



**XXIV PAN AMERICAN SANITARY CONFERENCE**  
**XLVI REGIONAL COMMITTEE MEETING**

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Provisional Agenda Item 3.1

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**ANNUAL REPORT OF THE CHAIRMAN  
OF THE EXECUTIVE COMMITTEE**

*(Presented by Dr. Argentino Luis Pico [Argentina])*

In compliance with the provisions of Article 4.F of the Constitution of the Pan American Health Organization, which establishes that the Pan American Sanitary Conference shall review the annual report of the Chairman of the Executive Committee, presented below is the report on the activities carried out by the Executive Committee during the period between September 1993 and June 1994.

***112th MEETING OF THE EXECUTIVE COMMITTEE***

The single plenary session of the 112th Meeting of the Executive Committee took place on 1 October 1993 at PAHO Headquarters in Washington, D.C. The session was attended by the representatives of Argentina, Belize, Bolivia, Canada, Mexico, Peru, Saint Vincent and the Grenadines, and Uruguay, as well as observers for Barbados, Puerto Rico, and the United States of America.

Elected by consensus to serve as officers of the Committee for the period September 1993-September 1994 were Dr. Argentino Luis Pico (Argentina), as Chairman; Mr. Edward Aiston (Canada), as Vice Chairman; and Dr. Ruben Campos (Belize), as Rapporteur.

Inasmuch as Chile, Cuba, and the United States of America had finished their terms on the Executive Committee, Bolivia and Canada were elected to replace Cuba and the United States on the Subcommittee on Planning and Programming; Canada and Uruguay were elected to replace Cuba and the United States on the Special Subcommittee on Women, Health, and Development; and Belize and Bolivia were elected to serve on the Standing Subcommittee on Inter-American Nongovernmental Organizations in Official Relations with PAHO, replacing Chile and Cuba.

The Committee undertook a thorough analysis of the process and content of the recently concluded XXXVII Meeting of the Directing Council and reviewed some resolutions adopted by the Council. The discussion is reflected in the records of the Meeting.

The members of the Committee suggested several items to be included on the agendas of the 113th Meeting of the Executive Committee and the 21st and 22nd Meetings of the Subcommittee on Planning and Programming. It was proposed, *inter alia*, that the Subcommittee examine the impact on PAHO of the recommendations made by the WHO Executive Board Working Group on the WHO Response to Global Change. It was also suggested that the Subcommittee's agenda include a report on monitoring of progress toward the goal of health for all by the year 2000.

This Executive Committee also set the dates for the 14th Meeting of the Special Subcommittee on Women, Health, and Development, the 114th Meeting of the Executive Committee, and the XXIV Pan American Sanitary Conference, and considered items 5.1, 5.2, and 5.3 on its Agenda. The discussion of those items is summarized below.

*Item 5.1: New PAHO Headquarters Building*

Mr. Tracy (Chief of Administration, PAHO) reported that the Working Party on the new Headquarters building, consisting of Barbados, Chile, and the United States of America, had selected a site in Chevy Chase, Maryland, for construction of the new building and that the Director had signed a contract with the owners of the site. He also reported that a group of neighborhood associations and individuals had brought a lawsuit to prevent PAHO from relocating in Chevy Chase, but said that the Organization's attorneys believed that its position was strong and that it would prevail in the courts.

The presentation and discussion are reflected in the records of the 112th Meeting.

*Item 5.2: Status of the Caribbean Program Coordination (CPC) Building*

The Executive Committee was asked to decide whether the existing CPC building in Barbados, which was in poor condition, should be restored, or whether a new building should be sought. The Director indicated that, taking into account the cost of renting a building of suitable size, the most viable alternative was to construct a new building. He also reported that the Government of Barbados was willing to provide the land free-of-charge and was prepared to contribute to the cost of constructing a new building. In addition, funds could be obtained from WHO.

The Executive Committee authorized the Director to proceed with the plan to construct a new building.

*Item 5.3: Office of the PAHO/WHO Representative in Mexico*

The Director explained that the Office of the PAHO/WHO Representative in Mexico was housed in a rented building and that the rent was expected to increase substantially by 1995. The Secretariat was exploring the possibility of constructing a new building, which the Organization would own and would therefore not be faced with future inflation-driven rent increases. The Government of Mexico had agreed to provide the land and contribute 40% of the estimated cost of constructing the building. It was expected that WHO would contribute an additional 25%. No program funds would be used for the construction project. The Executive Committee was asked to authorize the Director to continue negotiations with the Government of Mexico with a view to initiating construction of the building before the end of 1994.

It was suggested that, in keeping with a resolution of the United Nations General Assembly calling for better coordination between the United Nations agencies operating in each country, PAHO might look into the possibility of sharing space with the UNDP and other United Nations agencies with offices in Mexico. However, the Director pointed out that none of the other agencies had sufficient space in their offices to accommodate the Representation and that the cost of renting a building of sufficient size to enable them to share space would be prohibitive.

The Executive Committee decided to authorize the Director to continue with the negotiations for construction of a new building.

*Item 6: Other Matters*

The Executive Committee discussed two proposed resolutions presented by the Minister of Health of Colombia. In regard to the first, which related to the evaluation of progress toward attainment of the goal of health for all by the year 2000, the Director explained that the proposed resolution was unnecessary, as the activities it called for were already being carried out. As for the second proposed resolution, which concerned, inter alia, the election of the Director of the Pan American Sanitary Bureau and possible participation by candidates for the office of Director in subregional meetings of ministers of health, the Director noted that the Organization had no influence or control over such meetings. Their agendas were set by the participating governments. He also pointed out that, in accordance with the rules and regulations currently in effect, the candidates for Director are not formally nominated until the day of the election during the Pan American Sanitary Conference, although in fact the countries present and begin promoting their candidates well before the Conference. He said that the election process should perhaps be modified, but any such revision would have to be taken up at subsequent meetings of the Executive Committee and the Directing Council. It was not

appropriate for the Governing Bodies to discuss the matter so close to the date of the election.

It was agreed, in light of the Director's comments, that the two proposed resolutions did not warrant further consideration by the Executive Committee.

It was suggested that it would be enlightening for members of the Executive Committee to attend subregional health meetings, particularly those held in the areas with the worst health indicators, as they would thus gain a first-hand understanding of the problems that need to be addressed in the Region in order to achieve the goal of health for all by the year 2000. The Director said that it would not be possible to have all nine members of the Executive Committee attend all the subregional meetings, although the Secretariat could supply the representatives with information about the meetings to be held and would try to facilitate the participation of those members who wished to attend. In addition, the Secretariat could facilitate communication among the representatives and between the representatives and the Secretariat.

### ***113th MEETING OF THE EXECUTIVE COMMITTEE***

The 113th Meeting of the Executive Committee was held at the Headquarters of the Organization in Washington, D.C., from 27 to 30 June 1994. The Meeting was attended by representatives of the nine members of the Committee: Argentina, Belize, Bolivia, Canada, Honduras, Mexico, Peru, Saint Vincent and the Grenadines, and Uruguay. Also present were observers for Brazil, Cuba, El Salvador, France, Puerto Rico, Spain, the United States of America, and Venezuela, as well as representatives of eight intergovernmental organizations and three nongovernmental organizations.

The Meeting was chaired by Dr. Argentino Luis Pico (Argentina), with Mr. Edward Aiston (Canada) and Dr. Ruben Campos (Belize) serving as Vice Chairman and Rapporteur, respectively.

The Executive Committee held eight plenary sessions, in the course of which it examined the following matters, adopting 20 resolutions and various decisions.

#### ***Item 2.1: Adoption of the Agenda***

In accordance with Rule 5 of the Committee's Rules of Procedure, the members adopted the provisional agenda prepared by the Secretariat for the 113th Meeting.

