in applying those criteria would be to show economists their significance for the development of each particular problem, especially those economists who were still unconvinced that every economic system had humanitarian motives and purposes, and that by simply improving the standard of living of the individual and the labor force in certain age groups, the economy of the respective country would change as a result of the health programs. The contribution of health work to the economy could also be shown in the increase in natural wealth resulting from a program.

The report also dealt with the health situation in the Americas and the outlook for the future, the Hemisphere's current achievements in health and the measures to be taken to achieve the objectives of the Charter.

Another point considered by the committees was the study or determination of the measures necessary for the implementation of the Ten-Year Public Health Program, including specific measures for the eradication of malaria and smallpox, the control of tuberculosis and Chagas' disease, various aspects of nutrition, and environmental sanitation. The study was made with an eye to future achievements on the basis of the present, and gave more emphasis to problems that had to be solved than to successes already achieved. It emphasized that there was a commitment to fulfill during the decade and that, in order to make progress, the situation in the various countries had to be appraised.

Similarly, basic aspects of the tools to be used were studied, viz, planning, its importance and consequences.

Despite the fact that the decision of Governments to make health plans was a recent one, it had already evoked considerable interest. A number of Governments had planning units within their Ministries of Health, liaison with National Development Boards was increasing, and the training of experts was also being stimulated. The Task Force also considered the organization and administration of services, discussed the obstacles that hindered the integration of preventive and curative services, the importance of the current utilization of funds, particularly in hospital administration, the role of the training of experts, and the urgent need to emphasize the training of subprofessional personnel, in view of the cost and complexity of training professional personnel. That was one way of making better use of the talent and experience of such personnel to serve the greatest possible number of persons.

Scientific research was given its merited role and the conflicts between pragmatism and investigation, and between what had been called pure research and applied research, were abolished. All research was basic when it made a real contribution to such knowledge as was essential for mankind. From that standpoint, every study could be simultaneously basic and applied, and the only problem was selection. Whether it would be possible to increase life expectancy by five years during the decade, was also studied. It was decided that life tables were needed since existing statistical services in Latin America were weak

and should be strengthened. Many countries might find it difficult to deal with the problem on a national scale, and it was therefore recommended that registration areas should be created. In that way, data could be verified since a representative sample of the population would be available. As statistical experts and auxiliaries were trained, those registration areas could be gradually extended until they covered a whole country. In countries where the mortality rate in children under five was 40 per cent, or more, of the total mortality, the application of modern public health techniques would obviously lead to a rapid increase in life expectancy. As that was the case in most Latin American countries, it would clearly be possible to reach that general objective of the Charter of Punta del Este.

The recommendations summarized the discussions from which they issued. Some recommendations were in the thoughts of all the participants, and others were original; they should be put into effect at once. A common denominator of the discussions was the insistence that Latin America should not copy systems that had been successful in other cultures or in countries that enjoyed greater technological advances, but should adapt advances in knowledge resulting from research to the living conditions of the area, and create their own system for the protection, promotion and restoration of health.

The lack of sanitation in rural areas, where 50 per cent of the population in Latin America was living, had been acknowledged. The economy of the Hemisphere would continue to be predominantly agricultural

during the twentieth century. The fact that 50 per cent of the labor force was engaged in agriculture demonstrated the primitive manner in which the land was worked. The health conditions of the rural population were poorer than those of persons who lived in urban areas, and the distribution of Government funds for that purpose was very uneven throughout the Continent. Some members of the Task Force, recognizing the need to attend to rural welfare and to create a special rural welfare fund, requested the Pan American Sanitary Bureau to take steps to accelerate the creation of such a fund. It would be very useful if Governments would submit a written statement of their interest in contributing to that fund, which would be a source of financing to enable the Governments to maintain revolving funds, money from which would be made available to organized communities in accordance with the political and administrative structure of each country. If the Governments, through their Ministers of Health, would make it clear that they really wanted a rural welfare fund to be set up, the sources that would provide money for such an undertaking would surely be responsive. The Task Force had also considered the creation of a Latin American common market for biological products. Its purpose would be to improve the quality of such products, increase their production in some countries, and initiate the interchange of those products with a humanitarian end in view. Another point considered was how to improve the quality and lower the cost of drugs habitually used to treat the common diseases in the Hemisphere. The Task Force also reviewed the policy in food distribution, and was mindful of the

research that had been performed to find autochthonous foods, particularly vegetable protein, to satisfy the needs of the people, while adopting an agricultural policy that fostered the production of the indispensable animal proteins.

It recommended that representatives of the Ministries of Health be included in National Alliance for Progress Committees, and that the activities of international organizations be more intensively coordinated with the national health plans of the Governments. Special importance was given to the indispensable participation of women in the Ten-Year Public Health Program of the Alliance for Progress

The spirit of the document was as important as the letter. The first contact in the century of some 100 technicians, including the Pan American Sanitary Bureau officials who served as the secretariat of the Conference, demonstrated the determination of the Americas to make progress in health. There were official and unofficial exchanges, a generous gift of experience, and an opportunity to draw attention to errors so as to keep others from repeating mistakes that might involuntarily be harmful. The desire for direct assistance from Minister to Minister, from Government to Government, had constituted a new opportunity for solidarity in the Hemisphere, which because of the high level of its culture and the worth of its citizens, had only to take a few steps forward to be able to play its proper role among the countries of the world. The Ministers had also had the opportunity in Washington to discuss the problems of their Governments with national and international

agencies (Departments of the United States Government, the Agency for International Development, the Public Health Service, the Inter-American Development Bank, the Organization of American States, the World Bank) and to advance negotiations of direct interest to fundamental projects in their countries.

The final declaration was not simply an expression of faith, but an answer to the basic question that had motivated the meeting of the Task Force. Could the Alliance for Progress accomplish the Ten-Year Public Health Program? That was the question, and the answer of the Ministers was as follows:

"From this analysis we have concluded that the Ten-Year Public Health Program of the Alliance for Progress can be carried out, provided its objectives are integrated in a rational way with the other goals that our countries propose to reach and that the potential resources in each and every one of our countries, and our wills, are mobilized to the full in the service of a higher ideal: the winning of well-being for the benefit of all the people of America.

This noble task must be performed for the sake of the dignity of the people of America, in whom the destiny of the Hemisphere resides at this singular hour in History."

The courtesies extended by the United States Government to the Task Force during its stay in the city culminated in the cordial reception of the Ministers by Mr. John Fitzgerald Kennedy, President of the United States of America, an event of considerable historic moment. In conclusion, Dr. Horwitz publicly expressed his gratitude to the Secretary General of the Organization of American States for having given the Pan American Sanitary Bureau that opportunity.

The CHAIRMAN stated that planning units were being organized at the ministerial level in most countries, and experience in Chile had shown that it was essential for the directors of local health agencies to have at least some basic notions of planning. Therefore, those directors did not need specialized training such as that given to planners, but training limited to basic practices and methods of planning. He went on to emphasize the importance of the Organization's new policy in creating a rural welfare fund.

Dr. OLGUIN (Argentina) said that he considered the Meeting of Ministers of extraordinary moment because of the importance it would have in stimulating the authorities to execute public health programs, the basis for economic and social development. Every undertaking on behalf of the rural family - potable water supply, improved nutrition, a higher standard of living - would redound in benefit of the Latin American countries, all the more since, traditionally, the health conditions of rural residents had been neglected by the authorities. He agreed with the declaration of the Chair to the effect that regional, provincial, or zonal planning was an indispensable adjunct to central planning by the Ministries of Health.

Dr. WILLIAMS (United States of America) said that recommendations had been formulated at the Meeting of Ministers. That made it imperative to recognize a number of commitments of prime importance that had to be fulfilled by means of a frontal attack. The first was the eradication of malaria. Nothing should be allowed to stand in the way of the

continuous pursuit of the malaria eradication program. The second was the eradication of smallpox. In third place was rural sanitation, centered on problems of providing drinking water in rural areas, for the solution of which the establishment of an adequate fund had been recommended. Commitments made for the eradication of malaria and smallpox, as well as for rural water supply, fully justified the time devoted at the meeting to a study of the programs to be put into effect during forthcoming years. There was hope that, in the near future, specific procedures and measures would be found to assure compliance with the recommendations adopted by the Task Force on Health at the Ministerial Level.

Mr. OLIVERO (Observer, Inter-American Development Bank) made some general remarks on the problem of water supply in rural areas, basic principles of financing and administration of which, except for slight variations, were similar to those involved in solving the same problem in urban areas. As in cities, if supplies were well constructed and administered and provided efficient service, the beneficiaries did not object to paying a reasonable water rate scaled to their income level and capacity to pay. The success of rural programs would therefore depend on the adoption of solutions geared to conditions in the community. A small, modest community would require a small, modest solution.

History recorded the example of programs that began with simple solutions that were technically, administratively, and financially sound,

and then grew into more ambitious projects. That principle should be applied to the long-range solution of Latin America's rural water supply problems. The primary aim of the Inter-American Development Bank in rural sanitation in Latin America was to assist in developing programs that would bring about the long-range solution of the problem within the respective countries in a continuous and progressive fashion. The growth of the population and, consequently, of its needs, made it essential to achieve that goal, for otherwise the current grave situation would continue to exist or -even worse- would deteriorate in the future.

The only feasible solution of the problem was to develop programs based on obtaining a reasonable contribution from the communities that received the benefits; Governments were not in a position to provide all the necessary capital for the construction of installations and for their maintenance and expansion, nor could financing from foreign sources be relied on. Therefore, the solution of the rural water problem in Latin American countries would depend to a great extent on the importance that the countries gave to the following factors:

1. The formulation of a sound program that included the organization, financing, administration, operation, and maintenance of the services.

2. The adoption of flexible solutions in line with the special needs of the beneficiaries, the political structure of the country, its basic laws, and its customs and traditions.

3. Emphasis on self-help, to be interpreted as the efforts of Governments to help themselves, and reciprocal assistance of persons receiving the benefits. Those principles, approved by the Latin American countries in the Act of Bogota and the Charter of Punta del Este, also guided the Inter-American Development Bank in the projects and programs it was assisting. In programs of that type consideration would have to be given to local sources of funds which had not been utilized in the past but which should be utilized to the maximum in the future.

4. The principal need of the agency in charge of the rural water supply program was for sufficient authority and independence to assure its regular and efficient operation. At the same time, that agency should be empowered to adopt and execute effectively and permanently the administrative, financial and operative measures required for the performance of its functions.

5. For the initiation of the program, a selection should be made of localities in which the greatest number of persons could be benefited and which offer the fewest obstacles. Results in those initial-stage areas would have a catalytic effect on the rest of the program.

6. The possibility of establishing a revolving fund exclusively for the continuation and expansion of the program should be explored. The fund would consist of national contributions, any capital outlay from which would be recovered by means of water rates and charges in keeping with the financial capabilities of the beneficiaries.

Finally the Committee unanimously approved the following

RESOLUTION III      CE48.R3

The Executive Committee,

Bearing in mind the report of the Director on the Meeting of Ministers of Health which, constituted as a Task Force, was held in the city of Washington from 15 to 20 April 1963,

RESOLVES:

1. To note with satisfaction the report of the Director and to express the firm conviction that the Meeting held constituted a measure of great importance for the solution of health problems and, consequently, gives a vigorous stimulus to the carrying forward of the work of the development of the Continent to which the signatory countries of the Charter of Punta del Este aspire.

2. To urge the Director that, given the importance of the meeting of the Task Force, he make a detailed report to the Directing Council on the recommendations drawn up at the meeting, to enable the Council to examine the possibility of incorporating the principles contained therein into the policy of the Organization, as a valuable contribution to the attainment of the objectives of the Ten-Year Public Health Program of the Alliance for Progress.

The CHAIRMAN also decided to set up a working party composed of Dr. Olguin, Dr. Williams, and Mr. Olivero, to prepare a draft resolution on the establishment of a special rural welfare fund. The working party presented that draft at the fifth plenary session and the Committee unanimously adopted the following

RESOLUTION IV

CE48.R4

The Executive Committee,

Considering that, among the efforts the Governments of the Americas are making to raise the level of health, the improvement of environmental conditions is one of the measures that call for the most urgent attention;

Bearing in mind that it is of the utmost importance to pay maximum attention to the improvement of the level of living of the rural population of Latin America, one of the fundamental factors for the success of the development program of the Alliance for Progress;

Bearing in mind that one of the fundamental requirements of environmental sanitation is an adequate supply of potable water to the rural and urban population;

Considering that, in order to guarantee the success of any water supply and rural welfare program, it is necessary to finance it on the basis of self-financing, in part or in whole, and to give it an organization based on sound administrative principles;

Considering that the solution of the financial problem inherent in a sanitation program could to a large extent be solved by the establishment of a special rural welfare fund financed by contributions from the countries, the Alliance for Progress, and international organizations, since it would permit the direct contributions of the interested communities and of the Government to be duly supplemented;

Considering that potable water supply, which is one of the objectives of the Ten-Year Public Health Program of the Alliance for Progress, has been designated in recommendation A.6 of the Task Force, composed of the Ministers of Public Health of the Americas, as one of the needs that require a high priority; and

Considering that the above-mentioned recommendation suggests that the Ministries of Health should be responsible for the control of the funds made available to the countries by the Special Fund, and should make loans to communities that have previously been duly organized, either direct or through the instrumentality of suitable organizations, and on reasonable terms and with reasonable repayment periods that make it possible to create a revolving fund that can be used for the benefit of other communities,

RESOLVES:

1. To invite the Director of the Pan American Sanitary Bureau to study the various aspects of the establishment of a Special Fund that will be used for making loans to Ministries of Health on the best possible terms as to interest rates and repayment periods, so as to enable them to make available to suitably organized communities the supplementary funds necessary for the execution of potable water supply and other rural welfare projects in such a way as will allow of the establishment and maintenance of a revolving fund.

2. To invite the Director to make a report to the Directing Council on the above-mentioned study, including such specific measures as he deems appropriate for putting the recommendations of the Task Force on Health in practice.

Mr. OLIVERO (Observer, Inter-American Development Bank) asked that a mention be made in the minutes of his appreciation as Observer of the Inter-American Development Bank for the distinction conferred upon him in being asked to participate in the working party that prepared the draft resolution on the establishment of a rural welfare fund, in which his participation had been limited to the technical aspects of environmental sanitation.

4. Report of PAHO Activities in Economic and Social Development

Dr. CUTLER (Deputy Director, PASB) stated that Resolution IV of the 46th Meeting of the Executive Committee and Resolution XXXIII of the XVI Pan American Sanitary Conference gave full recognition to the importance of health in economic and social development. Furthermore, the guidelines of the Charter of Punta del Este were directed toward that aim. One of the basic reasons that led the Governments of the Continent to join in establishing the Pan American Health Organization was a recognition of the economic impact of disease, in particular the epidemic diseases. With the passing of time, not only the Organization but also other national and international health organizations had increasingly devoted their attention to aspects of health other than communicable diseases and to the relationship between health and economic and social development.