*Item 2.2: Representation of the Executive Committee at the XXIV Pan American Sanitary Conference, XLVI Meeting of the Regional Committee of WHO for the Americas*

Pursuant to Rule 14 of the Rules of Procedure, the Committee designated the Chairman, Dr. Argentino Luis Pico (Argentina), and Dr. Virginia de Espinoza (Honduras) to represent the Executive Committee at the XXIV Pan American Sanitary Conference, XLVI Meeting of the Regional Committee of WHO for the Americas. Dr. Federico Chávez Peón (Mexico) and Dr. Ruben Campos (Belize) were chosen to serve as alternate representatives for Dr. Pico and Dr. de Espinoza, respectively.

*Item 2.3: Provisional Agenda for the XXIV Pan American Sanitary Conference, XLVI Meeting of the Regional Committee of WHO for the Americas*

The Committee adopted, with three slight modifications relating to Procedural Matters, the provisional agenda prepared by the Director for the XXIV Pan American Sanitary Conference, XLVI Meeting of the Regional Committee of WHO for the Americas.

*Item 3.1: Report of the Subcommittee on Planning and Programming*

Dr. Chávez Peón (Rapporteur, Subcommittee on Planning and Programming) informed the Executive Committee that the Subcommittee had held its 21st and 22nd Meetings on 9-10 December 1993 and 6-8 April 1994, respectively. At the Committee's first plenary session he reported only on the items examined by the Subcommittee that were not scheduled to be discussed by the Executive Committee at the 113th Meeting. He reported on the Subcommittee's deliberations relating to other items during the sessions in which those same items were discussed by the Executive Committee.

*Evaluation of PAHO/WHO Technical Cooperation in Guyana.* The evaluation looked at PAHO/WHO cooperation in nine areas: health services development, human resource development, environmental health, control of communicable diseases, AIDS, food and nutrition, maternal and child health, technical cooperation among countries, and the managerial process within the PAHO/WHO Representation in Guyana. It was determined that the Organization has channeled its technical cooperation into priority programs and has made a significant contribution to the most important health problems in Guyana. The evaluation recommended that current efforts be continued and suggested future strategies and activities.

*Report on Maintenance of Hospital Equipment.* It was noted that the expansion and modernization of the physical infrastructure available for the delivery of health services in the Region has not been accompanied by development of the corresponding

capacity to preserve and maintain health care facilities and equipment. The countries had requested technical cooperation from PAHO for the development and strengthening of maintenance programs, but they had not allocated sufficient resources to ensure the sustainability of those programs. The members of the Subcommittee suggested that manufacturers of medical equipment should be asked to collaborate by providing practical training in the operation and maintenance of their products. They also recommended that agreements between countries be established for technology transfer and continuing education.

*Implications for PAHO of the Report of the WHO Executive Board Working Group on the WHO Response to Global Change.* Mrs. Cristina Puentes-Markides (PAHO) presented a document prepared by the Secretariat which reviewed the principal changes at the global level that led to the establishment of the Working Group and explored the possible repercussions of the Working Group's recommendations on PAHO. It was emphasized that PAHO should convey to the WHO Executive Board its willingness to cooperate in the reform efforts, recognizing PAHO's place within the United Nations system but also bearing in mind its special status and responsibilities toward the Member Governments. Suggestions were made regarding, inter alia, the establishment of goals and objectives, the selection of items and the preparation of documents to be presented to the Governing Bodies, the election of the Director-General of WHO and the Regional Directors, and the use of the American Region Planning, Programming, Monitoring, and Evaluation System (AMPES).

*The Role of the State in the Health Sector.* The document presented by the Secretariat discussed some of the political, economic, and social changes that have occurred in the Region and their effects on the health sector, the formulation of health policy, and the work of the Organization. Five principal areas in which the State is involved with the health sector were identified: organization and operation of the health sector, economic and financial intervention in health, legal action in health, political and social intervention in health, and international action in health. The Subcommittee suggested that a more in-depth analysis should be undertaken of health sector reform and the Organization's role in that process. It was pointed out that the subject matter treated in the document was similar in many respects to that of two other documents to be examined by the Executive Committee, namely, the proposed Strategic Orientations and Program Priorities for 1995-1998 and the PAHO/ECLAC document on health, social equity, and changing production patterns. It was therefore recommended that the document not be submitted to the Executive Committee, but that its contents be incorporated into the other two documents.

The Committee did not consider it necessary to adopt any resolution on this item. Dr. Chávez Peón's presentation is reflected in greater detail in the records of the Meeting.

*Item 3.2: Report of the Special Subcommittee on Women, Health, and Development*

Dr. Hartigan, Coordinator of the PAHO Regional Program on Women, Health, and Development, presented the report of the 14th Meeting of the Special Subcommittee, held at PAHO Headquarters from 4 to 6 April 1994. The Subcommittee's agenda included six substantive items; the quadrennial report on technical cooperation in the area of women, health, and development during 1991-1994; a report on interagency preparatory activities for the World Conference on Women to be held in Beijing in 1995; an examination of collaboration between NGOs and the Government of Chile in the area of women, health, and development; a presentation on the promotion and development of research on women, gender, and communicable diseases; a progress report on the development of basic indicators to monitor and evaluate the health conditions of women and gender-related differences in health status; and a study on barriers limiting the recruitment of women to professional posts in the Pan American Health Organization.

The quadrennial report on technical cooperation in the area of women, health, and development reviewed the activities of the PAHO Regional Program and emphasized that the Program's priority for 1994 would be to achieve the systematic incorporation of a gender perspective in the planning of health objectives for the Organization. The Subcommittee endorsed this line of action and requested that PAHO develop and provide to the Member States mechanisms for identifying gender inequalities in health service delivery, as well as assisting the countries in incorporating the gender perspective in the development of basic information systems at the local level.

The Subcommittee made a number of recommendations concerning the work of the Organization in the area of women, health, and development. In particular, the Organization was asked to prepare, for consideration by the 15th Meeting of the Subcommittee, an operational proposal for the development of an evaluation and monitoring system that will take into account not only sex differences but also the social inequalities that result in differences in the health status of women and men. The Subcommittee also recommended that PAHO promote and facilitate opportunities for dialogue and joint planning and programming between the official health sector and nongovernmental organizations concerned with women, health, and development. In addition, the Subcommittee expressed its support for the Regional Program in the key role it will play in implementing the Regional Plan of Action against Violence as a Public Health Problem, and recommended that PAHO collect information from the Member States on all entities dealing with the problem of violence at the country level with a view to promoting intercountry and regional collaboration.

In regard to the recruitment of more women to fill professional posts within the Organization, the Subcommittee recommended that the Organization expand the pool

from which it recruits, in keeping with current efforts to promote an intersectoral approach to health care, and that it increase its efforts to recruit and promote women to positions at the P5 level and above. Finally, the Subcommittee stressed that programs related to women should not be subsumed under maternal and child health or family health programs, which tended to focus attention on women's reproductive function, thereby diminishing the importance of their other roles and achievements.

In the discussion that followed Dr. Hartigan's presentation, it was pointed out that the Regional Program on Women, Health, and Development, and all the other PAHO programs, should give increasing emphasis to the impact of AIDS on women, which is affecting a growing proportion of the female population. In regard to monitoring and evaluation of women's health status, it was noted that it was important to specify what uses would be made of the information collected: for example, to define goals, improve women's health, and monitor progress in the Region. As for the recruitment of women for positions within the Organization at the P5 level and above, it was pointed out that the key concern should not necessarily be the grade level of the posts occupied by women but whether or not women were involved in policy-making.

In the response to the latter comment, the Director said that, unfortunately, PAHO had not been able to do all it would have liked to incorporate women into the staff at higher levels. However, good opportunities would arise during the coming years when, owing to the aging of the work force, about 80 posts at the P5, P6, and D1 levels would become vacant. He also noted that PAHO was one of the few organizations to have attained the goal of having women hold 30% of all professional posts.

The Executive Committee did not consider it necessary to adopt a resolution on this item. The report presented and the representatives' comments are summarized in the records of the Meeting.

*Item 3.3: Report of the Standing Subcommittee on Inter-American Nongovernmental Organizations in Official Relations with PAHO*

Dr. Seoane (Bolivia) reported that, pursuant to Resolution CSP20.R20 of the XX Pan American Sanitary Conference (1978), the Standing Subcommittee on Inter-American Nongovernmental Organizations in Official Relations with PAHO, made up of himself and the Representatives of Argentina and Belize, had undertaken a review of the list of inter-American nongovernmental organizations in official relations with PAHO in order to decide whether those relations should be continued or suspended.

After examining the document prepared by the Secretariat, which contained profiles of various NGOs, the Subcommittee recommended that PAHO maintain relations



with the Latin American Federation of Hospitals, the Pan American Federation of Associations of Medical Schools, the Latin American Union against Sexually Transmitted Diseases, the Inter-American College of Radiology, the Latin American Confederation of Clinical Biochemistry, and the Pan American Federation of Nursing Professionals. Three organizations did not respond to the questionnaire sent them by PAHO, and the Subcommittee decided to allow those organizations an additional 90 days to submit their information before making any recommendation as to continuation or suspension of relations.

In light of the fact that the Organization has developed very productive working relations with other NGOs which are not in official relations with PAHO, the Subcommittee also recommended that the current criteria regarding the establishment and maintenance of official relations be revised.

The Executive Committee adopted Resolution CE113.R18, in which, inter alia, it recommends that the criteria for establishment and maintenance of official relations be updated and requests the Director to prepare a proposal to be submitted for the consideration of the Executive Committee at its meeting in June 1995 and subsequently transmitted to the XXXVIII Meeting of the Directing Council; recommends that relations with the six above-named organizations be continued until the new criteria are adopted; requests the three NGOs that had not submitted information to do so within 90 days; and requests the Director to continue to develop dynamic working relations with inter-American NGOs and continue to foster relationships between the Member Governments and NGOs in health.

*Item 3.4: Report of the Award Committee of the PAHO Award for Administration, 1994*

The Award Committee of the PAHO Award for Administration, 1994, consisting of the Representatives of Belize, Honduras, and Uruguay, recommended that the Executive Committee confer the Award for 1994 on Dr. Zilda Arns Neumann, Director of the Division of Maternal and Child Health in the Ministry of Health of Brazil, for her outstanding work in the administration of programs in a variety of public fields, particularly maternal and child health.

Dr. Alleyne (Assistant Director, PAHO) then presented several proposed modifications to the procedures and guidelines for conferring the PAHO Award for Administration. The changes related mainly to the procedure for making future changes in the amount of the award and the criteria for selection of award recipients.

The Executive Committee adopted two resolutions on this item. Resolution CE113.R11 takes note of the Award Committee's decision regarding the award for 1994 and transmits its report to the XXIV Pan American Sanitary Conference. Resolution

CE113.R17 recommends that the XXIV Pan American Sanitary Conference adopt the proposed modifications to the procedures and guidelines for conferring the award.

*Item 4.1: Strategic Orientations and Program Priorities for the Pan American Health Organization in the Quadrenniums 1991-1994 and 1995-1998*

The document relating to this item consisted of two parts. Part A concerned the evaluation of progress made in implementing the Strategic Orientations and Program Priorities (SOPP) for PAHO during the Quadrennium 1991-1994, while Part B outlined the orientations and priorities proposed for the 1995-1998 quadrennium. Each part was introduced by Dr. Chávez Peón, Rapporteur of the Subcommittee on Planning and Programming, which had considered the document during its April 1994 meeting.

In regard to Part A, Dr. Chávez Peón noted that the report presented to the Subcommittee focused on the extent to which the SOPP had been reflected in the Member Governments' programming and requests for technical cooperation and in PAHO's response to the needs expressed by the countries. The progress evaluation examined the Organization's Annual Program Budgets for 1990, 1991, 1992, and 1993, in addition to the plans, programs, and reports of the countries. Although the evaluation concerned only the first two years of the quadrennium and it was hindered by difficulties in obtaining the necessary information, it suggested several preliminary conclusions, namely: that health was increasingly a part of the regional political agenda, that there continued to be a need to improve the capacity for sectoral analysis and the availability of information, that ensuring equity in health remained a challenge to be met in the Region, and that greater effort was needed to achieve a balance between the characteristics of the health work force and the needs of health services. An additional conclusion was that monitoring of progress toward the quadrennial goals should be part of the continuous monitoring of program and country activities carried out by the technical units of the Organization.

Dr. Perdomo (PAHO) recalled that in 1990 the Executive Committee adopted a set of targets related to the SOPP for 1991-1994 and recommended that progress toward the attainment thereof be evaluated midway through the quadrennium. He noted that a primary objective of the evaluation was to obtain information that would serve as a basis for the formulation of the strategic orientations and program priorities for the following quadrennium. Dr. Perdomo reiterated that the evaluation was limited by a lack of information, which often made it impossible to determine what progress had been made toward attainment of the targets. The targets themselves constituted another obstacle, inasmuch as many did not lend themselves to measurement. Therefore, in drawing up the report, for a number of the targets the Secretariat was only able to give an account of certain activities that were carried out.

He then highlighted, for each strategic orientation and program priority, the evaluation's major findings, including the obstacles encountered in the monitoring and evaluation processes. He also discussed in greater detail the conclusions mentioned by Dr. Chávez Peón. A detailed account of Dr. Perdomo's presentation is included in the records of the Meeting.

In the Committee's discussion of Part A it was emphasized that the evaluation's principal value was that it pointed up the areas in which the Organization should concentrate its efforts in the coming quadrennium. It was also noted that in order to avoid the problems encountered during the 1991-1994 quadrennium it was essential to determine whether those problems had been caused by inadequate funding, deficient technical capacity, or lack of political will. Several representatives emphasized that during the next quadrennium priority attention should be given to environmental health, as the report made it clear that there continued to be huge deficiencies in that area. Drug abuse, especially among young people, was mentioned as another priority area for action during 1995-1998.

It was noted that the report showed that tremendous progress could be achieved through concerted effort between the Member Governments and the Secretariat. It was also suggested that while each country's policies should be formulated on the basis of its own specific needs and priorities, the Organization could make a valuable contribution by proposing basic common policies aimed at ensuring minimum living and health conditions for all peoples of the Region. Finally, the need to improve data collection and monitoring capabilities was underscored.

In regard to Part A of this item, the Committee adopted Resolution CE113.R2, which recommends that the XXIV Pan American Sanitary Conference adopt a resolution relating to the progress report on the SOPP 1991-1994 and monitoring of future SOPP. The text of that resolution is included in the Final Report of the 113th Meeting.

In introducing Part B, the proposed strategic orientations and program priorities for 1995-1998, Dr. Chávez Peón (Rapporteur, Subcommittee on Planning and Programming) said that the document presented to the Subcommittee in April 1994 emphasized that a principal challenge for the next quadrennium would be to increase coverage and access to health services. To meet that challenge, five general strategic orientations were proposed: health in development, health sector reform, health promotion and protection, environmental protection, and disease prevention and control. The members of the Subcommittee welcomed the proposal's emphasis on ensuring universal access to health services and expressed their satisfaction with the importance it attached to the productivity of the health sector and its function as a producer of goods and services. They also suggested that the orientations proposed for the countries should be more specific and that the functions of the Secretariat should be more concretely

defined. The Subcommittee recommended that specific objectives and targets be set for the quadrennium in order to give the countries a concrete basis for decision-making and provide more direction for the PAHO technical programs. In addition, the Subcommittee requested that the linkage between the strategic orientations and program priorities and the various planning documents--including the biennial budgets and specific plans of action--be made more clear.