He explained the need for recognizing, as the Task Force had already done, that one of the important steps in assuring more effective support of economic and social development from the health sector would be certain modifications or changes in current health programs, in particular with regard to their administration and organization, so as to enable the Governments to obtain greater returns from their investments in health programs. The Charter of Punta del Este had recognized the need for national planning and for the formulation of national plans,

including health plans, so that health activities could play a larger part in economic and social development. As a consequence the program of PAHO and that of some Member Governments had been given a new orientation to enable certain new activities to be initiated and to provide greater support for economic and social development. One of the first steps had consisted in improving and strengthening programs in the field of national health planning. That would allow the Bureau to make better use of its staff in working with Member Governments in preparation, reviewing and revising national health plans. Cooperation of that type had already been given to Bolivia, Colombia, Chile, Haiti, Honduras, and the Dominican Republic, in collaboration with the Organization of American States, the Inter-American Development Bank, and the Economic Commission for Latin America.

He added that, in order to allow advisory personnel to improve their knowledge of national health planning, several officials were attending planning courses at Johns Hopkins University School of Public Health. However, even without that special training, and relying only on in-service training, the Bureau had increased its activities in cooperation with Tripartite Missions, and had extended active cooperation to Haiti, Paraguay, Uruguay, and the Central American Republics. Bearing in mind the health objectives of the Charter of Punta del Este, the Bureau had maintained close contact with the Organization of American States, in particular with the Committee of the Nine, and with the Inter-American Development Bank.

He explained that a matter currently of great interest was the situation with regard to national plans. In Document CE48/6 there was a chart showing the current status of health plans, which, in terms of national health planning, might be called "first drafts" because they represented a statement of goals which might not have had the benefit of necessary preliminary surveys, of diagnostic efforts, and the subsequent construction of a plan on the basis of detailed subsequent analyses. The most important point, however, was that the plans had been presented and, that under the procedure set forth in the Alliance for Progress, it was to be expected that they would be reviewed, studied, evaluated, and modified as found necessary.

With regard to planning priorities, emphasis had been given to water supply and sewage disposal. That program was of great magnitude and amounted to almost \$400,000,000, which had been forthcoming from both national and international sources.

The Bureau, in fulfillment of the aforesaid Resolution XXXIII, had been charged with taking the necessary steps to fulfill the responsibilities it had under the Alliance for Progress. While in most cases that had meant continuation of traditional programs and increased attention to certain of them, such as water supply, it had also included the establishment of even closer relations with the various organizations involved in the implementation of the Alliance for Progress.

He concluded by declaring that the Bureau had a task to fulfill, and that it was working actively in that regard, although he had confined himself to merely giving some indications about the general lines of the program of action of the Organization. Within the guidelines of the Alliance for Progress definite steps had been taken and relations were being established which would bring fruitful results. It was hoped that the health services, at the national and international levels, would be given an opportunity to play an even more effective role in the improvement of the quality of man in the Hemisphere; they could build upon their past record of effective activity, which had fully demonstrated their ability to contribute towards that end.

Mr. SALZMAN (Observer, OAS) stated that in its work under the Alliance for Progress it had been very gratifying for the OAS to rely on the magnificent cooperation of PAHO. As had been noted, the OAS had been assigned three tasks in the Charter of Punta del Este: to organize task forces to provide certain guidelines in the fields of economic and social development of Latin America; to provide technical assistance in planning economic and social development; and to organize a body for the review of the plans prepared by the countries before they were presented to sources of financing. He added that, in the field of health, the OAS had at all times had the advice or active participation of the Bureau, and that it was hoped that it would continue. As Dr. Cutler had mentioned, various economic and social plans had been presented to the Committee of the Nine, and others were in the process of being prepared, and that most of the plans included health aspects.

He stated his belief that the first part of technical assistance to planning was drawing to a close and declared that discussions were being conducted with the Government of the United States of America for the renewal of the agreement which furnished funds for the task forces such as the Task Force on Health, and for technical assistance to planning. Those funds would be used for other technical assistance missions in the field of planning, national inventory and identification of projects, formulation of investment projects, and studies of these activities. He concluded by expressing the hope that the OAS would continue to enjoy the cooperation of the Bureau in providing the technical assistance necessary for the preparation and revision of plans.

Dr. ORLICH (Costa Rica) proposed that a recommendation be made that the Bureau, in particular the Director, work in the closest cooperation possible with the Organization of American States.

Dr. HORWITZ (Director, PASB) expressed his gratification at having heard Dr. Orlich's proposal and recalled that there was a resolution of the Directing Council, in 1960, which referred to the matter in general terms. Moreover, in view of the fact that since that time so many important things had happened, it might be very advisable for the Executive Committee to reiterate its interest in having the Organization collaborate with the OAS in the field of health.

The Committee then unanimously approved the following

RESOLUTION V

CE48.R5

The Executive Committee,

Having examined the report of the Director on the activities of the Pan American Sanitary Bureau in economic and social development (Document CE48/6); and

Considering the importance of these activities for the progress of the people of Latin America,

RESOLVES:

1. To approve with satisfaction the report of the Director of the Bureau on the activities of the Pan American Sanitary Bureau in economic and social development (Document CE48/6).

2. To recommend that the Director continue to take whatever steps are necessary to ensure that the health sector participate fully in social and economic development planning and cooperate at the national and international levels with the other agencies involved, in particular with a view to increasing technical cooperation activities with the Governments.

3. To recommend that the Director take such steps as are necessary to enable the Bureau to cooperate more actively with the Organization of American States, and in particular with the Executive Secretary of IA-ECOSOC in order to ensure that full consideration is given to the health sector in country analyses as well as in preparing and reviewing national development plans.

5. Report on the Formulation of Planning Methodology and the Training of Health Planners

Dr. CUTLER (Deputy Director, PASB) presented Document CE48/8 on the formulation of planning methodology and the training of health planners. He referred to the agreement entered into with the Center for Development Studies of the Central University of Venezuela, and stated that the funds for that purpose had been provided by the Organization of American States and the Pan American Health Organization. With those funds it had been possible to formulate the planning methodology that had been given extensive trials in Venezuela and could be utilized subsequently for training activities and as a guide for planning. That methodology provided the outline, the background, and the guidelines for appraising the health situation in an area, and offered essential information for formulating alternate plans. The problem of integration of local plans within national health plans was also considered. The textbook utilized was in the form of notes, and was the one used in the course given at the School of Public Health of Johns Hopkins University. In due time, it would be made available to all the health ministries that requested it. During the preparation of that methodology, agreements were concluded with the Government of Venezuela to hold a three-month planning course, which provided instruction for about 13 officials of the Ministry of Health of Venezuela.

The field work was carried out in the State of Aragua. Subsequently, another agreement had been concluded with the Latin American Institute for Economic and Social Planning, attached to the Economic Commission for

Latin America in Santiago, Chile. The Institute was subsidized by the Organization of American States, the Inter-American Development Bank, and the Economic Commission for Latin America, and provided training for all types of planners. Although its major field of specialization was economic planning, it had organized courses for health, agriculture and educational planners.

The first course was given for 11 weeks at the end of 1962, and 20 of the participants, officials of health ministries, were awarded PASB fellowships to attend the course. In addition to academic instruction, opportunities were provided, through the Ministry of Health of Chile, for field experience in planning. Other such courses will be organized in forthcoming years, with fellowships provided by the Organization and perhaps other agencies. Dr. Cutler pointed out the importance of having a consultant of the Organization in the training center, so as to facilitate the inclusion of health concepts in the training of economic planners, educational planners, and agricultural specialists. The Pan American Health Organization would thus be in a position to give the necessary health orientation in the training of planners of other social and economic sectors. Dr. Cutler added that health planning was now in progress, according to the mandate of the Alliance for Progress, and fellowships would hopefully be awarded to health planners. He said that eventually all the Governments of the Organization would be able to have the trained planning staff they needed.

The CHAIRMAN recalled that the Report of the Task Force on Health at the Ministerial Level recommended in Chapter VII, Point B.1, National Planning for Health, "The training of the personnel in planning should be intensified. Not only must experts responsible for formulating the plans and evaluating them be trained, but the methodology must be taught to all the personnel participating in the planning process." It was therefore necessary to undertake a general campaign for training in planning methods. Courses should be organized on two different levels, one for planners as such, and another for health administrators. The latter courses could be shorter and less comprehensive, covering only basic orientation in the methodology of planning. That would be the only way to train the number of planners needed by the Latin American nations.

Dr. HORWITZ (Director, PASB) said that he was pleased to hear the Chairman's remarks, which were of fundamental importance. It was evident that planning units should have the required number of experts with sufficiently thorough training in the subject. It was also obvious that officials in charge of regions or areas, or of important health centers, should have a knowledge of planning methodology even though they might not have the opportunity or need to make a thorough study of all its economic and social aspects. As had been said in the Task Force on Health, the Governments were in the process of formulating policies to cope with their major problems. With few exceptions, they had not yet begun to formulate national health plans based on extensive knowledge of the

different areas into which the country was divided. For that second stage, at least the officials responsible for each of the different geographical units had to have a knowledge of planning methodology in order to prepare their own particular part of the plan, which the central planning agency could then build into the national health plan. The Bureau was already making efforts to provide training in planning. A course on methodology was soon to begin in El Salvador, for technical personnel from different Central American countries and Panamá. The School of Public Health of Venezuela had introduced a course on planning methodology into its regular program.

The Executive Committee might wish to consider the advisability of having schools of public health introduce that methodology into their curricula, so as to increase the number of personnel in the Hemisphere with the necessary training to participate in the planning process. According to his information, the Planning Office of the National Department of Health of Peru was taking steps to organize programs for the training of technical staff, including the directors of areas and of health centers of Peru. He agreed with the Chairman that something had to be done, and said that the Bureau had already appointed a planning expert for Zone VI and another for Zone IV. In the next few months, it would appoint one for Zone I, especially for English-speaking countries and territories. He was certain that in the future it would be possible to appoint one for each Zone.

Dr. OLGUIN (Argentina) proposed that a recommendation be made that the Bureau should carry out, in cooperation with other agencies that had similar goals, short in-service courses on planning for health personnel, at both the local and the international level.

Dr. QUIROS (Peru) confirming Dr. Horwitz's statement, said that in Peru, with the collaboration of the Planning Office of the Ministry of Health, two courses in planning would be given during 1963 for directors of health services, and also for key personnel in semi-official health services and institutions such as insurance funds, welfare agencies, the armed forces, and all institutions that had some connection with health. He hoped that the Organization would make every effort to give all possible assistance to those courses.

Dr. OLGUIN (Argentina) drew attention to the impulse that PASB had given to training in health planning with the object of teaching public health officials how to formulate national plans as part of the general plans for development and welfare. He agreed with the Director of the Bureau, the Chairman, and the other speakers who had underscored the need to have sufficient personnel to carry out the health activities, and to impart basic notions of planning techniques to persons working in local services. Unified, coordinated, properly synchronized action was the only way to ensure the success of a general plan, whether sectoral or country-wide, when put into effect within a country.

He expressed interest in Dr. Horwitz's suggestion that the public health schools of the countries should include planning courses in their curricula. In his opinion such courses should be part of the teaching programs; in that way they would make a very important contribution toward the completion of the activities under way and toward fuller training of health service personnel. A debt of gratitude was owed to the countries, agencies, and institutions that had begun such activities.

Dr. AVILES (Nicaragua) supported Dr. Horwitz's suggestion that public health schools should teach students the new techniques of planning. Such instruction should, in his view, also be given to statisticians and other health workers.

The new methodology included the concept of establishing indicators for measuring losses due to ill health in order to be able to speak to economists in statistical terms; for example, how much it would cost to prevent a death, or (said in another way) how much it would cost to save a life. He cited the average lethality of typhoid fever as an example of treatment as opposed to prevention.

In concluding, he expressed the opinion that health could be bought most cheaply by means of sanitation works. He congratulated the PASB on the work it was doing on the training of health planners, and suggested that such training should be extended to professionals on other levels.

Dr. HORWITZ (Director, PASB) stated that Dr. Cutler had mentioned a fact that merited discussion. What was happening in Latin American countries? All had a national development board, a national planning board, or a national economic council, as they called it in Guatemala. Some included a health expert or the health minister; others invited such an expert to attend when the health budget was being studied; in still others, health was not represented. The members of those development boards were being trained at the Latin American Institute of Economic and Social Planning, which was founded precisely to carry out that work.

The Bureau had been very pleased when Dr. Prebisch, Executive Secretary of the Economic Commission for Latin America, had requested the PAHO consultants assigned to the health planning course to give 20 lectures on public health and its functions in Latin America to the economists who were to form part of the national development boards. That step had been of great value, because those economists, on rejoining the national development boards, would be better prepared to understand the function of health. If the health experts also understood the language of economists, it would be possible to establish much more effective communication and that would obviously foster planning and, consequently, service to the people.

Dr. Horwitz expressed the hope that schools of economics would include in their program the study of the sectors that had the greatest social impact: education, health, agricultural development, etc., so

that in future years all experts responsible for preparing general development plans would speak a common language.

The Committee agreed to appoint a working party, composed of the Chairman and Drs. Claudio Orlich (Costa Rica) and Carlos Quirós (Peru), to prepare a draft resolution embodying the suggestions made during the discussion.

The draft resolution was considered at the fifth plenary session, and the Committee unanimously approved the following

RESOLUTION VI

CE48.RE

The Executive Committee,

Having examined the report of the Director of the Pan American Sanitary Bureau on the formulation of planning methodology and the training of health planners (Document CE48/B; and

Bearing in mind the basic importance of these activities for the future development of health programs in the Americas,

RESOLVES:

1. To approve the report of the Director of the Pan American Sanitary Bureau on the work accomplished in the formulation of planning methodology and the training of health planners (Document CE48/B).

2. To recommend that the Director of the Bureau, in cooperation with the Ministries of Health and other international organizations, adopt pertinent measures for rapidly increasing the number of experts with specialized training in health planning, in order to permit the efficient development of national and international health plans.

3. To recommend that the Governments organize short in-service training courses on planning for technical-administrative personnel on all levels, especially those who work in the different local health agencies and in semi-autonomous and private institutions participating in health programs.

4. To recommend that the Bureau encourage national and international agencies to organize short training courses in health planning for national and international personnel, and cooperate with them in that endeavor.

5. To recommend that schools of public health include the methodology of health planning in their teaching programs and request the assistance of the Pan American Sanitary Bureau for that purpose, if necessary.

6. Emergency Revolving Fund

Dr. PORTNER (Chief of Administration, PASB) presented Document CE48/10 and Addendum I on the status of the Emergency Revolving Fund up to 15 April 1963, on which date the balance due the Fund from the Governments was \$16,853, as shown in the table contained in Addendum I. Cash in Bank was \$33,147, but transactions were under way in the amount of \$25,940, which, if not reimbursed, would leave a balance in the Fund of only \$7,207, the lowest to date.

The CHAIRMAN praised the Emergency Revolving Fund, saying that it was an extremely useful service of the Bureau which enabled immediate purchases to be made on the best possible terms. As an example he cited the case of his country's purchase of influenza vaccine, which owing to the control measures governing foreign exchange in Chile would otherwise have taken some 3 to 6 months to negotiate. The influenza vaccine, however, had been needed immediately, and its purchase could not have awaited such lengthy bureaucratic negotiations. As the purchase request was made through the Bureau direct, it took only three or four days for the vaccine to arrive in Chile. As a result, it could be used at the critical moment to avert the influenza epidemic that was beginning.