Dr. Alleyne (Assistant Director, PAHO) explained that the document containing the Strategic Orientations and Program Priorities for the Organization in the 1995-1998 quadrennium had been structured on the basis of the following principles: continuity of the efforts begun in 1991-1994; establishment of a strong link with the Ninth General Program of Work of the World Health Organization; and commitments and responsibilities of the Member States and the Secretariat. In addition, the document attempted to outline how the Secretariat would undertake to fulfill its responsibilities. He emphasized that the document was not a strategic plan and did not attempt to address specific concerns of specific countries. Rather, its aim was to signal the principal directions to be taken by the Organization as a whole in the coming quadrennium.

He outlined the contents of the document and then examined each of the five strategic orientations. In regard to the first, health and development, he emphasized that the major concern for the Organization was to further human development, ensuring at the same time that health was seen as something of value in and of itself, rather than simply as a factor that contributed to development. As for health sector reform, the second orientation, the principal challenges were how to provide universal coverage and how to adapt the physical, financial, organizational, and human resources infrastructure of health services to make them work more effectively. The three main concerns in regard to the third orientation, health promotion and protection, were to encourage healthy attitudes and practices, promote the formulation of healthy public policy, and address behavioral issues of growing importance, such as the escalation of violence. Preservation and protection of the environment, the fourth orientation, was imperative in order to ensure human well-being. It was also essential to address the deficiencies in water supply and sanitation, urban development, and housing. The fifth orientation, disease prevention and control, would remain a top priority and the Organization would continue its efforts to combat both communicable and noncommunicable diseases.

Dr. Alleyne also commented briefly on the sections in the document that discussed the ways in which PAHO would orient its technical cooperation during the quadrennium and the instruments that would be used to make that cooperation more effective and assess its impact.

During the Committee's discussion of Part B, the representatives indicated that they thought the orientations were generally valid and were in fact the areas in which efforts were already being made in their countries. The areas of work and lines of action were considered a sound basis for technical cooperation between the countries and by the Organization with the countries. Some representatives felt that the Organization's priorities needed to be more clearly expressed and thought its responsibilities in defining its technical cooperation programs should be more explicitly defined. It was pointed out that priorities could not really be considered priorities unless significant monetary value was attached to them in the budgets of the Organization and the countries. Accordingly, several representatives requested that the connection between the biennial budgets and the SOPP 1995-1998 be further clarified and that a section be added to the document showing the priorities to which resources were being allocated in the PAHO budget.

Several representatives said that it was important to set quantifiable objectives in order to assess what progress was being made with regard to the priorities identified for the quadrennium, although other representatives pointed out that setting such objectives for all the countries would be difficult since the needs in the countries differed, sometimes substantially. It was also noted that in the case of social and development objectives, such as those envisaged in the SOPP, it was often difficult to measure results in concrete terms.

It was suggested that the SOPP should address the health issues associated with natural disasters and with the phenomenon of rural-urban migration. It was also suggested that they should place greater emphasis on the need for popular participation in health initiatives.

Dr. Alleyne acknowledged that popular participation was indeed extremely important to health promotion and environmental protection and said that the Secretariat would endeavor to clarify that point. In regard to the inclusion of more specific priorities, he pointed out that if the document focused too narrowly on certain priorities it would not reflect the overall needs of the Region and it might be viewed as too selective about the lines of action PAHO should pursue. He also said he was wary about using the budget as a measure of the degree of priority attributed by the Organization to any given issue; instead, the criterion applied should be the extent to which national authorities allocated budgetary funds to a particular problem area. In addition, he pointed out that it was not feasible to include budget figures in the SOPP document because, first, it was not a planning document and, second, the budget could only show the WHO portion of the Organization's budget (under consideration in 1994), and the figures would therefore be partial. It would be possible, however, for the Organization to cast the 1995-1996 biennial budget in such a way as to reflect the strategic orientations and program priorities and the results expected from technical cooperation.

The Director, Dr. Macedo, emphasized that the orientations and priorities set out in the SOPP document had not been determined by the Secretariat alone but had emerged from consultations with the Member States and reflected the recommendations made by the Subcommittee on Planning and Programming. The document was intended to serve as a frame of reference for the formulation of policies, planning of activities, and development of health programs by the countries. He stressed that the document was a policy document and therefore was purposely general. It was intended to establish the basic orientations that would guide the subsequent formulation of more specific objectives and plans of action. He noted that it would be feasible to prepare, as had been done during the 1991-1994 quadrennium, an annex to the document that included targets and was more specific about the activities to be carried out. However, it was the Subcommittee on Planning and Programming that should undertake that task at its meeting in December 1994 or in April 1995.

Dr. Macedo said that he thought the Organization's responsibilities in terms of the definition of its technical cooperation programs had been made quite clear, but an effort would be made to improve that facet of future strategic orientation documents. In response to the representatives' comments regarding inclusion of budget figures in the SOPP document, he pointed out that the viability of the proposed orientations and priorities did not depend exclusively on the volume of resources provided in the budget--particularly the PAHO budget, which was limited and would not increase--but on efforts of the countries and the Secretariat. Rather than including a section in the document on the resource requirements associated with the SOPP, it was more appropriate to consider how the limited available resources could best be used to reflect the emphasis on priority areas. Finally, he noted that the Governing Bodies had the responsibility to establish the policy orientations of the Organization, which took precedence over decisions regarding the allocation of financial resources.

In relation to Part B of this item the Executive Committee adopted Resolution CE113.R4, recommending that the XXIV Pan American Sanitary Conference adopt a resolution accepting the proposed strategic orientations and program priorities as the basic frame of reference for the strategic planning of the Organization during the quadrennium 1995-1998. That text of that resolution, which reflects many of the concerns expressed by the representatives during the discussion, appears in the Final Report of the 113th Meeting.

*Item 4.2: Provisional Draft of the Program Budget Proposal of the World Health Organization for the Region of the Americas for the Biennium 1996-1997*

Dr. Chávez Peón (Rapporteur, Subcommittee on Planning and Programming) introduced this item, which was examined by the Subcommittee at its meeting in April 1994. He noted that Mr. Milam (PAHO) had told the Subcommittee that the instructions

from the Director-General of WHO regarding preparation of the regional budget proposals for 1996-1997 were quite different from those received in the past. Rather than setting a ceiling on cost increases, the Director-General requested the regions to submit their proposals without any cost increases over 1994-1995 levels. The instructions also called for the allocation of 3% to four priority areas in Country Programs: (1) human health in a changing environment; (2) proper food and nutrition; (3) integrated disease control as part of overall health care and human development; and (4) dissemination of information for advocacy and for educational, managerial, and scientific purposes.

The Subcommittee stressed the need for the structure and execution of the budget to be consonant with the strategic orientations and program priorities of PAHO for the 1995-1998 quadrennium and with the Ninth General Program of Work of WHO, and pointed out that the budget should be sufficiently flexible to allow for changes resulting from the WHO Executive Board's examination of the report of the Working Group on the WHO Response to Global Change. The members also noted that voluntary contributions were decreasing and that it was therefore essential to rationalize spending and establish clear priorities.

Mr. Milam advised the Executive Committee that the tentative amount to be requested from WHO for the Region for the biennium 1996-1997 was US\$ 79,794,000. He noted that the document submitted to the Committee showed that PAHO had complied fully with the Director-General's instructions and had distributed 3% among the four priority areas mentioned by Dr. Chávez Peón. The budget for those priority areas had thus been increased 19.4%, which had necessitated a reduction in Multicountry Programs and in the Caribbean Program Coordination, since the budget allowed for no growth. He briefly reviewed the various tables contained in the document, noting that the estimated program and cost increases and decreases shown in Tables 5 and 6 were based on the cost factors used in the 1996-1997 projection contained in the PAHO Biennial Program Budget for 1994-1995 (*Official Document 254*). He said the Secretariat had thought that those preliminary estimates would be of interest to the Executive Committee, although the Director-General's instructions had not called for them and the WHO Executive Board would not make its recommendations on the cost increase factors to be used by the regions until January 1995. Finally, he remarked that Table 5 indicated that the overall aggregate increase in the budget was projected to be 8.4% for the biennium, or about 4.1% annually, which the Secretariat felt was a reasonable and conservative proposal.

The Director pointed out that a zero-growth budget in fact signified a reduced budget in many cases. He also told the Committee that the Director-General's instructions regarding allocation of 3% to the four priority areas had met with resistance in some of the WHO regions, and the Director-General had recently decided to give the

Regional Directors discretion in allocating those funds. However, the Region of the Americas would still try to distribute the 3% in accordance with the original instructions.

He emphasized that the Secretariat had taken great care to ensure that the draft proposal reflected the orientations contained in the Ninth General Program of Work of WHO and the policies expressed in the preliminary document on the strategic orientations and program priorities for PAHO in the 1995-1998 quadrennium. He assured the members that the Secretariat would make every attempt to adjust the Annual Program Budget for 1995 to the SOPP adopted by the XXIV Pan American Sanitary Conference, and promised to report to the Subcommittee on Planning and Programming in that regard in April 1995. He pointed out that although the draft proposal was a preliminary document, it clearly illustrated the areas in which PAHO was placing emphasis. One example was the priority assigned to country programs. Another was the continuing effort to increase the Organization's efficiency and reduce administrative costs in order to make more resources available for cooperation with the countries, to which he noted almost 90% of the funds in the draft proposal would be allocated.

During the Committee's discussion the representatives expressed concern about the way in which WHO went about setting its priorities. Several representatives felt that too many programs were included in the budgets and that greater impact could be achieved by concentrating more resources on a reduced number of programs. The representatives also thought that WHO failed to consult sufficiently with the Member States in formulating its budgets. It was pointed out that the staff of WHO had unilaterally selected the four priority areas specified in the Director-General's instructions, without giving the countries a chance to voice their opinions and concerns. Moreover, it was noted that the reductions ordered by the Director-General had not been applied to WHO Headquarters in Geneva. Thus, while the amount available for health programs in the countries had gone down, the amount allocated to Headquarters had remained the same. It was pointed out that PAHO has developed a procedure whereby the Member States are given the opportunity to express their views on the establishment of priorities at several stages in the budgeting process. WHO should follow PAHO's example. It was noted that the presence of representatives from three countries of the Region on budgeting and programming committees of the WHO Executive Board should help to ensure that Regional concerns are heard.

The Director agreed that the manner in which WHO allocated resources to the regions was indeed a motive for concern, particularly as some regions consistently seemed to receive substantially less than others. Nevertheless, he noted that setting priorities was not an easy task for an international organization, which had to try to consolidate the needs of 178 very different countries into a limited number of priorities. He observed that PAHO had managed to be extraordinarily flexible in responding to the needs of the countries. As an example, he cited the fact that the level of WHO resources



applied to country programs had increased from 40% in 1984-1985 to 52% in the 1994-1995 biennium, despite the fact that the Organization's regular resources had decreased 30%.

He informed the Committee that a new WHO program classification was in the final stages of preparation and that the number of programs would be reduced from close to 70 to around 22, which should help to better focus the Organization's activities. In addition, the classification is expected to be more consonant with the Ninth General Program of Work.

With respect to the problem of extrabudgetary resources, he noted that while the availability of resources from individual donor countries has decreased, the potential exists for substantial growth in the funds available for health activities from the World Bank and the Inter-American Development Bank, which have established policies to increase their allocations for social-sector projects. The challenge is to ensure that the health sector uses those funds wisely, and PAHO has an important role to play in assisting the countries to make appropriate decisions in that regard.

The Executive Committee adopted Resolution CE113.R3 on this item, recommending that the XXIV Pan American Sanitary Conference approve the request to WHO for US\$ 79,794,000 for the Region of the Americas for the biennium 1996-1997.

*Item 4.3: Expanded Program on Immunization (EPI)*

Dr. De Quadros (PAHO) presented the Secretariat's report on this item. He underscored that the most important achievement in the fight against vaccine-preventable diseases in the Region was the apparent eradication of poliomyelitis from the Region of the Americas. He reported that the International Certification Commission on Polio Eradication would meet on 22-25 August 1994 to determine if the Region could be certified polio-free. He stressed, however, that it was important for the countries not to become complacent in the face of this victory; it was essential to remain vigilant and maintain vaccination coverage, not only for polio but for the other vaccine-preventable diseases targeted for control or elimination, such as measles and neonatal tetanus.

He noted that tremendous progress had been made in controlling measles, and transmission had apparently been interrupted in Chile, Cuba, and the English-speaking countries of the Caribbean. As with smallpox and polio, the Region seemed to be leading the way toward measles eradication in the world, and the strategies for measles elimination formulated by the Region of the Americas had served as a model for the global strategies outlined by WHO. As for neonatal tetanus, he said that the Region of the Americas was currently reporting the lowest number of cases in the world and noted that it was feasible for the Region to attain the target set by the World Summit for

Children of fewer than 1 case per 1,000 live births in all areas of all countries by 1995, although it would be necessary to intensify efforts in that direction.

In regard to immunization coverage, he informed the Committee that previous levels had been maintained or had increased in recent years, but that continued effort was needed. He emphasized that immunization programs had been shown to be the most cost-effective of all public health activities and pointed out that they entailed other benefits in terms of health infrastructure, including a corps of better trained epidemiologists and personnel who were better equipped to plan health activities at the local level. He also noted that through the Children's Vaccine Initiative new and better vaccines would be developed which would make it possible for future generations to derive maximum benefit from this powerful preventive tool.

The representatives were unanimous in commending Dr. De Quadros for the report and praising the achievements made under the Expanded Program on Immunization, especially the success in eradicating polio. Several described the immunization activities being carried out in their countries. It was pointed out that the EPI had demonstrated the Region's capacity to focus attention on a particular health problem and marshal the political will and resources necessary to achieve a goal. The issues of sustainability of immunization programs and post-campaign maintenance of coverage were raised, and Dr. De Quadros noted that they would be discussed in greater detail in the document to be presented to the XXIV Pan American Sanitary Conference.

The Director informed the Committee that in 1993 Dr. De Quadros was awarded the prestigious Prince Mahidol award--the equivalent of a Nobel prize in public health in Southeast Asia--by Princess Maha Chakri Sirindhorn of Thailand for his efforts toward the eradication of poliomyelitis in the Americas. Part of the monetary amount of the award was used to establish a prize that will be awarded each year to an EPI health worker in Latin America or the Caribbean. He emphasized that it is health workers in the countries--not the Secretariat--who truly deserve the credit for the achievements made under the EPI, and he also recognized the contribution that has been made by other organizations, including UNICEF, Rotary International, the United States Agency for International Development, the Canadian International Development Agency, and the Inter-American Development Bank.

The Executive Committee adopted Resolution CE113.R5, which recommends that the XXIV Pan American Sanitary Conference adopt a resolution recognizing the accomplishments made under the EPI and urging the countries and the Organization to continue to assign priority to immunization efforts. The full text of the resolution is included in the Final Report of the 113th Meeting.

*Item 4.4: Proposal for Convening a Pan American Conference on Health and the Environment in Sustainable Development*

Mr. Cuneo (PAHO) told the Committee that the proposal to convene a Pan American conference on health and the environment was prepared pursuant to a resolution (CD36.R13) adopted in 1992 by the XXXVI Meeting of the Directing Council. At that meeting it was emphasized that Agenda 21 and the other instruments adopted at the United Nations Conference on Environment and Development (UNCED) had enormous implications for the health sector and for the work of the Organization. The principal challenge identified for the sector was to ensure that health and environmental concerns were given due consideration in the countries' plans for sustainable development. The Commission on Sustainable Development, which was created by the United Nations Economic and Social Council to follow up on the actions taken to implement Agenda 21, entrusted WHO with the task of monitoring progress in the area of health promotion and protection.