Dr. ORLICH (Costa Rica) expressed his concern over the fact that if there were to be an outbreak of an epidemic in the country the Bureau would not be in a position to provide immediate assistance with the funds available.

Dr. AVILES (Nicaragua) asked for an explanation of the procedure for the reimbursement of the cost of purchases made through the intermediary of the Bureau, and said that when revising the budget next May his Government would include an item to settle its account with the Bureau.

Dr. HORWITZ (Director, PASB) explained the procedure the Bureau used. He read the Resolution of the Directing Council creating the Fund whose ceiling was \$50,000, and added that currently the Bureau had no authority to increase the Fund, so that if there were an emergency, the Bureau could not handle it.

Dr. QUIROS (Perú) proposed that, bearing in mind that the Fund was created in 1950, the ceiling of the Fund should be increased. Since its creation, inflation has continued in the Latin American countries. It was clear that even if the Governments with balances pending were to pay them off rapidly, there would still not be enough in the Fund to handle emergencies.

Dr. PORTNER (Chief of Administration, PASB) replying to questions from Dr. Olguín (Argentina) and Dr. Williams (United States of America), declared that with the amount currently in the Fund it had been possible to service the countries, but that, for the reasons enumerated, the funds available at that juncture might not be sufficient to meet needs that could arise. In order to increase the ceiling of the Fund, it would be necessary to adopt a special resolution amending the basic legislation and also to obtain a budgetary decision by the Directing Council.

Dr. AVILES (Nicaragua) asserted that, perhaps it might be more advantageous to improve the system of repayment rather than to increase the ceiling of the Fund, and that, just as the Alliance for Progress established certain requisites for loans, the utilization of the Emergency Revolving Fund should also be subjected to certain requisites.

Dr. WILLIAMS (United States of America) asked whether the same result might not be obtained by giving the Bureau a certain flexibility in utilizing other budgetary funds rather than by increasing the amount of the Fund.

Dr. PORTNER (Chief of Administration, PASB) stated that although the system suggested by Dr. Williams would be very flexible, it would appear to be in conflict with the Financial Regulation of the Bureau, and further would tend to jeopardize the program and budget approved by the Governing Bodies. He suggested that the procedure currently in use be continued and that the amount of the Fund be increased.

Dr. ORLICH (Costa Rica) declared that it would have been possible to greatly reduce the figures for infant mortality in Costa Rica if the Emergency Revolving Fund had been in existence at the time an outbreak of poliomyelitis occurred.

Dr. OLGUIN (Argentina) stated that in view of the previous statements, the most logical step would appear to be to increase the amount of the Fund, bearing in mind the increase in prices in the United States of America, where, as was only natural, the Bureau would make the purchases.

Finally, the Committee approved the following

RESOLUTION VII            CE48.R7

The Executive Committee,

Having examined the report of the Director on the Emergency Revolving Fund and the activities of that Fund (Document CE48/10 and Addendum I),

RESOLVES:

1. To take note of the report of the Director on the Emergency Revolving Fund (Document CE48/10 and Addendum I).
2. To invite the Governments, when they receive assistance from the Fund, to reimburse the amounts advanced as soon as possible.
3. To recommend to the Directing Council that it increase the ceiling of the Fund to \$75,000, in view of the price increases that have occurred since the Fund was created.

7. Proposed Program and Budget of the Pan American Health Organization for 1964

Item 7 was examined at the third and fourth plenary sessions.

In presenting it Dr. HORWITZ (Director, PASB) recalled that the Program and Budget of the World Health Organization for the Region of the Americas for 1964 had already been transmitted by agreement of the 1962 Pan American Sanitary Conference to WHO. It had been included in the WHO general program and budget, which was examined by the Executive Board in January 1963.

The Director said that it would be expedient to study the proposed program and budget of the PAHO in the light of all the funds to be administered by the Bureau for the purpose of reaching the objectives set by the Governing Bodies: i.e., not only the funds from the 1964 PAHO budget but also funds from the World Health Organization, both from the regular budget and Technical Assistance, funds from voluntary contributions to the malaria eradication program in the Americas, and other contributions received by the Organization.

In addition to the difficulties inherent in formulating the bases of a program that was to be implemented almost three years later --the groundwork for the program had been done in October 1961-- changes of Government and of Ministers of Health made it difficult to be sure of the continuity of a policy. The PAHO program was therefore the reflection of the wishes of the Governments at the time it was approved. It was incumbent on the Governments to coordinate the work of international organizations in order to reach the goals established in their national plans.

The document under consideration showed that the Organization had allocated its funds in accordance with the basic priorities laid down. That had been decided, first in the General Program of Work for 1962-1965, approved by the XIII Meeting of the Directing Council in Washington, D. C. in October 1961, which outlined the work to be accomplished by the Organization; and secondly, in the recommendations made at the meeting of the Task Force on Health at the Ministerial Level in Washington, D. C. in April 1963.

On both occasions, it was emphasized that the basic health problems of the Americas were infectious diseases, malnutrition, poor sanitation, low per capita income, unhealthful housing, and inadequate clothing. It was also stressed that among infectious diseases, malaria was to be given priority. Smallpox also deserved a place of importance because even though there were relatively few cases of the disease, it could spread rapidly. According to reports received from various countries, tuberculosis was on the increase in some, and Chagas' disease was beginning to cause concern in others. Certain specific infections were a serious problem in some countries. In Brazil, it was schistosomiasis; in certain South American countries, enteric infections, typhoid, paratyphoid; and in others, whooping cough, measles, and acute respiratory infections.

The Task Force on Health had given great importance to environmental sanitation, especially in rural areas, and to malnutrition. The recommendations

adopted at the meeting would further the objectives of the Ten-Year Public Health Program of the Charter of Punta del Este, for which purpose the Organization was collaborating with the countries in planning and in training technicians.

It was brought out at the meeting that in Latin America there was only one physician for every 2,000 persons, a ratio which should be improved, although it was not unfavorable when compared with other parts of the world. Training of auxiliary health service personnel also should be intensified.

The PASB had been asked to continue to assist the countries in strengthening their health services, in their adequate organization, in the rational distribution of resources, in the rationalization of public administration, in providing a stimulus toward the ideal: the integration of preventive and curative services. It was generally agreed that the work begun by the Organization in the field of basic research was proceeding in the right direction.

Table VI of Document CE48/17 showed that in 1964 the Organization would allocate 45 per cent of all funds to health protection; 28.2 per cent to health promotion; 7.4 per cent to education and training; 17.4 per cent to the Governing Bodies and Administrative Services; and 33.8 per cent to communicable diseases, of which 23 per cent was for malaria eradication and only 1.3 per cent was for smallpox eradication. The members of the Executive Committee should remember that the Organization did not have

an executive function except in the rare instances when a Government requested that it perform such a function. Even in such cases, the Organization proceeded with caution, for each country was responsible for carrying out its health activities through its own competent agencies. The PASB was primarily an advisory body. The fact was reflected in the program and budget, especially in the case of smallpox. Fortunately, no more than 3,000 cases of smallpox were recorded in the Hemisphere in 1962. That figure was quite low in comparison with the figures of the past ten years, although possibly there were additional cases that were not known because of defective registration. Mortality was also low. Since 1950 the Organization had collaborated with all the Governments in eradicating smallpox, not excluding those Governments that preferred to use the dried vaccine in their campaigns. The Organization had supplied many Governments with lyophilizers for the preparation of good quality vaccine, and had provided opportunities for experts to be trained in its preparation. It had also distributed publications on the subject and organized meetings of experts to afford them an opportunity to exchange experiences and to determine how the campaign was to be conducted. The problem of smallpox was not a technical problem, but exclusively an administrative one, related to lack of vehicles and other such elements. The question had been raised whether several million dollars should be allocated for the eradication of the existing foci of smallpox in 3, 4, or 5 years, and the rest of the program abandoned, or whether it would not be wiser to continue the joint effort and try to convince the Governments of

countries where a focus still remained to assume the responsibility for executing many of the activities, with the Bureau acting in an advisory capacity. The second course had been followed and, therefore, only about \$60,000 had been allocated to smallpox in 1964. Possibly with the help of UNICEF and the growing interest of the respective Governments the disease could be eradicated.

Investments in sanitation had tripled or quadrupled since 1959. The most cordial relations had been established with the Interamerican Development Bank. Much could be done with good technical advisory services. In the course of two years the Bank had granted loans for about 160 million dollars, and the Governments had contributed an equal sum. In other words, a total of 320 million dollars had been invested to bring water to 15 million persons.

In 1964, 16.4 per cent of the budget would be devoted to general health services; 8 per cent to advisory services to the Ministries of Health, boards of health, and other special departments; 6.6 per cent to nutrition; and 7.4 per cent to direct advisory services to schools of public health, medicine, nursing, sanitation and so forth. In 1962, about 2,000 persons in Latin America had been trained in nursing, environmental sanitation, laboratory techniques, and similar activities in the course of programs conducted with the aid of the Bureau's advisory services, in addition to the many programs of that type being developed by Governments with their own resources.

A training program in planning methodology for high ranking officers had just been initiated in El Salvador. Similar courses were expected to be begun in the other countries. Three advisers in the subject had been appointed to Zones I, IV, and VI, respectively, and funds were available for defraying the cost of consultant services.

His universal concept of health had convinced him that the Bureau should not concentrate its funds on a single problem. Further, in view of the current situation in the Hemisphere he was certain that the Governments shared his opinion. There were 102 universities in the Continent, with teaching and research cadres of a high intellectual caliber that aroused the deep respect and admiration of all. Therefore the countries had a real and potential capacity for dealing with their problems, priority being accorded in keeping with their importance. The proposed program and budget for the current transition period would result in the formulation of rational health and development plans. Changes could be introduced into the program and budget, but, by and large, it was in keeping with the aims of the Organization as expressed in its Constitution and in the general program of work and the recommendations adopted at the meeting of the Task Force on Health at the Ministerial Level.

Dr. PORTNER (Chief of Administration, PASB) remarked that it was the responsibility of the Executive Committee to present its recommendations on the proposed program and budget to the Directing Council, which would have the final decision on the appropriations to be made for 1964.

Document CE48/11 contained the latest changes made in consultation with the Governments, but they did not change the essence of the program. The main change consisted in the process of administrative rationalization of the Bureau.

In the new document on the PAHO regular budget the appropriation ceiling remained at \$6,560,000, or the same figure as in Official Document No. 40. It represented an increase of 9.52 per cent over the budget of 1963; approximately 5 per cent was due to increase in the program and 4.52 per cent to increases in costs of equipment, travel, supplies, within-grade increments and the like.

As to Technical Assistance funds, the situation was not favorable. He recalled that just before the Conference in Minneapolis in 1962, advice had been received that the health funds for 1963-1964 were being reduced by some \$800,000. That reduction was indicated on page 3 of Document CE48/11, which showed that while the amount of TA funds received for 1963 was \$1,179,800, but it would be only \$975,000 for 1964.

In Official Document No. 40 the figure for the three basic categories, PAHO Regular, WHO Regular and WHO/TA, had amounted to \$11,011,467, but in Document CE48/11 it was reduced to \$10,375,000.

Dr. Portner reviewed the changes in the Program and Budget, describing in a global appreciation the character of the budget. He compared the totals in Official Document No. 40 with those in Document CE48/11 and mentioned the major changes.

Reduction of the number of administrative personnel had resulted in a saving of \$170,000 at Headquarters, and \$250,000 in the field. Some of the changes implied increases namely, those for supplies, fellowships, seminars, and other activities.

Dr. Portner then touched on the review of post costing that was reflected throughout the document and was related to the process of administrative rationalization. In lieu of the former system of determining the individual costs of each post, an average had been worked out for each grade, which meant an improvement and simplification of the work of preparing the budget.

The changes made were not basic changes in either the program or the budget, and the increases in certain items were offset by reductions elsewhere. The budget ceiling remained at \$6,560,000.

As Dr. Horwitz had indicated, one of the basic principles of PAHO and of WHO was to consider their administrative services basically as services for facilitating programs.

The CHAIRMAN stated that if the health administrations were duly oriented, if they had an over-all view of their activities, a good understanding of how to establish priorities, and a practical approach to the organization and operation of their services, many of the current problems would probably diminish. It was in that aspect that the Organization could exercise its greatest influence.

Dr. QUIROS (Peru) reiterated what he had said at the first plenary session about the importance of the administrative rationalization and the advisability of the Organization also having a system of planning on all levels. He felt that it was essential for the national experts and those of international organization to form a single unit. In organizing joint programs the Organization would act as an advisory body. That would prevent the requests presented not being in accord with the general policy that the Organization must follow and with the priorities established for the various programs. He referred to the programs with the designation AMRO, which were of the regional type are usually covered a very limited activity such as the organization of a seminar or a meeting. No details of those programs were included in the budget, nor was there any explanation of their significance in relation with certain general objectives. It would therefore be desirable in future if a clear explanation were given of the need for such AMRO programs, in accordance with the objectives of the organization, and if they form part of a plan jointly established by the officials of the Organization and those of the respective countries.

Dr. Quirós added that in order to facilitate consideration of a program and budget, it was advisable to submit to the meetings of the Executive Committee some explanation of the changes that had been made in the Organization. He had in mind the Office of Planning, and said it would be of interest to learn what its function was, whether exclusively advisory to the Governments or to the Organization, or whether it coordinated other programs of an

international character. The same applied to other items, and such an explanation would make it easier to form a clearer idea of the Program and Budget.

Dr. HORWITZ (Director, PASB) stated that he would not object to distributing, as had been done at other meetings of the Executive Committee, the organizational chart of PAHO, although the document presented showed the proposed changes in relation to the previous organizational chart.

The Planning Office to which Dr. Quirós referred, should in the first place not be understood in terms of the general work of the Organization. It was not an executive body, nor did it formulate health plans for the countries. Such plans were prepared by the Governments in cooperation with the Organization, if they so desired. The Planning Office acted rather as a coordinating body. The Governments requested advice and those requests give rise to a basic function of the Bureau, which consisted in coordinating its planning work, the direct advisory services which it furnished to the Governments in order to formulate the health plans. In the second place, there was what might be called indirect advisory services in training planners, that is to say, the task of collaborating in the selection of the technicians who were to attend courses and of facilitating their participation in those courses and their stay in the countries, all of which implied a series of administrative actions which somebody had to perform. In the third place, the Office of Planning had to maintain direct relations with the international organizations interested in development planning. Primarily that meant the

"Committee of Nine" of the Alliance for Progress, and the joint missions covered by the agreement concluded between the Organization of American States, ECLA, and the Inter-American Development Bank. The Office of Planning also fulfilled an internal function in that the appraisal of a national health plan implied the study of all its fundamental aspects, which were related to the major health problems. He had not mentioned the word evaluation because he believed that that concerned a matter which might be discussed when the budget was analyzed, and because he thought that the Latin American nations had not yet arrived at that stage.

He added that the Office of Planning also had the function of cooperating with Governments in the annual reviews, a function which certainly would require much more time. He indicated that it had been decided to appoint a Chief of Planning who would assume his post about the first of June, or July of this year; also an economist, and possibly a statistical sociologist, along with the necessary secretariat personnel.

Dr. QUIROS (Peru) declared that the important thing was to have a permanent system of planning that would make it possible to maintain that dynamic process of keeping the Program and Budget abreast of the needs. The explanation given by Dr. Horwitz regarding this Office appeared to be very much to the point. Regarding the participation of other professionals in that Office, he was doubtful about the necessity of contracting for the services of an economist, since, in many bodies, such as UNICEF, the

participation of physicians had not been well accepted. Therefore, even though he agreed with the engagement of a sociologist, since his field of activity was related to that of health, he did not agree with recruiting an economist.

Dr. WILLIAMS (United States of America) said that the progressive development of the Pan American Sanitary Bureau and its gradual improvement through the years was a source of special satisfaction to him. He recognized that there was still room for improving the operations and shared Dr. Horwitz' opinion that the budget of the Organization, and the program on which it was based, depended in the final analysis on the requests made by the Governments. He said that the Bureau and its staff performed a function that might be called one of "strategic initiative". That strategic initiative --which consisted in bringing new advances in medicine and public health to the countries of the Americas, and at the same time exercising dynamic leadership-- was one of the functions, one of the obligations which the countries believed the Organization should carry out in order to achieve the general objectives clearly established in recent years by the Directing Council, by the Pan American Sanitary Conference, and a few days ago, by the Task Force at the Ministerial Level.

Dr. Williams added that Dr. Horwitz was too modest, that he and his staff were, in fact, already taking that initiative. The Director had said that he was the servant of the Governments of the Organization, which was a praiseworthy statement. But the Director was more than that. He was a leader on whom it was incumbent to channel the efforts in the field of public health in the Americas. All the countries of the Hemisphere therefore hoped that the Director and his staff would continue to fulfill that basic function, so that the budget might be more than an aggregate of projects, so that it might reflect an over-all, well-conceived program.

Dr. Williams then spoke of the sectors that warranted special attention and priority in the Organization's program in the coming years. He referred first to communicable diseases, which continued to represent a problem in the Americas. Among them, he mentioned malaria and smallpox, which had been given high priority, and he hoped that the programs against those diseases would be carried forward. With respect to smallpox, he believed that logistic assistance was as important as technical assistance, and that the Bureau should not limit its activities to the technical aspects.

With respect to environmental sanitation, he said that that activity merited greater attention than it had received heretofore. Although the 11 per cent allocated to it in the budget for 1964 appeared to be reasonable, it would be advisable to intensify that activity, above all in rural areas, and to increase the funds assigned for the purpose, especially in view of the interest shown in the problem by the Task Force on Health.

As for nutrition, Dr. Williams stressed the urgency of the program in that field, to which a considerable proportion of the funds had already been devoted. He made special mention of the problem of protein-calorie malnutrition combined with infectious diseases, among which the diarrheal diseases were probably the most important, and he expressed the hope that the budget would suitably reflect what still needed to be done in that area.

Referring to planning, Dr. Williams said that, while he recognized that it was not a health problem but an administrative one, he agreed that it merited greater attention in future years.

Regarding the Bureau's training program the stage had been reached where a good nucleus of well-trained and competent executive personnel existed in almost all the countries of the Americas. Therefore, without minimizing the scope of the training program, attention ought to be concentrated on programs for the training of auxiliary health personnel - who were so urgently needed - either through programs within the countries, or through fellowship programs or some other means. His Government was very much interested in, and not a little concerned about, the program and its financing. Reference would be made at the appropriate point of discussion in the Financial Report.

Dr. OLGUIN (Argentina) remarked that the Organization was conducting programs where programs were needed, and that its work responded to the real needs in the health field. The Bureau had a clear picture of

the priorities, and the direction being taken was in accord with the requests of the Governments and with the recommendations of the recent meeting of the Task Force on Health.

Dr. AVILES (Nicaragua) said with regard to the education and training program that a review should be made of the distribution of fellowships among countries, as no equitable distribution of the fellows among countries had yet been made. It would now be advisable to prepare a statistical table indicating the fellows by profession, by percentage of fellowships received by each country, and the number of fellows in relation to total number of inhabitants. As to the establishment of stipends in relation to the fellow's profession, he said that the cost of living of a nurse was not the same as that of a physician, yet the Bureau seemed to apply the same standard to all fellows. Also, he did not deem it advisable to pay the stipends to fellows in the national currency of the country of study and considered they should rather be paid in U. S. dollars.

Dr. QUIROS (Peru) remarked that plague was still an important problem in a number of countries. He was concerned over the fact that the budget contained only one AMRO project called Research on Plague, which had a relatively small allocation. In Peru there was a certain amount of concern over the problem because after 30 years of freedom from the disease, except cases of sylvatic plague, some urban cases had occurred. In view of its importance, he felt that suitable priority should be given to that quarantinable disease.

Dr. HORWITZ (Director, PASB), replying to Dr. Avilés' statement, said that in the Annual Report submitted to the Directing Council there was a chapter on fellowships that include a series of tables indicating the number of fellowships per country of origin and by field of study, type of training received, and country of origin of the fellow, number of fellowships awarded per profession, by region of study -- since they came from other regions of the world -- as well as a series of tables on the study trips and courses organized by the Bureau, and the fellowships awarded by other WHO Regions, classified by field of study and type of training.

A study had been made of the period 1954-1962, by country and subject, which was at the disposal of the members of the Executive Committee. Moreover, in the draft program budget just presented, Table VII contained information on fellowships for the years 1962, 1963 and 1964, as well as for participants at seminars. As to the number of fellowships per country, he doubted that a distribution could be made in relation to the number of inhabitants, because fortunately there were some 9 or 10 public health schools in Latin America capable of offering basic public health training. It was therefore not to be expected that the countries with such schools would receive a number of public health fellowships

proportionate to their population, since they were able to give such training at home. Moreover, according to Organization policy, no fellowships were awarded to professionals studying in their own country, except on very rare occasions. The health plans that were being prepared would clearly show the essential aspects for which both in-service training and training abroad were needed. There would be a change in the type of fellow who studied in the northern part of the Hemisphere and the one who came from other regions of the world where, owing to cultural conditions, health problems were similar to those of the Americas.

The Director then referred to the difficulties arising from the unstable currencies of certain countries, which created problems for the fellow during his study period. In that regard, the Organization had had to follow the criterion of the United Nations, which was conducting a study on the purchasing power of such unstable currencies within the countries. In general the United Nations criterion had been satisfactory in view of the fact that it was considered that the fellow, regardless of his position in his home country, accepted the fellowship for the purpose of studying. As to establishing various categories of stipends, depending on the category of the fellow, he said that that aspect had been thoroughly studied by the Organization. There had been difficulties in arriving at an agreement with the other international agencies, with which it was necessary to maintain uniform criteria. There were also

differences of opinion about the posts that should be included in the appropriate class of stipends. Terminology varied from country to country and certain interests interfered so that it made the classification most difficult. For that reason, a single type of stipend had been applied. However, if the Executive Committee wished to reopen the question, he would ask to be given time to gather sufficient background material to provide a basis for a decision --a none too simple task.

Dr. PORTNER (Chief of Administration, PASB) next presented Document CE48/11, reviewing line by line every entry in the document. He compared its contents with those of Official Document No. 40, and detailed the changes introduced into the various programs and services.

Dr. AVILES (Nicaragua) remarked that when he had compared the salaries of Bureau personnel with those paid to similar personnel in Nicaragua, he had noticed that the salaries paid by the Organization were lower.

Dr. HORWITZ (Director, PASB) said that the document on the program budget contained a table which showed that the investments in personnel and travel represented 72.7 per cent of all funds, as compared with a 9.6 per cent for fellowships and participants and 10.8 per cent for supplies and equipment. However, since the Organization provided advisory services, any review of the remunerations would have

to be submitted to the Executive Committee for solution. He stated further that over 60 per cent, perhaps almost 65 per cent, of the Bureau staff consisted of professionals, that is to say, persons holding a university degree or a diploma in some special discipline.

Dr. QUIROS (Peru) agreed with the statement made by Dr. Avilés and said that there had recently been an increase in salary but that previously the remuneration was even lower, which had made it difficult to recruit technical personnel.

Mr. HILLS (United States of America) congratulated the Director and the staff of the Bureau on the savings of \$200,000 achieved in the costs of administration, a saving that would ultimately amount to about 40 per cent of those costs, which he considered an initiative virtually unprecedented in the history of international agencies. He reviewed the progress on rationalization and declared the PAHO experience a model to be followed by other international agencies.

The CHAIRMAN said that according to the data presented it could be seen that the elimination of posts in the Zone Offices meant a reduction of \$175,368 but that a considerable increase in temporary personnel costs could be observed and he wondered whether that was in relation to the rationalization scheme or due to other reasons.

Dr. PORTNER (Chief of Administration, PASE) explained that experience had shown that the services of temporary personnel were

indispensable, for there were times during the year when the technical workload increased tremendously and could not be covered by the permanent staff.

Dr. ORLICH (Costa Rica) also expressed his satisfaction at the savings achieved through rationalization.

Dr. QUIROS (Peru) said he had been afraid lest it was a matter of a fictitious saving but he had verified that it was real, and furthermore that it had made it possible to add certain projects and to improve the operations of the technical branches.

Dr. HORWITZ (Director, PASB), in reply to a question asked by Dr. Orlich, explained that at present Zone III had two consultants in medical care.

Dr. Portner indicated the post in AMRO-253 was for an administrative consultant.

Dr. WILLIAMS (United States of America) asked, with regard to project Ecuador-20, Smallpox eradication, whether it was believed that that country would eradicate the disease by the end of 1964.

Dr. HORWITZ (Director, PASB) replied that in view of the number of cases it was assumed that activities would end by that date but that if by 1964 it was deemed inadvisable to suspend assistance a pertinent proposal would be submitted to the Executive Committee.

Dr. QUIROS (Peru) requested clarification on the health service of Colombia and the dental activity indicated therein.

Dr. HORWITZ (Director, PASB) stated that that program had a special allocation from the Kellogg Foundation for the purpose of creating a training center for professors of preventive dentistry at the University of Antioquia. The purpose was to introduce the concept of prevention into the training of dentists. The programs which Dr. Quirós had referred to would come later.

There were not enough dentists available to fill the needs and what there were, were usually attracted to private practice. The purpose of the courses was to provide certain basic notions on public health for personnel working at health centers.

Dr. QUIROS (Peru) recommended that interzone projects in future be based on a clear and precise plan.

Dr. HORWITZ (Director, PASB) stated in reply that the program budget would go far to solve that problem. In future it would be easier to understand the role played by each of the main categories of activities --health protection, education, and so forth-- within the over-all program. In any event, Document CE48/17 was not of the program but strictly of the budget type, in other words, it explained the changes that had occurred since Official Document No. 40 was published. It gave an outline of the priorities of the Organization. In his opinion the seminars included in interzone projects were most useful in that they enabled personnel

working in the same field to come to an agreement about the solution of a problem. The work of the specialized consultants assigned to a program, for example, that of an epidemiologist collaborating with a Government in the campaign against communicable diseases in a given area, was also of vital importance. The difficulties of foreseeing what the difficulties would be two years ahead and of pointing to a precise objective emphasized the importance of an epidemiologist. In the next program budget, which would contain a description of the general programs with their categories and specifications, it would be possible to have a clear view of all those points. In the future, when the national plans of the Governments were ready, the number of intercountry and interzone programs might possibly diminish, since the Bureau would be in more direct contact with the government agencies in charge of planning. Then the general funds could be invested in more direct and specific activities.

Dr. QUIROS (Peru) stated that he had made reference to the interzone projects and not to the programs established in the countries, for in his opinion the latter represented a more definite form with their specialized consultants, such as the nurse, the veterinarian, the engineer, the epidemiologist, and so forth. He added that it would be advisable to intensify the programs against smallpox and plague.

Dr. VINTINNER (United States of America) said that he was not certain whether there had been an increase or a decrease in fellowships and he would like to know whether there was any information available

for the whole hemisphere as regards funds devoted to fellowships and the number of fellows as compared with the previous year.

Dr. HORWITZ (Director, PASB) replied by saying that Table VII of Document CE48/17 showed 263 long-term and 233 short-term fellowships for 1964, as well as 285 participants at various seminars and meetings. If the necessary funds were available, the figures would be higher than those for 1962 and 1963.

The Executive Committee then unanimously approved the following

RESOLUTION VIII CE48.R8

The Executive Committee,

Having studied in detail the provisional draft of the proposed Program and Budget of the Pan American Health Organization for 1964 contained in Official Document No. 40, with modifications thereto appearing in Document CE48/11, prepared by the Director;

Considering that the XVI Pan American Sanitary Conference in Resolution XXV recognized that the provisional draft of the Proposed Program and Budget for 1964 appearing in Official Document No. 40 comprised well-conceived and much needed health projects;

Considering that the modifications appearing in Document CE48/11 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 Document CE48/11 reflects great savings in the administrative management of the Organization resulting from the introduction of work simplification; and

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

RESOLVES:

1. To submit to the XIV Meeting of the Directing Council the Proposed Program and Budget of the Pan American Health Organization for 1964, prepared by the Director (Official Document No. 40 and Document CE48/11).

2. To recommend to the Directing Council that it establish the budget level of the Pan American Health Organization for 1964 at \$6,560,000.

8. Designation of an Acting Chairman of the Meeting

In the fourth plenary session, the Chairman proposed that, in accordance with the provisions of Rule 11 of the Rules of Procedure of the Executive Committee, and in view of the fact that he would have to be absent, Dr. Orontes Avilés, Representative of Nicaragua, should be designated Acting Chairman of the Meeting.

It was unanimously so agreed.

(Dr. Avilés presided over the sixth plenary session, and the first part of the seventh)

9. Financial Report of the Director and Report of the External Auditor for 1962

Dr. PORTNER (Chief of Administration, PASB) presented the Financial Report of the Director and the Report of the External Auditor for 1962, Official Document No. 46, at the fifth plenary session.

Financial Report of the Director

Dr. Portner said that, in accordance with the Financial Regulations of the Organization, the accounts and the manner in which the Organization had met its financial obligations were to be examined by the Executive Committee.

The speaker again emphasized the scope of the growing investment in public health which the Governments of the Americas had made. As a basis for comparison, disbursements in 1961 totalled approximately \$11,000,000 from all funds, and investments in international health in 1962 totalled \$13,719,596. The 1962 total was less than had been anticipated, since there was a reduction of approximately one million dollars in the funds for all activities originally planned for the year. There was a continuing increase in funds for the work financed from the PAHO Regular Budget and an increase was also recorded in activities charged to the PAHO Special Malaria Fund and the Community Water Supply Fund, as well as in projects of the Pan American Foot-and-Mouth Disease Center and INCAP.

Dr. Portner gave a general appreciation of the appropriation obligations and expenditures of the PAHO Regular Fund. He noted the situation in 1962 and made comparisons with previous years.