He said that it was expected that national meetings would be held during 1994 to promote the incorporation of health and environmental components into national plans for sustainable development. Those national plans would be discussed at the proposed Pan American Conference, which was tentatively scheduled for 21-23 August 1995. At the same time, an attempt would be made to establish common Regional policies, strategies, and priorities in order to give the health sector clear guidelines to follow and enable it to contribute more effectively to the process of preparing the national plans. The Pan American Charter on Health and Environment, which the conference was expected to adopt, would also serve as a guide for the Governments and the Organization. Mr. Cuneo noted that a number of other organizations, including the OAS, ECLAC, UNEP, and UNICEF, would be participating in the conference, and it was hoped that the World Bank and the Inter-American Development Bank would provide financial support.

The Executive Committee expressed unanimous support for the idea of holding a conference. However, several delegations felt that the conference should be more action-oriented and should produce specific plans and activities for PAHO to carry out in response to the priorities identified by the countries in their national plans for sustainable development. It was also noted that the viability of the conference depended heavily on whether or not the necessary donor funding could be obtained. Accordingly, it was proposed that the date of the conference not be set until it was known whether sufficient funds would be available and the Subcommittee on Planning and Programming had been given the opportunity, in December 1994 or April 1995, to approve a more detailed, outcome-oriented agenda. The Director pointed out that it would be impossible to secure financing to hold the conference if a specific date was not set, as it was necessary to submit proposals to donors well in advance of their budgeting deadlines.

He suggested, therefore, that the Executive Committee approve the proposal to hold the conference in August 1995, subject to submission of a report to the Subcommittee on Planning and Programming on the Organization's progress in securing funding for the conference and acceptance by the Subcommittee of the proposed agenda.

The Executive Committee adopted Resolution CE113.R6, which incorporates the Director's suggestion and recommends that the XXIV Pan American Sanitary Conference adopt a resolution accepting the proposal to hold the Pan American Conference on Health the Environment in Sustainable Development on 21-23 August 1995. The full text of the resolution is included in the Final Report of the 113th Meeting.

*Item 4.5: International Basic Safety Standards for Protection Against Ionizing Radiation and for the Safety of Radiation Sources*

Dr. Borrás (PAHO) presented the document prepared by the Secretariat on this item. She noted that the health risks of exposure to ionizing radiation had long been recognized and for that reason certain activities involving the use of radioactive materials were subject to safety standards. She also pointed out that the United Nations Scientific Committee on the Effects of Atomic Radiation had reported in 1993 that populations throughout the world were being exposed with increasing frequency to medical applications of radiation. In order to address the problems posed by growing exposure to ionizing radiation, or potential exposure through accidents, the International Commission on Radiological Protection (ICRP) had established a system of concepts, principles, and techniques to prevent and control radiological risks.

The Inter-Agency Committee on Radiation Safety (IACRS) was formed in 1990 to assist the countries in applying the scientific recommendations of the ICRP in their regulations and practices at the national level. A number of international organizations, including WHO and PAHO, participate on the IACRS, which prepared the international basic safety standards examined by the Executive Committee. Dr. Borrás pointed out that the principal purpose of the standards, of which PAHO was one of six co-sponsoring organizations, was to provide guidance to national authorities in establishing regulations and criteria that were adapted to local situations, although she noted that the countries were not formally obligated to adopt the standards, which were not intended to replace national laws or regulations. Dr. Borrás said that PAHO's primary interest in co-sponsoring the standards had been to ensure that they reflected the needs of its Member States, in which most radiological applications did not involve major sources of radiation, such as nuclear power plants, but minor sources, mainly in the medical field. The Organization hoped the document would be used by the Governments in Latin America and the Caribbean to update their legislation and regulations on radiation safety.

She explained that the standards provided for protection from all controllable sources of radiation, from the simplest to the most complex. They contemplated exposure or potential exposure of workers and the public at large, including exposure of patients through medical applications, and they contained both general and specific requirements, including detailed numerical information on maximum permissible exposure levels and other guidelines. She pointed out that an important aspect of the standards was the specific guidance they provide for emergency situations in which radiation is released into the environment.

Dr. Borrás told the Committee that the standards were in the final stages of consideration and adoption by the governing bodies of the six co-sponsoring organizations and were scheduled to be published in final form in 1995. She concluded by saying that it was essential for all the countries in the Region to understand the need to adopt the standards and to develop national plans for their implementation, and that PAHO would do all it could to help them in that effort.

The Committee found Dr. Borrás's presentation extremely clear, concise, and informative and adopted Resolution CE113.R7, which recommends that the XXIV Pan American Sanitary Conference adopt a resolution endorsing the standards and urging the Member States to use them as a guide in establishing their national regulations and criteria on radiation safety. The text of the resolution may be found in the Final Report of the 113th Meeting.

*Item 4.6: Health and Peace for Development and Democracy in Central America*

Mrs. Puentes-Markides (PAHO) reported on the evaluation of the second phase of the initiative "Health and Peace for Development and Democracy in Central America," which was presented to the Executive Committee pursuant to a resolution of the XXIII Pan American Sanitary Conference. The evaluation covered the period 1991-1994 and looked at the progress made under the Central American Health Initiative and the subregional and national projects carried out in various priority areas.

She recalled that the initiative came about as a response to the urgent health needs of the population of Central America and the need to coordinate planning and resource mobilization efforts to improve the health programs and services in that subregion. The initiative has been endorsed by political leaders from the subregion at various political forums, including the meetings of ministers of health of Central America and the summit meetings of Central American presidents. The first phase was launched in 1984 with the theme "Health: A Bridge for Peace." The second phase, the theme of which was "Health and Peace for Development and Democracy," was approved in 1990. Four priority areas were chosen for action during phase II: health infrastructure, health promotion, disease control, and attention to special groups and to the environment.

Mrs. Puentes-Markides emphasized that despite the obstacles posed by demobilization processes, strikes, natural disasters, and scarcity of resources in the health sector, phase II of the initiative yielded positive results. The principal objective--to contribute to peace, economic and social development, and subregional integration--was achieved. Through the initiative, action was taken to address the health problems of priority groups, especially those affected by armed conflict in the subregion. Support was provided for decentralization and the development of local health systems. Notable progress was made toward eradicating poliomyelitis and eliminating neonatal tetanus and measles, and the countries collaborated in projects for the control of malaria and dengue in border areas. Significant headway was also made in the area of environmental protection.

In regard to the areas that need further strengthening during a third phase of the initiative, she said that coordination of sectoral action needed to be improved, as did coordination between the ministries of health and social security institutions in the countries. Development of human resources was another need. She noted that in particular it was essential to train people to prepare, negotiate, and derive maximum benefit from projects financed with donor resources. Finally, the countries should agree on a common subregional health agenda and pool their efforts to find solutions to shared problems.

In the discussion that followed Mrs. Puentes-Markides' presentation, the representatives expressed their support for the Central American Health Initiative, praising the accomplishments made by the countries of the subregion and the degree of cohesion they had achieved in their activities. It was pointed out that the same approaches that had been used so successfully to combat cholera and the vaccine-preventable and vector-borne diseases in the subregion could also be applied to the fight against other health problems, such as AIDS.

In relation to this item, the Committee adopted Resolution CE113.R8, which recommends that the XXIV Pan American Sanitary Conference adopt a resolution expressing support for continued efforts to further development and democracy in Central America through actions in the field of public health. That resolution is included in the Final Report of the 113th Meeting.

*Item 4.7: Regional Plan of Action for Health Promotion in the Americas*

Dr. Chávez Peón (Rapporteur, Subcommittee on Planning and Programming) summarized the presentation made to the Subcommittee on this item, noting that the Regional Plan on Health Promotion was formulated in response to a resolution of the Directing Council, which called on the Secretariat to prepare a plan to guide the countries in translating the health promotion strategy set forth in the SOPPs for 1991-

1994 into concrete action. The Regional Plan indicated the processes the Organization hoped to promote and set forth the priority areas in which the Organization considered action most important, emphasizing in particular the healthy cities or communities movement, intersectoral action, community participation, environmental protection, encouragement of healthy lifestyles, and incorporation of health promotion into educational activities. The Plan was expected to spur the development of policies, plans, and programs on health promotion in the countries and to encourage new approaches to public health, promoting a view of health as a social good or commodity. In regard to monitoring and evaluation of progress made under the Plan, he noted that the Organization was exploring the possibility of developing an information system to facilitate the task.