With regard to income, the collection of quotas had gone through a cyclical pattern which had resulted in a surplus in odd years and a deficit in even ones. Everything had been done to check this tendency and break the cycle in order to obtain a good collection of quotas in an even year and to have sufficient funds to keep the Working Capital Fund at the level established by the Governing Bodies and, if possible, above that level. At the beginning of 1962 the goal established was the collection of 90 per cent of the outstanding quotas in 1962. In early November it appeared that the objective and the desired change in the cycle would be realized. But two major payments were not received as had been anticipated, in spite of promises made. The total collections did not reach the level desired, and current year collections for 1962 represented 76.6 per cent of the total, or slightly above the lowest level recorded in the past five years.

Very little of the quotas in arrears had been paid, with the result that it was necessary to limit certain phases of the program, amounting to over \$488,000, in order to reduce the deficit to the lowest possible level. Nevertheless the deficit of \$288,410 had occurred and had been covered by the Working Capital Fund, which, at the beginning of 1963, contained a sum equal to only 23.8 per cent of the authorized budget

for 1963, a very low figure in comparison to the authorized level of 60 per cent. The Director, personally or through his representatives in the countries, had done everything he could to have the ministries or governmental agencies concerned adopt urgent measures for the payment of quotas to the Organization. He concluded by speaking at length on the impact of non-payment of quotas on the prosecution of the program.

Dr. Portner made a detailed presentation of the different exhibits and schedules in the Report with regard to PAHO, INCAP, and the Technical Cooperation Program of the OAS and called attention to the summary and distribution of funds.

#### Report of the External Auditor

With regard to the Report of the External Auditor, Dr. Portner stated that the Auditor had expressed his deep concern over the status of the collection of current and overdue quotas, and said that all possibilities for stimulating and facilitating the payment of the quotas should be studied more deeply. Since quotas that were two or more years overdue were very serious, it would be advisable for the Governing Bodies to consider the experience of the WHO and other international organizations in that regard, in particular the effect of their constitutional provisions limiting privileges and services. Solutions could surely be found that would assure the good financing of the program.

The CHAIRMAN remarked that the total obligations incurred in 1962 amounted to \$4,751,018 which was \$488,982 less than the authorized budget, but which exceeded total income by \$288,410. That fact clearly indicated the seriousness of the problem; the program could not be carried out because funds were not available, and even so expenditures exceeded income.

Dr. QUIROS (Peru) stated that the reports of the External Auditor were not as objective as they should be, because they described the problem in very general terms. Undoubtedly, there was an imbalance between income and expenditures, owing to delays in the payment of the quotas of some countries. The document under discussion presented the percentage of expenditures in relation to the amount collected, but not the percentage of expenditures in relation to the amount authorized. Information on that point would be of interest, in order to show what part of the program had not been carried out. It would be necessary to examine the reasons why certain projects could not be implemented. Often it was said that the reason was the need to effect economies because of the reduction in collection of quotas. Aside from the availability of funds, a problem that should be taken into account was the availability of personnel, since many projects could not be carried out because staff could not be obtained. It would be advisable to make an analysis with respect to each project to see what portion had been implemented, what remained to be done, and for what reasons. In that way, a more realistic picture could be obtained when formulating the Organization's budget. He added that measures should be taken to solve the problem of the countries that were

far in arrears in their quota payments, for example the writing off of their debts. A recommendation should be made that each country should make provision, within its economic and social development plan, for the payment of their contributions to the international organizations that would undoubtedly be participating in the country's development. If the budget of the Ministry of Health did not assign an adequate amount for the payment of quotas to international organizations, it would be very difficult to obtain it later from some other source. A recommendation along the lines he suggested might result in the payment of quotas.

Dr. WILLIAMS (United States of America) said that the problem of quota collections was closely allied to the program that the Committee had just approved. The difficulty in paying the quotas clearly reflected the serious financial situation of the countries themselves. In bringing that serious problem to the attention of the Directing Council, it should be pointed out that the program had to be maintained at the recommended level if the established goals were to be reached. That, however, would depend entirely on the available funds.

If the situation had not changed by the time of its next meeting, the Council might deem it necessary to revise the program in keeping with funds that could be obtained at that time. In order to function properly, international organizations required the active participation of all their members. However, it was acknowledged that the payment of quotas gave rise to many problems.

Mr. HILLS (United States of America) confirmed the concern of his Government, already expressed by his colleague, about the low percentage of quotas received during 1962 and the payment of quotas in arrears. He was aware of the difficulties the Secretariat had in executing the program approved by the Member States and its efforts to find the best possible way to utilize the available funds. Substantial economies had been made in the administration of the Bureau, and those savings had been transferred to the program. A much better balance had been achieved between expenditures and income in the malaria and water supply funds, as compared with the previous year.

The CHAIRMAN mentioned the policy of prudence and good administration pursued by the Director of the Bureau which, in spite of financial difficulties, had made it possible to carry out the programs to the greatest extent possible; that policy should receive the support of the Executive Committee.

The quotas in arrears totalled \$1,744,182, or 30 per cent of the approved budget. It was therefore very difficult for the Bureau to perform its work effectively. There was hope that the situation would be corrected, especially if the Executive Committee would recommend that the Directing Council adopt a sanction similar to the one that Article 7 of the Constitution of the World Health Organization provides for members failing to meet their financial obligations. Although the World Health Assembly had never applied that article, it nevertheless served as a useful warning.

Dr. QUIROS (Peru) said that he agreed with the opinion expressed. Further, a general recommendation should be made to the Governments that they make provision in their economic and social development programs for the payment of their quotas. The debts of certain countries that had had quotas in arrears for several years might be written off in part.

Dr. HORWITZ (Director, PASB) explained that in 1962 one of the Governments that was in arrears agreed to pay the quota for each current year and 10 per cent of the quotas in arrears. The World Health Organization had followed that same procedure, or a similar one. Although that procedure unfortunately had not yet produced the desired result, it was more effective than writing off the debt.

Finally, the Committee unanimously approved the following

RESOLUTION IX | CE48.R9

The Executive Committee,

Having examined the Financial Report of the Director and the Report of the External Auditor on the status of quotas of the Pan American Health Organization for the 1962 fiscal year (Official Document No. 46);

Considering that, with the exception of 1960, the percentage of quotas collected in 1962 is the lowest recorded in the past twelve years;

Mindful of the fact that, on a number of occasions, the Member Governments that have quotas in arrears have been urged to pay them as soon as possible in order to assure the normal development of the activities of the Organization;

Observing that the expenditures recommended in the resolution on allocations are necessary in order to attain the objectives established for the improvement of the health of the people of the Americas;

Considering that the External Auditor states in his report that "Since arrears of two or more years are the most serious, it might be advisable for the Governing Bodies to consider the experience of WHO and other international organizations, including the effect of their constitutional provisions making possible the limitation of privileges and services";

Mindful also of the fact that Article 7 of the Constitution of the World Health Organization establishes that "If a Member fails to meet its financial obligations to the Organization or in other exceptional circumstances, the Health Assembly may, on such conditions as it thinks proper, suspend the voting privileges and services to which a Member is entitled. The Health Assembly shall have the authority to restore such voting privileges and services"; and

Mindful of the opinions expressed during the current meeting,

RESOLVES:

1. To take note of the Financial Report of the Director and the Report of the External Auditor for the 1962 fiscal year (Official Document No. 46), and transmit them to the Directing Council at its XIV Meeting.

2. To bring to the attention of the Directing Council the provisions of Article 7 of the Constitution of the World Health Organization and recommend that it study the possibility of incorporating similar provisions in the Constitution of the PAHO, in accordance with the recommendation of the External Auditor.

3. To urge Governments that have outstanding quotas to pay them as soon as possible.

4. To confirm the policy of prudent administration followed by the Director to the effect that if the Organization does not have necessary funds provided by the quotas available when needed, it may be necessary to make reductions in the program in keeping with the available cash funds.

5. To urge the Director to transmit this resolution to all Governments and invite them to make provision, in their development plans, for the payment of their contributions to international organizations.

10. Quota Contributions - Report and Status

Dr. PORTNER (Chief of Administration, PASB), in presenting Document CE48/14 on the item, stated that the sum due at the beginning of the current year amounted to \$7,752,817.45, of which \$2,217,191 was in arrears. Since the preparation of the document under study, additional funds had been received, \$25,729 of which, however, represented an overpayment made by one country. That amount would be applied to the 1963 quota. He recalled that the balance of the Working Capital Fund as of 1 January was \$1,418,649. Dr. Portner reviewed the situation in 1963, and said that to date \$433,508, or 20 per cent of the quota contributions in arrears, had been received. In conclusion, he stated that the situation was somewhat better than in the preceding year at the same time.

Dr. AVILES (Nicaragua) proposed that, in addition to the resolution to be adopted on the item, a letter be sent to the Ministers of Health of the countries which were in arrears in the payment of their quotas explaining the situation which such delays created for the Organization.

It was so agreed.

Dr. QUIROS (Peru) stated that it was necessary to emphasize that since one country paid 66 per cent of the Budget of the Organization, the contributions of the other countries were very small compared with what they obtained from the Organization directly, or indirectly as a result of the Organization's relations with other international institutions.

Dr. HORWITZ (Director, PASB) emphasized that Table I of the draft program budget confirmed what Dr. Quirós had said. That table showed that, in 1962, only 36.4 per cent of the total of the funds expended came from the direct contributions of the Governments of the Pan American Health Organization, and two-thirds of that amount had been paid by one Government. He added that currently about half the funds which the Organization annually invested in the Pan American Sanitary Bureau were paid through the direct quotas of the Governments, and that, of those, two-thirds were paid by one Government. The remainder came from various allotments, which the Bureau had tried to increase since it deemed that such a measure would be useful for the advancement of health on the continent, which was a common enterprise. The Governments should see it as such, since, as had been noted on various occasions, health knew no frontiers.

Dr. WILLIAMS (United States of America) then made a suggestion for the record. Though he proposed no further amendment to the resolution, he stated that, in the opinion of his delegation, the Director should study the problem of quota contributions between then and the Directing Council meeting and submit a detailed report on what measures might be undertaken to stimulate payment of arrears and full installments of current quota contributions, including ways and means which might be used to assist the countries in arrears in meeting their quota payments. One possible procedure which might be considered is the introduction of the payment of some part of contributions in currencies other than dollars. He noted that WHO at its Executive Board session passed a resolution authorizing the Director-General to accept contributions in certain currencies other than fully convertible currencies. He stated that the U. N. study on the same problem might be of value to the Director in the preparation of his report.

Dr. HORWITZ (Director, PASB) expressed his agreement with the proposal of the Representative of the United States of America, and declared that a document describing methods for facilitating the payment of quotas in accordance with the conditions and financial systems of each country would be prepared for the Directing Council. He explained that the Executive Board of the World Health Organization allowed a certain amount of the quotas to be paid in the currency of the country in which the Regional Office was established. It would be possible to explore the possibility of each Government paying a certain amount in foreign exchange derived from its trade with other countries. Furthermore, the Organization made some payments in local currency in certain countries, and those countries might possibly pay part of their quotas in their own currency. He concluded by stating that, in any case, the solution would depend upon the economic condition of each country.

The Committee unanimously adopted the following

RESOLUTION X      CE48.R10

The Executive Committee,

Having examined the report of the Director on the collection of quota contributions (Document CE48/14); and

Considering that the Pan American Health Organization continues to be faced with financial problems, owing to the large amount of quotas in arrears,

RESOLVES:

1. To take note of the report of the Director on the status of the collection of quota contributions (Document CE48/14).
2. To urge the Governments whose quota contributions are in arrears to pay them as soon as possible in order to ensure the normal development of the Organization's activities.

11. Amendments to the Staff Rules of the Pan American Sanitary Bureau

Dr. PORTNER (Chief of Administration, PASB) presented Document CE48/9 on the item at the sixth 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 had been confirmed by the Executive Board at its Thirty-first Session held in January 1963.

He commented on the pattern of uniformity that existed in matters of conditions of employment, since the Pan American Sanitary Bureau followed as closely as possible the action taken by WHO, which was guided in turn by the decisions of the United Nations.

Dr. Portner then proceeded to explain in detail the changes introduced into Staff Rules 210, 265, 270, 320, 650, 670, 710, 730, 740, 820, and 980, and the reasons for the changes.

Dr. OLGUIN (Argentina) stated that the changes proposed were the result of the desire to bring the Staff Rules of the Pan American Sanitary Bureau up-to-date, and that, since the Bureau had a similar mission to that of the World Health Organization, which had amended its Staff Rules in the manner proposed in the document under consideration, the proposed amendments deserved to be approved by the Committee.

Dr. QUIROS (Peru), commenting on the situation of Headquarters staff with respect to the university education of their children,

noted that, according to Staff Rule 255(d) the education grant would not be paid when the child of the official attended a university located in the country or area of assignment. That was an anomaly, since it was precisely then that the official needed help the most, above all in the United States of America, where education was very expensive. If the Official sent his child to study in Europe, outside his country of origin or his duty station, he was entitled to the grant, but he did not receive it if he wished to keep his child with the family. That situation was contrary to the principles of the Organization, namely, to provide a good education for the children and to favor the work of the officials. Dr. Quirós, supported by Dr. Vidovich proposed that the Directing Council be requested to nullify paragraph (d) of Staff Rule 255.5.

Dr. WILLIAMS (United States of America) stated that the remarks made by the Representative of Peru appeared to him to be pertinent, and that he supported them and requested clarification with regard to the matter which had been discussed.

Dr. PORTNER (Chief of Administration, PASB) in reply to the points raised, stated that the revision referred to came into force in the preceding year. The education grant had been established for the purpose of making it possible for the children of expatriate staff members to return to their home countries to study and to reestablish a close and continuing link with the national culture including intellectual and other developments. In the earlier stages, the practice had been to

give parents a grant for their children to return home to attend school, but that had led staff members to allege that there were instances where the institutions of higher learning were not adequate enough for their children to attend. They had therefore requested that the rule be qualified to permit their children to attend a school where the curriculum and content were more in keeping with the culture and background of their own countries. However, that opportunity had a number of restrictions and qualifications to be complied with: clearance had to be obtained by the Director-General of WHO and the curriculum data on schools proposed had to be studied and approved by Geneva.

He went on to say that the revision had, in a sense, been an executive or administrative device whereby the agencies were following the will of the Governing Bodies, whose purpose was to bring the children of expatriate staff members close to their home country, particularly at the higher educational level. After many discussions, the CCAQ had finally submitted to the arguments presented, and authorization had been granted for the revision to the effect that an educational grant should not be paid for attendance at a university situated in the country or area of the duty station.

As for presenting the matter to the International Civil Service Advisory Board, he suggested that WHO be informed of the Executive Committee's deliberations and that the matter be discussed at length with WHO, in an effort to obtain action on the point, and that the results be incorporated in a report to be presented by the Director at a later date.

Mr. HILLS (United States of America) stated that his Government was very well aware of the variations that exist in the rules of the various agencies and would like to bring about an elimination of those inequities. As a result, initiative had already been taken at the United Nations to expand the functions of the International Civil Service Advisory Board. He therefore felt that prior to any revision in the rules the matter might be presented to the Board since it was in a much better position to make a recommendation on the matter. He emphasized that that was a matter of considerable importance and the Government of the United States of America was interested in the welfare of the staff enough to wish to bring to bear a truly objective body to review all aspects of changes in staff benefits and emoluments to ensure the most equitable arrangements under the common system.

Dr. HORWITZ (Director, PASB) explained that the proposal of Dr. Quirós was not included in the changes in the Staff Rules presented for consideration by the Committee; however, every member of the Committee was entitled to propose a change in the Staff Rules at any time. He added that experience has shown that the relations of international personnel were more complex than those of the officials who served in their own country. Dr. Horwitz emphasized that the criteria of the Bureau consisted in providing personnel with the greatest possible amount of facilities. Although the Executive Committee was sovereign and could take any decision it wished, perhaps it would be preferable for the Bureau to prepare a document for submission to the next meeting in order to avoid a precipitate decision which might harm some officials and favor others.

Finally, the Executive Committee unanimously approved the following

RESOLUTION XI      CE48.R11

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 CE48/9 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 CE48/9.

12. Procurement Services to Governments of the Organization

Dr. PORTNER (Chief of Administration, PASB) presented Document CE48/2 on the item. He recalled that the 46th Meeting of the Executive Committee, in Resolution X, had taken note of the report of the Director on the procurement services provided by PASB to the Governments. It also requested him 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 their requests in the matter of the price and quality of products, and to invite them to state whether they were interested in continuing to use those services. The Director had also been asked to review the operation of the procurement services and, in accordance with the replies from the Governments, to submit a report on the matter to the 48th Meeting of the Executive Committee.

Pursuant to that resolution, letters had been sent to all the Governments requesting their comments on the merit of continuing the service. The procurement services had been established in 1951, under Resolution XXIX of the V Meeting of the Directing Council, essentially for the purpose of assisting the Governments in the earlier days when there was extraordinary difficulty in obtaining DDT, penicillin, isotopes, and other items. Since that time the situation had changed markedly, shipping and other controls had long been abandoned, and it would appear that there was currently much less need for that type of service. As was pointed out last year, there had been a steady decline in the volume of actual purchases on behalf of the Governments from a high point of more than \$2.6 million

in 1952 to a low point of \$113,929 in 1961. In 1962 there was a moderate increase (to \$231,907), but that figure did not indicate any radical change in the downward trend. There had also been a distinct downturn in the dollar value of the proforma quotations prepared at the request of Governments, and the figures in 1960 and 1961 were the lowest ever recorded. On the other hand, the burden of procurement services for Governments had represented from 30 to 35 per cent of the workload of the PASB Supply Office in the last three years. The cost of such services to the Governments, including the time of the personnel of the Supply and Finance Offices and common services, averaged around \$40,000 per annum during those years. At the same time the revenue to the Organization from the 3 per cent procurement charge declined from \$23,663 in 1959 to \$3,418 in 1961, as a result of the considerable reduction in purchases.

To date only about one half of the Governments had replied to the Director's letter on the subject, and the response was as yet not indicative of whether the procurement services were considered useful and necessary by the Governments and should be continued.

In bringing the situation as fully set forth in the working documents, to the attention of the Executive Committee, the Bureau was asking for the Committee's guidance on the role of the PASB procurement services in the future.

Dr. QUIROS (Peru) said that Dr. Portner's clear statement deserved to be carefully examined. The procurement service had possibly not been used owing to difficulties caused by national laws covering procurement. In his own country when purchases exceeded a certain amount, they had to be submitted to public bidding. A Financial Board of the Ministry then had to study the bids and decide on the most favorable, a procedure that hindered large-scale purchases. In order to be effective, the Bureau's procurement service should therefore be limited to emergency purchases or the purchase of certain low priced articles.

Dr. OLGUIN (Argentina) said that Document CE48/2 brought up to date a matter which, as Dr. Portner had mentioned, was amply discussed at the 46th Meeting of the Committee. At that meeting the importance of the procurement services had been underlined because it enabled the health ministries to obtain articles that were not available in their countries. On the other hand, it had to be borne in mind that to maintain the service caused the Bureau expenses and administrative complications since it required the maintenance by the Bureau of a service that called for a structure, functions, time, and attention and considerable responsibility, especially as regards prices in the proforma quotations Dr. Portner had mentioned.

At the 46th Meeting of the Executive Committee it had been suggested that the Governments should be consulted on the matter and to date some of them had not yet replied. To his mind the procurement service was useful, especially for emergency purchases, as Dr. Quirós had

pointed out, and the proof that some Governments were interested in it was that they made purchases through it, however limited. For that reason he would propose that the consultation with the Governments be repeated in order to learn the opinion of all Member Countries of the Organization about the advisability of maintaining the service.

Mr. HILLS (United States of America) said his country, in response to the Director's letter on PASB procurement service, had expressed the opinion that, in view of the decline in actual purchases, there appeared to be no continuing evidence of the need for that service. The service had been created 12 years before, on the ground that some Governments did not have the facilities or experience to undertake massive procurement and that PASB could assist them in that regard. It was a principle that the service should be self-supporting, and a 3 per cent service charge was therefore established to finance the service. In some countries the situation had evolved to the point where they were able to undertake such procurement themselves. Moreover, the service was currently costing some \$40,000 to operate while the income in terms of commissions was in the range of \$3,000 to \$9,000, so that the service was no longer paying for itself and therefore not meeting the original principle on which it was established. In terms of the administrative rationalization, the Director's philosophy of making savings on administration wherever possible and transferring them to field programs certainly had a bearing on the continuation or elimination of the procurement service.

He had been very much interested in some of the Representatives' remarks on the residual need of some countries for making exceptional purchases of items in difficult supply or of an emergency nature, and on whether it would be possible to cut back the level of operations of the service to meet only such occasional or exceptional procurement. The staff required to run the service would thus be reduced from that which had been set up when two million dollars worth of goods were being supplied each year to a level necessary to meet those minimum purchasing needs. In that way, it would perhaps be possible to return to the principle of the service paying for itself, while still filling the residual needs of the Governments.

Dr. QUIROS (Peru) said that perhaps letters could be sent again to those Governments that had not yet replied, giving a deadline for them to meet and indicating that if they did not reply before the next meeting of the Directing Council, the service would be discontinued. The Executive Committee might also ask the Director to study the establishment of a far more modest system, which solution might then be submitted to the Directing Council.

The ACTING CHAIRMAN referred to the figures appearing in the second column of the table in the document, which clearly showed that whereas the volume of purchases had gone from \$1,434,634 in 1951 to \$2,668,500 in 1952, it had progressively decreased from that year on until by 1962 it reached the sum of \$231,907 or only 21 per cent of the proforma dollar invoices submitted for such purchases.

Aside from the business aspect, and in view of the standpoint of the Bureau and the criterion of administrative rationalization adopted at the meeting, if the procurement service was costing an average of \$40,000 per annum and income ranged only between \$22,653 in 1959 to \$3,418 in 1961, it was evident that the service should be eliminated. He further pointed out that less than 30 per cent of the Governments had replied to the Bureau's inquiry.

Dr. QUIROS (Peru) remarked that some time ago UNICEF had been consulted about the possibility of it taking on the procurement service. However, since that agency was not prepared to do it, perhaps an arrangement could be made with it to the effect that purchase requests be made through the Bureau and that UNICEF would attend to them.

Dr. OLGUIN (Argentina) reiterated his original proposal to the effect that the Governments be consulted once more, and in any case the Director of the Bureau could be asked to study the possibility of a procedure such as had been suggested, in which another agency, such as UNICEF, would intervene. But he believed that the essential point was first to learn the opinion of all the Governments since not all of them had expressed it.

It was agreed to appoint a working party composed of Dr. Olguin, Dr. Quiros, and Mr. Hills, to prepare a draft resolution on the item taking into account all the opinions expressed.

The Working Party did so and presented its draft text, whereupon the Executive Committee unanimously approved the following

RESOLUTION XII

CE48.R12

The Executive Committee,

Having considered the report of the Director on the procurement service to Governments, which shows that its high cost of \$40,000 a year does not justify its operation in the manner in which it is being conducted, when this cost is compared with the amount of purchases (which in 1962 amounted to only \$231,907);

Considering that on the other hand it is proper to provide the Member Governments with facilities for purchasing essential supplies in emergency health situations;

Bearing in mind that the Pan American Sanitary Bureau must have the necessary services for purchasing supplies, equipment, drugs, among other items, which by request of the World Health Organization have to be bought in the Americas; and

In view of the fact that this service must supply what the Pan American Sanitary Bureau requires for its customary activities,

RESOLVES:

1. To take note of the Report of the Director on procurement services to Governments (Document CE48/2).
2. To request the Director to study this matter, and especially the possibility of operating a limited service that is in accordance with the general lines set forth in this resolution.
3. To invite the Director to take the necessary steps to make arrangements with UNICEF or with other organizations to provide procurement services for the Governments on the best possible terms.

13. Preliminary Draft Agenda for the XIV Meeting of the Directing Council,  
XV Meeting of the Regional Committee of the WHO for the Americas

Dr. SUTTER (Assistant Director, PASB), on presenting Document CE48/15, stated that the Constitution of the Organization provides "that the provisional agenda of the Council shall be prepared by the Director of the Bureau and submitted to the Executive Committee for approval." In conformity with that constitutional provision the Director had presented Document CD14/1, Preliminary Draft Agenda of the XIV Meeting of the Directing Council, XV Meeting of the WHO Regional Committee for the Americas. Dr. Sutter then read the draft agenda.

Dr. WILLIAMS (United States of America) said that seeing that the recent meeting of the Task Force on Health at the Ministerial Level had laid great emphasis on the establishment of a special rural welfare fund, it might be advisable to include an item on that subject in the draft agenda of the XIV Directing Council Meeting.

Dr. QUIROS (Peru) and Dr. OLGUIN (Argentina) supported Dr. Williams' proposal.

Dr. HORWITZ (Director, PASB) said that the letter the President of the Task Force meeting had sent to him, requesting him to transmit the Final Report of that meeting to the Secretary General of the Organization of American States, he had also asked him to inform the Secretary General of the OAS of the Task Force's desire that its recommendations be included in the agenda of the XIV Meeting of the Directing Council, so that that Governing Body might determine whether or not the principles contained in

the recommendations could be transformed into resolutions of the Directing Council itself and thereby become basic guidelines for the Pan American Health Organization. It was therefore possible that the approved recommendations would be included in the draft agenda of the Council. Any changes in the agenda that such inclusion give rise to would of course be introduced into it before the working documents were sent to the Governments.

The ACTING CHAIRMAN proposed that the draft agenda for the XIV Directing Council Meeting include an item on the special rural welfare fund, in accordance with the suggestions made by the Representative of the United States of America, as well as an item on the recommendations of the meeting of the Task Force on Health at the Ministerial Level.

The Committee unanimously approved the following

RESOLUTION XIII

CE48.R13

The Executive Committee,

Having examined the preliminary draft agenda (Document CD14/1) prepared by the Director of the Bureau for the XIV Meeting of the Directing Council, XV Meeting of the Regional Committee of the World Health Organization for the Americas; and

Considering that Article 12-C of the Constitution provides that "the provisional agenda of the Council shall be prepared by the Director of the Bureau and submitted to the Executive Committee for approval", and that, in accordance with the provisions in force, the Governments may propose any additions to the agenda they wish the Directing Council to consider,

## RESOLVES:

1. To approve the preliminary draft agenda prepared by the Director (Document CD14/1) for the XIV Meeting of the Directing Council, XV Meeting of the Regional Committee of the World Health Organization for the Americas.
2. To include in the draft agenda an item on the establishment of a rural welfare fund.
3. To urge the Director, in the presentation of Item 13, "Task Force on Health at the Ministerial Level", to include a special indication of the importance of the recommendations formulated at that meeting on rural sanitation and community water supply.
4. To authorize the Director to include in the above-mentioned draft agenda any new items that may be proposed by the Governments and by organizations entitled to propose agenda items.

14. Technical Discussions during the XIV Meeting of the Directing Council

Dr. BICA (Chief, Communicable Disease Branch, PASB) recalled that the XVI Pan American Sanitary Conference had selected the following topic for the Technical Discussions at the next meeting of the Directing Council: "Ideas for the formulation of a plan for the control of gastrointestinal diseases, including environmental sanitation measures, epidemiology, health education, and early diagnosis and treatment."

That topic had already been studied on several occasions by the Bureau; for the first time at the Technical Discussions during the XV Pan American Sanitary Conference in 1954, under the title "Control of infant diarrheas in the light of recent scientific progress"; subsequently, the statistical, epidemiological, diagnostic, and treatment aspects were thoroughly examined at three seminars held at Santiago, Chile, in November 1956; Tehuacán, Mexico, in July 1957; and Recife, Brazil, in November 1959.

In order to avoid repetitions and to limit the Technical Discussions to the most recent advances in the control of those diseases, the Director of the Bureau had decided to invite a group of specialists in that field to study the most suitable manner of presenting the topic. That group had been composed of the following persons: Dr. Albert Hardy, Assistant Director of the Department of Health of the State of Florida; Dr. Melvin Goodwin, of the Communicable Disease Center, Phoenix, Arizona; Dr. John Gordon, School of Public Health of Harvard University; Dr. Viola Young, of the National Institutes of Health;

Mr. Donald Schliessman, of the Communicable Disease Center, Atlanta, Georgia; and Mr. Nicolás Nierguez, of the Ministry of Health and Welfare of Venezuela. The following were also invited but were unable to attend for reasons beyond their control: Dr. Nelson Ordway, Professor of Pediatrics, Yale University; Dr. Myron Wegman, Director of the School of Public Health, University of Michigan; and Dr. James Watt, Director of the Division of International Health, United States Public Health Service.

The first concern of the group had been to define more precisely the topic for discussion, since if the gastro-intestinal diseases were taken in the broadest sense, it might prove difficult to arrive at concrete results in the Technical Discussions. The group recommended, after lengthy deliberation, that no consideration should be given to chronic enteric diseases or to some acute diseases of the digestive tract whose clinical manifestations were localized in other organs or were generalized. It suggested that the Technical Discussions should be limited to the study of the acute infant diarrheas, one of the most important public health problems in the Americas. The group then went on to consider in what major respects the status of the problem may have changed, namely: coordinated planning of the control of diarrheas and enteritis; the studies made by Gordon and collaborators in INCAP, and those of Goodwin and collaborators at the Communicable Disease Center in Phoenix, Arizona, which were aimed at developing a more accurate definition of the epidemiological aspects of the problem; and additional information obtained on etiologic agents (E. coli enteropathogens, viruses, and multiple infections), especially those stressed by Dr. Young and other authors.

The group also discussed the relationship between malnutrition and diarrheas, which was demonstrated, especially during the weaning period, by the studies made by Dr. Gordon in India and in Guatemala. An important part of the solution of the problem must be sought in rural sanitation programs (chiefly water supply), for the execution of which it would be possible to obtain funds from the Alliance for Progress.