Dr. Restrepo (Director, Division of Health Promotion and Protection, PAHO) explained that the Plan set out the principles and attributes of health promotion which the Organization considered essential to facilitate the design and implementation of activities in this area. The Plan provided for technical cooperation in three major areas: attention to physical and social environments, modification of harmful behaviors, and development of health services. She noted that the Secretariat had incorporated comments made by the Subcommittee on Planning and Programming in regard to the need for health promotion activities to take into consideration the diverse cultural and anthropological characteristics of the countries, and said that the Organization was promoting research on health-related knowledge, attitudes, and practices precisely with a view to obtaining such information.

She pointed out that while all the countries had adopted the health promotion strategy, neither the political support expressed nor the resources allocated for its application had been sufficient. She emphasized that the Plan's success would depend largely on the resources and political support that could be mobilized for such activities in the countries, since the Organization's resources were limited.

The Committee found the Plan to be well-designed and timely. It was suggested that prevention of tobacco use should be a top priority for the Organization's health promotion activities, particularly in order to combat the aggressive promotional campaigns that tobacco companies were conducting in the developing countries. It was felt that efforts should also be focused on the related problems of alcohol and drug addiction, and it was noted that the link between the latter and AIDS should not be overlooked. Violence was cited by several representatives as a public health issue of utmost importance and one that should receive priority attention. It was suggested that it would be useful for PAHO to compile and disseminate information on successful health promotion activities carried out in the countries of the Region as this information would help other countries to develop their own activities.

Dr. Restrepo indicated that the Organization had documented health promotion experiences of the countries and would promote the exchange of information in that regard. She agreed that prevention of tobacco use was an important issue and pointed out that a Regional plan on the matter existed, although the limited funding available made it impossible to effectively counter the efforts of the financially powerful tobacco companies. Similarly, she noted that the recently adopted Regional Plan of Action against Violence was in the early phases of implementation.

The Executive Committee adopted Resolution CE113.R9, which, inter alia, approves the Regional Plan of Action for Health Promotion and urges the Member States to prepare and implement national plans for health promotion, encourage intersectoral participation in health promotion programs, allocate sufficient resources for implementation of the Regional Plan, and give special recognition to the adverse effects of the use of tobacco, drugs, and alcohol on the health of individuals and to their impact on health system expenditures. The resolution also requests the Director, within the limits of available resources, to encourage the adoption of health promotion as a common strategy for technical cooperation by all the Organization's programs and to promote the exchange and dissemination of information about successful health promotion experiences and initiatives in the countries.

*Item 4.8: Acquired Immunodeficiency Syndrome (AIDS) in the Americas*

Dr. Chávez Peón (Rapporteur, Subcommittee on Planning and Programming) told the Executive Committee that the Subcommittee had heard a report on AIDS at its meeting in December 1993. The report noted the budgetary problems the Regional Program on AIDS was facing and described the proposed administrative changes in the Global Program on AIDS. It examined epidemiological changes in the disease, including the shift to increased heterosexual transmission, the rising rate of HIV infection among younger age groups, the proliferation of cases among intravenous drug users, the growing tendency for AIDS to become a disease of the poor, and the increased prevalence of tuberculosis as an opportunistic infection in the Member States. The report also discussed the proposal to transfer responsibility for the Global Program on AIDS to a United Nations interagency group and indicated that the major challenge confronting the AIDS programs at the global level was for WHO to maintain technical leadership in this area while coordinating its actions with those of other agencies.

He noted that the Director had informed the Subcommittee that not all the countries nor all the Regional Directors had been consulted on the proposed administrative changes in the Global Program on AIDS, and he had announced his intention to inform all the Member States of PAHO on the Secretariat's position with regard to this proposal. The Director had expressed his personal conviction that the Global Program on AIDS should provide for effective participation by other agencies,



including regional agencies, but the basic responsibility for leadership in this interagency effort should remain with the health sector and, specifically, with WHO. He had also commented on some of the disadvantages that would result from the proposed transfer of authority, the main one being that responsibility at the national level would rest with the United Nations Resident Coordinator, which would leave the role of the PAHO/WHO Representative unclear and undermine the fundamental responsibility of the Ministries of health to take the lead vis-à-vis the other ministries.

The Subcommittee underscored that AIDS--notwithstanding its social, educational, economic, labor, communication, religious, and other repercussions--continued to be a health problem and should be treated as such, although that did not preclude multidisciplinary participation by other agencies. Some members also expressed the opinion that the proposed transfer of responsibility would ultimately be beneficial for the administration of the Global Program on AIDS.

Dr. Zacarías (PAHO) updated the information contained in the document examined by the Executive Committee. He told the Committee that 900,000 AIDS cases had been reported worldwide. The United States accounted for about 40% of the world total and the other countries in the Americas for approximately 11.5%. Nevertheless, WHO estimates indicated that in fact there had been more than 3 million cases of AIDS since the epidemic started. Even more important than the number of cases, he affirmed, was the number of persons infected with HIV, which in the Region was more than one million. He noted that more women were becoming infected and that the male/female ratio of infection in some countries was now 1:1 or 2:1. The Regional Program's projections indicated that the Region of the Americas was still in the upward phase of the epidemic.

He pointed out that by 1995 the cost of direct medical and hospital care for new AIDS cases could reach \$500 million a year. Most Latin America and the Caribbean countries are investing no more than \$100,000-\$500,000 a year on AIDS prevention, however. He noted that in many cases AIDS programs had been pressured to concentrate their effort on providing care for AIDS patients, which meant that prevention had not received as much attention as it should have. Highly effective preventive means were available, but the benefits of preventive efforts would not become apparent for about 20-25 years, and financial support was being provided to national AIDS programs with the expectation that they would produce results in 3-10 years. Consequently, the countries and the Regional Program had seen the amount of funding they received from the Global Program on AIDS fall by 50%. He emphasized that the technical knowledge to apply effective preventive interventions was available, but the political commitment and financial resources necessary to curb the epidemic and reduce its social and economic impact were lacking.

In regard to the proposed establishment of a joint AIDS program to be cosponsored by a group of United Nations agencies, Dr. Zacarías said the challenge for the Region would be to establish a regional coordination mechanism and ensure that PAHO continued to fulfill its mission of providing the countries with technical support in this area. PAHO would be concerned mainly with strengthening the leadership of the ministries of health in the fight against AIDS.

The Director informed the Committee about the latest developments in the planned changes in the Global Program on AIDS, noting that the United Nations Economic and Social Council was expected to approve the proposal to establish a joint United Nations program in July 1994. He told the Committee that he had met with members of the WHO Secretariat to discuss the implications of that change for the Region of the Americas and was pleased that there now seemed to be consensus that the Region merited differential treatment within the new arrangement, given the existence in the Region of a number of influential organizations--notably those of the Inter-American System--which had been excluded from the original proposal but were involved in AIDS efforts at the Regional level. He noted that there were several obstacles to be overcome, including difficulties in interagency communication, difficulties in maintaining a process of ongoing consultation with the governments of the Region, and difficulties in coordinating the timing of Regional changes with those taking place at the global level. Nevertheless, he expressed the hope that by November 1994 it would be possible to hold a formal negotiating session to decide how the Regional program was to be integrated into to the global program, which was expected to be functioning by 1 January 1996.