Finally, the group had recommended that four papers be prepared for the Technical Discussions in the Directing Council: the first, to cover the basic epidemiological aspects of infant diarrheas; the second, a study on the environmental sanitation aspects; the third, a study on the cooperation of the maternal and child health services in the control of infant diarrheas; and the fourth, dealing with research. There was no common agreement, however, on the inclusion of the fourth paper. Dr. Bica said he believed that it might be better to include the part on research in each of the other three papers.

In conclusion, Dr. Bica suggested that the Technical Discussions be led by a panel composed of the authors of the three papers and other experts, such as Dr. Hardy, Dr. Goodwin, and Dr. Young.

Dr. HORWITZ (Director, PASB) stated that, according to the Rules for the Technical Discussions, the Bureau was authorized to organize them keeping to the spirit and letter of the topic selected, to prepare the basic documentation for them, and to contract for the services of one or more consultants. The next Directing Council meeting would be

especially significant, since it would surely confirm and transform the recommendations of the Task Force on Health at the Ministerial Level into policy, and that would make the Technical Discussions of practical value for the entire Hemisphere.

The Director suggested that in the Technical Discussions the recommendations made at the recent meeting of the Task Force on Health should be taken into account, and that the discussions should be oriented toward the adoption of practical measures that could readily be applied in rural areas where there was a shortage of technical facilities.

Dr. QUIROS (Peru) expressed his satisfaction at the statements made by Dr. Bica and by Dr. Horwitz. He believed that the presence of highly qualified experts at the Technical Discussions would add greatly to their value.

The ACTING CHAIRMAN thanked Dr. Bica and Dr. Horwitz for the information they had given.

15. Date of the XIV Meeting of the Directing Council, XV Meeting of the Regional Committee of the WHO for the Americas

Dr. SUMTER (Assistant Director, PASB), presenting Document CE48/16 on the item, said that since at their latest meeting neither the Directing Council nor the Pan American Sanitary Conference had expressed a wish for the Directing Council meeting to be held elsewhere than at Headquarters, and since the Director had not received a firm invitation from any Government, preparations had been made for the meeting to be held at Headquarters. The necessary rooms had been obtained in the Mayflower Hotel from 16 to 27 September, and the 49th Meeting of the Executive Committee would be held immediately afterwards at the same place.

The Committee unanimously approved the following

RESOLUTION XIV

CE48.R14

The Executive Committee,

Having examined the report of the Director (Document CE48/16) on the preparations for the XIV Meeting of the Directing Council, XV Meeting of the Regional Committee of the WHO, and the 49th Meeting of the Executive Committee,

RESOLVES:

1. To take note of the report of the Director on the XIV Meeting of the Directing Council, XV Meeting of the WHO Regional Committee, and the 49th Meeting of the Executive Committee.
2. To approve the steps taken by the Director and to authorize him to convoke the Council to meet from 16 to 27 September.

16. The Problems of Nutrition in the Americas From the Point of View of Consumption

Dr. SUTTER (Assistant Director, PASB) presented Document CE48/21 entitled "The Problems of Nutrition in the Americas from the Point of View of Consumption", which contained data on food consumption in the Americas as compared with food production, for the purpose of evaluating the state of nutrition of the populations in the continent. The production of food supplies available for human consumption was influenced by a series of factors such as the national economic policy, wastage and storage losses, and certain procedures, such as milling.

Dr. Sutter mentioned a recent publication which presented the results of nutrition surveys made in 21 countries and added that thanks to the efforts of such international agencies as FAO and INCAP there was already a tendency to standardize the method of consumption surveys. In 1962 FAO had published a Manual on household food consumption surveys for the purpose of establishing standards that would make it possible to obtain comparative data. The analysis of such data had been greatly simplified by the food tables prepared for Latin America by ICNND and INCAP in 1961. A glance at the table entitled "Comparative Data on Food Availability and Food Consumption, Around 1958", which appeared on page 5 of the document showed clearly that daily per capita food consumption was far below the daily per capita food availability, and that while the total calories available per country were close to established caloric requirements, food consumption surveys had indicated a considerable deficit.

He said that the accumulated data were useful for setting up base-lines of food consumption, and referred to the recommendations of the Fourth Latin American Conference on Nutrition on that subject and of the preparations for the Fifth Conference.

The possibility of establishing a study group to make an analysis of the data on food availability and consumption, should be explored. There was a need for more accurate data on food consumption in Latin America. If current efforts to improve nutrition in the Americas were to be effective, a precise and continuing evaluation process had to be set up. The establishment of the means whereby it would be possible to define on a continuing basis the existing state of nutrition in the continent was worthy of serious consideration.

The ACTING CHAIRMAN said that the subject was of the utmost importance especially as concerned children under five years of age. The mortality rate in that age group was high because nutritional status was directly related to the children's susceptibility to infections. He stressed the need for education in nutrition; for the fact was, that there were countries which had sufficient food available but which did not consume enough of it.

Dr. WILLIAMS (United States of America) said that it was not surprising that it had been difficult to accumulate data on food consumption. In examining the reports on the status of nutrition in different parts of the world he had noted a tendency on the part of the individuals reporting to quote food production figures, which were

subject to a certain amount of error. The assumption was often made that, because food production was dropping, food consumption was also dropping. He had noted the inclusion, in some of the tables, of food production figures from countries which were on the point of converting from a basically agricultural, agrarian economy to a partly industrialized economy, and it was not too surprising that in some of them food production would drop. But in view of the increasing industrialization of many of the countries, and the fact that there had been in many cases no decrease in the national economic status, it was somewhat surprising to hear those countries quoted as having a decreased nutritional status. He said he had been very much interested in Dr. Sutter's comments on the matter.

It would appear, from a study of the tables, that there had been a progressive improvement in the status of nutrition from the point of view of consumption in most of the countries of the Americas. Detailed studies would, of course, show that there were exceptions to that general trend of progression in certain areas of some of the countries studied. That fact again underlined the necessity for carefully studying the problems that were present so that they could be dealt with on the basis of specific needs. As had been pointed out, for example, the problems of nutrition in the Americas were most acute in the preschool-age group and were largely reflected in the form of protein or of protein-calorie malnutrition, so that the mere objective of giving everyone more food to eat was not enough. More precise and more specific measures were needed, and the study under discussion along with others recently presented by the Bureau, showed that fact very clearly.

Dr. QUIROS (Peru) underlined the importance of the report presented and added that the problem of nutrition was very complex because it encompassed a series of aspects that required true coordination. Even the technical aspects of health were related to a series of economic factors difficult to solve without the cooperation of other elements. He referred to the activities that most countries were undertaking to solve the nutrition problem and reported that in Peru a dietary supplement was being manufactured from local products, based on quinoa --a cereal with a high protein content-- and cotton seed and other materials. Preliminary tests had given most satisfactory results, both as regards the product's acceptability and its nutritive effects. Dr. Quirós reported further that the program for the manufacture of the product submitted for consideration to the Planning Institute had included the local production of cotton seed flour, heretofore provided by UNICEF, as well as the local production of the product by means of an agreement with private industry. He also made mention of the studies under way in Peru on the refining of fish meal, since Peru was one of the main fish producing countries. Although his country offered a variety of food products for consumption, the state of nutrition of the population was very low. That was chiefly due to economic factors rather than to factors related to food production. Certain products of vital importance to health were not being cultivated because they were not sufficiently lucrative and hence of no interest to farmers. On the other hand, the cultivation of coca leaves, because it was profitable, was of interest to Peru. In view of the complexity of the problem of nutrition it was necessary to achieve as much coordination as possible in the efforts and to study the problem from all angles.

He reported further that in Peru a series of research groups had already begun to work on fish meal as a dietary supplement, and others were studying the acceptability by the public of certain foods provided by both national and international institutions.

The emergency plan whereby foodstuffs were being provided through "Food for Peace" programs should be carefully examined in order to ensure that such foods would not escape technical control. He then said that it was intended to extend the school lunch and breakfast program to the whole country and that the food being distributed in them would be replaced by the local dietary supplement he had mentioned as and when it became available. In order to stimulate private industry to manufacture the product, use would also be made of popular food programs for workers or employee groups through national canteens, and the canteens of the armed forces, hospitals, and so forth.

Dr. OLGUIN (Argentina) emphasized the importance of the nutrition problem which was of recognized significance within the general health picture in the Americas. Nutrition was a very complex problem, and it was incumbent on all concerned, especially international organizations, to solve it. Consumption, a clear indicator of the causes of the nutritional situation, was determined by educational, economic, technological and other factors. A study of the nutrition problem in a given area required indices that would make it possible to appraise the current status of the problem, the factors that influenced it, and the most important aspects needed for its solution.

The figures given indicated that the enormous population growth affected consumption, and that the production of certain foodstuffs had declined in some countries. The importance of mechanization for agriculture was noted.

The problem was highly complex. Its solution hinged on the constant study by countries of the availability of food. That could be accomplished by making surveys on production and consumption, investigating shortages, determining a nutritional technique, the status of malnutrition, and biotypes, along with the coordination and rationalization of means in the national and international spheres.

It was therefore highly important to establish a national and international policy that would take account of all the facts, especially those related to transport, food preservation, etc., with the collaboration of the World Health Organization, the Bureau, and FAO.

The ACTING CHAIRMAN explained the relationship between production and consumption, which had economic as well as social repercussions on health.

Before some foods became consumption goods, they were intermediate goods, as was the case with flour. The industrialization of food production caused economic repercussions because the countries that produced non-exportable consumption foods avoided foreign exchange losses, since many countries invested much money for canned foods, and even countries that produced milk imported canned milk. Therefore, the production-consumption

problem and its industrial repercussions should be studied by the working party that would consider such problems.

Dr. HORWITZ (Director, PASB) said that the figures given referred to 1958 and 1959, and that notwithstanding their incompleteness, they were tragic enough. The document endeavored to show that the problem had been growing more critical in Latin America during the past decade. It would probably continue to become more serious in the current decade unless there was a change in the many factors that intervened in the process.

Staff members of local health services rarely mentioned nutrition as being part of their work. If questioned on the matter, they would probably say that it was a responsibility of the Ministry of Agriculture; that Ministry, in turn, would claim that it pertained to the Ministry of Health.

The time had come for Health Ministries to incorporate nutrition programs into the work plan of the local health services. Techniques for measuring the average consumption per person would have to be improved, but it was much more important to improve techniques to induce the people to eat more, to eat better, biologically speaking, with the budget they had. For that work, not trained experts with a deep knowledge of such complex biological problems as nutrition, but a certain elementary methodology was needed. Therefore, the health administrators should approach the problem at the level best suited to their communities.

There was a shortage of food, but not even the available food was consumed adequately. The most tragic proof of that were the mortality

figures for infants and children under five. The importance of voluntary collaboration had been underestimated in Latin America. Nutrition programs should be organized at the local level, staffed by auxiliary employees trained in the basic techniques of food distribution, with technical supervisors who had the proper public health education. The recommendation formulated by the Meeting of Ministers was interpreted to mean that the Ministries of Health should participate actively in the planning and development of nutrition programs and that nutrition should be effectively integrated in health programs so that it would become a basic service at the local level. The greatest importance should be given to the practical application of current knowledge regarding the best distribution of what a country produced or received. Foods from abroad generously contributed by governments or philanthropic institutions did not always benefit the most vulnerable groups of the population because there was no real distribution policy. The distribution of those foods in hospitals, maternal and child health clinics, or other establishments that already had salaried personnel who could take charge of such work should replace the hit-or-miss distribution of the past, a very costly procedure. In accordance with the policy of the Organization, a joint mission from the Inter-American Development Bank and the Pan American Health Organization was collaborating with the Governments of Bolivia and Peru in selecting an area in each country for the simultaneous execution of programs of agricultural promotion, livestock improvement, and rural welfare; in short, a program of health and economic development. That was a proof that the Bureau was endeavoring to comply with the general mandate of the Member

Governments to the effect that health should be incorporated into the general process of development. It was necessary to improve the methodology if consumption were to be evaluated more accurately. The improved methodology would be applied in communities that were enjoying better diets, because nutrition activities had already been incorporated as a regular part of the activities of health centers.

Finally, the Committee unanimously approved the following

RESOLUTION XV            CE48.R15

The Executive Committee,

Having examined the report of the Director on the problems of nutrition in the Americas from the point of view of consumption, which contains general observations on a subject of such outstanding interest; and

Bearing in mind that, as indicated in the document, it is advisable to study the establishment of a means whereby it would be possible to define on a continuing basis the existing state of nutrition in the Continent,

RESOLVES:

1. To take note of the report of the Director on the problems of nutrition in the Americas from the point of view of consumption (Document CE48/12).
2. To recommend that the Director provide assistance to national and international studies as means of improving data on food consumption in Latin America and of keeping data on the existing state of nutrition in the Continent up to date.
3. To recommend that Ministries of Health participate actively in the planning and development of national nutrition programs and that nutrition be effectively integrated into health programs in such a way as to become a basic service at the local level.

17. Report on Buildings and Installations for Headquarters

The item was discussed at the seventh plenary session. The CHAIRMAN greeted Dr. Emory W. Morris, President of the W. K. Kellogg Foundation, and Dr. Matthew R. Kinde, Director of the Division of Medicine and Public Health of the Foundation, who were present at the session. He pointed out the Foundation's invaluable assistance in connection with the construction of the new headquarters building of PAHO. He added that Mr. James R. Wachob, of the United States of America and, up to then, Chairman the Permanent Subcommittee on Buildings and Installations, was also present and that he would report on the activities of the Subcommittee. The Chairman expressed the thanks of the Executive Committee's to Mr. Wachob and to the other Subcommittee members, Mrs. Lilian O'Connell de Alurralde, of Argentina, and Mr. Olegario Russi, of Chile, for their excellent work in connection with the preliminary stages of the construction of the building.

Dr. PORTNER (Chief of Administration, PASB) presented Document CE48/7, containing a progress report on the program for the construction of the permanent headquarters building of PAHO and summarizing the developments since the XVI Pan American Sanitary Conference in September 1962. He was pleased to report that the request made by the Director to the W.K. Kellogg Foundation for an additional financial contribution to meet the revised cost estimates for the new building had been favorably received. The original loan of \$3,750,000 made by the Kellogg Foundation, and covered in the Special Fund for Health Promotion, had been increased to a total

loan of \$5,000,000 to be used for the construction of the building. He was certain that all members of the Committee shared the Director's feeling of gratitude for that further indication of the Foundation's great understanding and help in assisting the work of international public health in the Americas, and particularly that of Dr. Emory W. Morris, President of the Foundation.

Since September 1962, the architects had proceeded with the work of preparing the final plans and specifications for the building. That work was virtually completed and should be finished by 1 June 1963. On the basis of that target date, the time schedule called for the submission of tender and the award of contracts by early July and the beginning of construction by 15 July. It was estimated that the structural framework would be completed by December 1963, the secretariat building by February 1965, and full construction by March-April 1965. Efforts would be made to finish the secretariat building first, for early occupancy.

Dr. Portner stated that, during the past month, the professional services of H. A. Sloane Associates of New York City had been obtained for the final review and analysis of construction costs to determine the sufficiency of available resources. It was intended to sell the PASB buildings on New Hampshire Avenue and place the proceeds of the sale in the Building Fund. Working with the Subcommittee on Buildings and Installations, and with advice of professional real estate appraisers, it is expected to put the property on sale next year. The property was in a choice area with rising values, and it was expected the Bureau would benefit considerably as a result of those favorable factors.

In order to proceed with necessary preparations for the sale, the Director, under District of Columbia regulations, must be specifically authorized to enter into negotiations for the completion of the sale. A draft resolution, intended to meet those requirements of the District of Columbia, was therefore being presented to the Executive Committee for consideration.

In closing, Dr. Portner expressed the Bureau's deep appreciation to the members of the Permanent Subcommittee on Buildings and Installations for all the assistance given in those arrangements, and especially to its Chairman, Mr. James R. Wachob, who would present the Subcommittee's report.

The CHAIRMAN invited Mr. Wachob to present the report. He said that the Executive Committee and the Organization greatly regretted the fact that Mr. Wachob, because of his transfer to another position, would no longer be Chairman of the Permanent Subcommittee, on which he had served so efficiently.

Mr. WACHOB (Chairman of the Permanent Subcommittee on Buildings and Installations) commented further on Document CE48/7, which outlined briefly the progress made by the Subcommittee since the XVI Pan American Sanitary Conference in Minneapolis. The Subcommittee had been informed by the Director in October 1962 that the Kellogg Foundation had granted the Organization's request for an additional \$1,250,000 to defray construction costs for the new Headquarters building. The arrangement for payment of the loan would be the same as for the original Kellogg Foundation loan of \$3,750,000 viz., payment would

revert back to investment in health programs. Though the Subcommittee had recorded its appreciation for the Foundation's generosity, the Executive Committee might wish to authorize the Director to inform the Foundation of its own appreciation for the generous total loan of \$5 million dollars, which had expedited the planning of the new building.

Referring to the disposal of the Organization's buildings and land on New Hampshire Avenue, the site of the Headquarters, Mr. Wachob said that the Subcommittee was studying the matter and would present its recommendations to the next meeting of the Executive Committee. In the meantime, he felt that it might be useful for the Executive Committee to authorize the Director to enter into negotiations for the sale of the property, so that a sale might proceed without delay once the next Executive Committee meeting had agreed on an appropriate method of disposal.

In closing, Mr. Wachob said that the report was the last he would present as Chairman of the Subcommittee, which office he had held for two years. The progress made had been due in large measure to the interest and ability shown by his colleagues, to whom he expressed his appreciation. He also thanked the members of the Executive Committee for their unfailing support, which had made the Subcommittee's task possible.

Dr. MORRIS (President, W.K. Kellogg Foundation) expressed his thanks for the invitation to be present at the session. He congratulated the Chairman and the members of the Subcommittee on Buildings and Installations, as well as the Director of the Bureau and his staff, on the

important progress made since the Conference in Minneapolis. He stated that he and the Foundation had been very pleased to have been able to collaborate with the PAHO and the Governments in that endeavor, and he hoped there would be other opportunities in the future to collaborate in matters of mutual interest in the health field in the Americas.

The CHAIRMAN pointed out that the stage of execution was now being reached. That stage, perhaps the most difficult of all, would give a more exact idea of the extent of the undertaking, and he felt certain that they would once again be able to count on the collaboration of the Kellogg Foundation, which had taken an interest in public health problems in Latin America for so many years. He stressed the need to adopt the proposed resolution authorizing the Director to enter into negotiations for the sale of the Headquarters buildings.

Dr. QUIROS (Peru) stated that the construction of the building should be undertaken as quickly as possible and joined in thanking the Kellogg Foundation for its generous assistance.

Dr. OLGUIN (Argentina) concurred in the comments of the other Committee's members.

Finally, the Executive Committee approved the following

RESOLUTION XVI

CE48.R16

The Executive Committee,

Having considered the reports of the Permanent Subcommittee on Buildings and Installations and of the Director on the progress of the building program;

Noting that construction will soon commence; and

Noting the generous additional grant of \$1,250,000 by the W. K. Kellogg Foundation, which brought its total grant up to \$5,000,000,

RESOLVES:

1. To express its thanks to the W. K. Kellogg Foundation for its continuing interest in and support of the program of international health in the Americas.

2. To express its thanks for the work of the Permanent Subcommittee on Buildings and Installations.

3. To approve the steps taken to date by the Director and the Permanent Subcommittee with respect to the new Headquarters building.

4. To transmit the reports of the Subcommittee and of the Director to the XIV Meeting of the Directing Council.

Dr. QUIROS (Peru) referred to the first paragraph of the operative part of the resolution just approved and said that he was gratified at the manner in which the Kellogg Foundation had been collaborating with the countries of the Americas through the Pan American Sanitary Bureau.

He added that on previous occasions he had mentioned the need for the agencies giving bilateral aid to channel their contributions through multilateral agencies, such as the PASB, since that would result in a better and more rational utilization of the resources.

The Committee then unanimously approved the following

RESOLUTION XVII

CE48.R17

RESOLUTION AUTHORIZING SALE OF PROPERTY KNOWN FOR PURPOSES OF ASSESSMENT AND TAXATION AS LOTS 800 AND 31 IN SQUARE 136 IN THE CITY OF WASHINGTON, DISTRICT OF COLUMBIA, IMPROVED BY PREMISES 1501 AND 1515 NEW HAMPSHIRE AVENUE, NORTHWEST

The Executive Committee,

Whereas the Pan American Health Organization is acquiring a new site for a permanent headquarters building in the District of Columbia and will consequently have no further need for its present headquarters site after such new site is available for occupancy,

RESOLVES:

1. That Dr. Abraham Horwitz, the Director of the Pan American Sanitary Bureau, or his successor, or successors, in office, is hereby authorized to contract with any responsible purchaser or purchasers for the sale of the present headquarters site of the Pan American Health Organization, being the property known for purpose of assessment and taxation as Lots 800 and 31 in Square 136 in the City of Washington, District of Columbia, improved by premises known as and numbered 1501 and 1515 New Hampshire Avenue, Northwest, for the best possible price obtainable on the open market.
2. That the aforesaid contracts shall reserve the right of possession to the seller until the Pan American Health Organization shall have moved to its new Headquarters site.
3. That Dr. Abraham Horwitz, the Director of the Pan American Sanitary Bureau, or his successor, or successors, in office, is hereby authorized to execute the requisite deed, or deeds, in the name of the Pan American Sanitary Bureau and is hereby appointed its true and lawful attorney in fact to acknowledge and deliver the same as its act and deed, and Dr. John C. Cutler, the Deputy Director of the Pan American Sanitary Bureau, or his successor, or successors, in office, is hereby authorized to attest the same.

18. Procedure for the Admission of New Members

Dr. SUTTER (Assistant Director, PASB) on presenting Document CE48/4 on the item, recalled that the XVI Pan American Sanitary Conference, in Resolution IV, recommended that the Directing Council should study and draw up appropriate procedures governing the admission of States to membership of the Pan American Health Organization.

By the same Resolution the Conference delegated authority to the Council to deal, during the intervals between the meetings of the Conference, with all matters relating to the admission of States to membership of the Organization in accordance with the procedures to be adopted by the Council.

Dr. Sutter added that, with the aim of facilitating the work entrusted to the Council by the Conference, the Director requested the Legal Office of the World Health Organization to prepare a draft procedure which could be used as a basis for discussion in the Directing Council. A report on that draft proposal was being made to the Executive Committee in case it wished to make any observations, pursuant to the advisory functions granted it under Article 14.D of the Constitution of the Pan American Health Organization.

Provision was made in the draft proposal for requests for admission to be included in the agenda of the next Meeting of the Conference or the Council, provided that the Director of the Pan American Sanitary Bureau received them at least thirty days before the opening of the meeting.

Admission would be granted on the basis of the affirmative vote of a majority of the Government present and voting at the Conference or Directing Council.

The Committee unanimously approved the following

RESOLUTION XVIII

CE48.R18

The Executive Committee,

Having examined the draft procedure for the admission of new members of the Pan American Health Organization, prepared in accordance with Resolution IV of the XVI Pan American Sanitary Conference,

RESOLVES:

To take note of this draft procedure and to request the Director of the Pan American Sanitary Bureau to transmit it to the Directing Council for its consideration.

19. Request of the Government of Trinidad and Tobago for Membership in PAHO

Dr. SUTTER (Assistant Director, PASB) presented Document CE48/3 referring to the application of the Government of Trinidad and Tobago for membership in the Pan American Health Organization. He stated that on 21 December 1962 the Prime Minister of Trinidad and Tobago had sent the Director of the Pan American Sanitary Bureau a letter in which he applied, on behalf of his country, for membership in the Pan American Health Organization.

The Director informed the Governments of the Organization, the Secretary General of the Organization of American States, and the Director General of the World Health Organization of the application he had received, and stated that it would be submitted to the XIV Meeting of the Directing Council for consideration and appropriate action.

Dr. Sutter added that, on 3 January 1963, the Government of Trinidad and Tobago deposited with the Secretary General of the United Nations the instrument of acceptance of the Constitution of the World Health Organization, as a result of which it became a full member of that Organization.

In accordance with Resolution IV of the XVI Pan American Sanitary Conference, it was incumbent on the Directing Council "to deal with questions of the admission of States to membership in the Organization during the interval between meetings of the Conference...". Consequently, an item on the application of Trinidad and Tobago had been included in the provisional agenda of the XIV Meeting of the Directing Council, which

also included, pursuant to the above-mentioned resolution of the Conference, an item dealing with the "procedure governing the admission of States to membership in the Pan American Health Organization."

Dr. Sutter concluded his presentation by stating that the Document was being submitted to the Executive Committee in case it wished to make any observations, pursuant to the advisory functions attributed to it by Article 14.D of the Constitution of the Pan American Health Organization.

The Executive Committee then unanimously approved the following

RESOLUTION XIX

CE48.R19

The Executive Committee,

Having considered the application of the Government of Trinidad and Tobago for membership in the Pan American Health Organization contained in the letter of the Prime Minister of Trinidad and Tobago, sent on 21 December 1962 to the Director of the Pan American Sanitary Bureau,

RESOLVES:

To take note of this request and to request the Director of the Pan American Sanitary Bureau to transmit it to the Directing Council for appropriate action.

20. Expressions of Appreciation

At the seventh plenary session, when all the items on the agenda had been deal with, the CHAIRMAN proposed that the Committee express its thanks to the National Wildlife Federation for its generosity in providing the Hall in which the meeting had been held. The Chairman concluded his remarks by saying that that gracious gesture had been one more proof of the spirit of solidarity of the public and private organizations of the United States of America, a country that had always given a hospitable welcome to the participants in the meetings of the Pan American Health Organization.

Dr. QUIROS (Peru) supported the Chairman's expression of thanks to the National Wildlife Federation. He then congratulated the Director, the technical staff, and the personnel of the Secretariat of the Pan American Sanitary Bureau for the diligent work accomplished with outstanding dedication, courtesy, and cordiality, both during the current meeting and the Task Force on Health at the Ministerial Level that preceded it.

Dr. AVILES (Nicaragua) associated himself with the words of appreciation to the National Wildlife Federation and also with the congratulations offered by Dr. Quirós to the staff of the Pan American Sanitary Bureau for its contribution to the success of the meetings.

The Committee unanimously approved the above expressions of appreciation.

At the closing session Mr. OLIVERO (Observer, Inter-American Development Bank) once again thanked the Pan American Health Organization, on behalf of the Bank, for its kind invitation to participate as observer at the meeting of the Executive Committee.

He was taking the opportunity to reiterate the interest of the Bank, as the main financial institution for economic and social development in Latin America, in continuing and expanding its activities in the field of health through its Social Progress Trust Fund and the increasing resources it hoped to have available.

Operations in the past two years had included the granting of 30 loans amounting to 162 million dollars for projects whose total value in the realm of sanitation amounted to over 300 million dollars. In that work the Bank had on all occasions enjoyed the valuable collaboration of the Pan American Sanitary Bureau. It was to be hoped that this collaboration and coordination would be intensified in future programs, as would be that with other national and international agencies engaged in health activities for the greater benefit of the countries of Latin America.

Mr. Olivero felt certain that in accordance with its Charter and with the Social Progress Trust Fund Agreement, the Inter-American Development Bank would be ready to collaborate in the most advisable studies and solutions for attaining the public health goals and specially the sanitation goals set forth in the Charter of Punta del Este.

In conclusion he said that he had been gratified to participate in the meeting and once again thanked the Chairman, the members of the Executive Committee, the observers, and the Director and staff of PASB and WHO for the many attentions he had received.

Dr. OLGUIN (Argentina) joined in the expressions of thanks to the Director and staff of the Bureau, and to the National Wildlife Federation, which had been made at the preceding session. He remarked on the excellent work of Dr. Bravo, the Chairman, who had so wisely directed the discussions. He requested that his expression of appreciation of Dr. Bravo be recorded in the minutes.

Dr. WILLIAMS (United States of America), Dr. QUIROS (Peru), Dr. VIDOVICH (Uruguay), and Dr. ORLICH (Costa Rica), associated themselves with the statement made by the Representative of Argentina.

The CHAIRMAN thanked the Representatives for their kind words and stated that the success of the meeting was due to the fact that each of the agenda items had been examined in detail with a constructive spirit, thanks to the excellent cooperation of the Committee members who had fulfilled their responsibility with great technical ability and contributed their experience to the good operation of the Organization. He said that at such a meeting the Chair did nothing more than coordinate the opinions expressed by the members. That he had attempted to do, in response to the confidence placed in him, but he wished to say that it was the Representatives to whom in effect the success of the meeting was due, for they had contributed their ideas and opinions to the Final Report that had been approved. He wished to

join in the expressions of appreciation addressed to the Director and his staff. The work of the Secretariat, as always at meetings of the Pan American Sanitary Bureau, had been most efficient. That was borne out by the fact that the meeting had been able to approve a Final Report that, except for three or four minor stylistic changes, exactly reflected the statements made. It was proof of the efficiency and speed with which the Secretariat worked and the accuracy with which it presented the entire documentation. He was most gratified to have been the chairman of a meeting at which full background information was furnished, which did not always happen. He said he had many years of experience in administrative matters and in international meetings, and it was for that reason that he wished to emphasize the fact that in the Pan American Sanitary Bureau all possible information was placed before the Governing Bodies so as to enable them to solve the problems before them. The Director was therefore to be congratulated on the spirit he had imparted to the Organization and his staff, for that made it possible to work harmoniously on the solution of the problems presented.

In conclusion the CHAIRMAN thanked the interpreters, the staff of the Public Information service and the drivers for their cooperation, which had also contributed to the success of the meeting. He announced that he had sent a letter to the National Wildlife Federation, transmitting the vote of thanks the Committee had approved at the seventh plenary session.

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

DONE in Washington, D. C., United States of America, this twenty-seventh day of April 1963. The Secretary shall deposit the original texts in the archives of the Pan American Sanitary Bureau and shall send copies thereof to the Governments of the Organization.

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Chairman of the  
48th Meeting of the  
Executive Committee  
Representative of Chile

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