He emphasized that the Organization's primary concerns were to ensure the smooth functioning of the AIDS program in the countries level, which meant shifting responsibility for implementation and financing of activities to the national level; to ensure that the health sector retained leadership in AIDS prevention and control activities, while encouraging participation by other sectors; and to enable the countries to formulate plans that were tailored to national needs and mobilize external resources, in order to avoid repeating the error of believing that a global-level program could be capable of providing the resources needed to meet all the needs of the countries. In the Director's opinion, in general, international cooperation efforts at the national level should be coordinated by the United Nations Resident Representative, but PAHO should have principal responsibility for coordination of technical efforts. He underscored that this suggestion was based not only on the Organization's mandate to provide technical cooperation in the health field, but also on the fact that, unlike some other agencies, it already had the installed capacity to coordinate technical support in the countries.

The representatives expressed their support for PAHO's continued technical leadership in the fight against AIDS in the Region, although some cautioned that the Organization should not attempt to duplicate the global program or reproduce it on a

smaller scale in the Region. Rather, PAHO's role in the new joint United Nations program should be an extension of the work it was already carrying out at the country level, which was the level at which it could have the most impact. It was pointed out that more action was needed on the part of Governments in the Region, although it was recognized that severe economic problems limited the countries' response capacity. The fact that AIDS is essentially a sexually transmitted disease was stressed, and it was emphasized that AIDS control efforts should go hand-in-hand with efforts to control other STDs. Several of the representatives commented on particular issues relating to AIDS control in their countries. Among the concerns cited were the rising incidence of tuberculosis associated with AIDS, protection of the human rights of HIV-infected persons and AIDS patients, the situation of children with AIDS and children orphaned by AIDS, and bioethical issues such as the advisability of mandatory testing of high-risk groups and how best to use limited resources.

The Executive Committee adopted Resolution CE113.R10 on this item. The resolution recommends, *inter alia*, that the XXIV Pan American Sanitary Conference adopt a resolution endorsing the establishment of the new joint, cosponsored United Nations program on AIDS and requesting the Director to consult with the other agencies involved in the new program with a view to establishing a coordinating mechanism that will allow for participation by agencies of the Inter-American System and other agencies in the Region. The complete text is included in the Final Report of the 113th Meeting.

*Item 4.9: Regional System for Vaccine Development in Latin America and the Caribbean (SIREVA)*

Dr. Homma (PAHO) presented the document prepared by the Secretariat on this item. He noted that the report on the Expanded Program on Immunization had shown that the Region had made significant progress toward the eradication and elimination of vaccine-preventable diseases, but that it was still necessary to strive to improve the quality and efficacy of existing vaccines and develop new ones. He pointed out that very few countries in the Region had the capacity for vaccine development, which was a costly, complex, and time-consuming process. The Regional System for Vaccine Development (SIREVA) was conceived as a means of establishing and strengthening scientific and technical cooperation and coordinating the countries' efforts for the development, production, improvement, quality control, and evaluation of vaccines. It has been recognized as a regional initiative by the Children's Vaccine Initiative and by international organizations such as WHO, UNICEF, UNDP, and the World Bank.

Dr. Homma told the Committee that a master plan had been developed for each vaccine and would serve as the basis for coordination of the various phases of development and production. He added that the production strategy envisioned under the

System was based on a program of certification of vaccine-producing laboratories, which was already being implemented among DTP production laboratories in several countries.

He reported that several projects, involving various countries and institutions, were under way and that research activities were being carried out in regard to the epidemiology of vaccine-preventable diseases, pilot production of vaccines, optimization of production and quality control processes, and other areas. In particular, he mentioned the studies being conducted on the distribution of serotypes of *Streptococcus pneumoniae* in seven countries of the Region and the field trials of a Swedish vaccine against cholera.

The operating costs for SIREVA have been estimated at US\$ 15,810,000 for the first five years. Part of the resources are to come from PAHO/WHO regular funds and the remainder from the Children's Vaccine Initiative and contributions of donor countries and institutions.

During the Executive Committee's discussion of the item it was emphasized that vaccines are one of the most effective and economical instruments available for the control of infectious diseases and that SIREVA has the potential to make a tremendous contribution to the improvement of health in the Region. In response to a question regarding the cost of the initiative and the amounts that would be required from the Organization and from extrabudgetary sources, Dr. Homma explained that while studies had been done to estimate the administrative and coordinating costs associated with various activities, the costs of developing each vaccine would have to be determined on a case-by-case basis and would depend on the countries and institutions involved.

The Director said that SIREVA was one of the most ambitious initiatives ever undertaken in the Region and recalled that the idea for the System had been inspired in part by a successful project in which Argentina and the United States of America had collaborated on the development of a vaccine against encephalitis. That experience had shown that it was possible to carry out this type of cooperative activity in the Americas and thereby make more rapid progress and produce vaccines of better quality. He underscored that SIREVA is a collaborative initiative, open to all the countries in the Region, although it is recognized that some countries have greater capabilities than others in some areas. He noted in particular that Cuba has accumulated considerable experience in vaccine development and production and has a great deal to contribute to the System.

In relation to this item the Executive Committee adopted Resolution CE113.R8, which recommends that the XXIV Pan American Sanitary Conference adopt a resolution calling on the Member States and the Director to support the development of SIREVA through various actions. The full text of the resolution may be found in the Final Report of the 113th Meeting.

*Item 4.10: Joint PAHO/Economic Commission for Latin America and the Caribbean (ECLAC) Report on Health, Social Equity, and Changing Production Patterns in Latin America and the Caribbean*

Dr. Chávez Peón (Rapporteur, Subcommittee on Planning and Programming) said that the Subcommittee had examined an earlier version of the document submitted to the Executive Committee. In that document it was explained that for several years ECLAC had been considering the idea of social equity in relation to the process of changing productive patterns and had been seeking to find ways of ensuring that development in Latin America and the Caribbean would not only increase productivity but also lead to greater social equity. At the same time, PAHO had been emphasizing the relationship between development and health, and it had been generally recognized that health was a fundamental strategy for achieving development. The document had thus grown out of an encounter between the two institutions and an attempt to formulate a proposal for improving health conditions and services with a view to contributing to both social equity and increased productivity. He noted that the key elements of the proposal presented in the document were health promotion and an intersectoral approach, the definition of a basic basket of health services to be made available to all segments of the population in the various countries, targeting of health interventions to reach the most vulnerable groups, health sector reform, and investment.

The Subcommittee thought the document would be very useful to the countries in their efforts at health reform and considered it an excellent foundation for the Organization's strategic orientations and program priorities for the 1995-1998 quadrennium. It was recommended that the concept of the basic basket of health services be further elucidated. It was also noted that equity should be the central consideration in decision-making with regard to health reform, and it was suggested that the document should express that idea more emphatically.

Dr. Vieira (PAHO) explained to the Executive Committee that the joint PAHO/ECLAC proposal considers health as both an objective of and a factor contributing to development. It was prepared with a view to providing the Member States with a strategic framework for incorporating health concerns into the efforts under way in the Region to achieve development with greater equity. He pointed out that under the proposal the reduction of inequity is considered an essential condition for development. Outlining the contents of the proposal, he noted that it examines various issues relating to inequalities in health conditions in the Region, which it attributes to problems in health services systems in combination with the effect of macrodeterminants which are generally beyond the control of the health sector. In relation to health services systems, the proposal emphasizes several changes that have taken place in recent years, including the change in the public/private mix in the delivery of health services,

the increase in private spending on health care, and the advent of new models of health care financing.

The proposal for incorporating health concerns into the effort to change production patterns while bringing about greater equity implies numerous changes in the health policies currently being applied, including, inter alia, the adoption of an intersectoral approach to health care; assumption by the State of a more proactive role in the formulation of health policy, the regulation of the sector, and the assurance of quality in health care; decentralization; and better management of public spending on health, with the assignment of priority to the neediest population groups. The key elements of the proposal are intersectoral action with emphasis on health promotion; the definition of a basic basket of health services; targeting of health programs to benefit needy groups; investment in the expansion and maintenance of physical capacity and institutional development for the delivery of health services; and health sector reform. Other fundamental elements in the proposal are community participation, health research and technology development in order to respond to changing health care needs, and a shift from a predominantly curative health model to a more preventive orientation.

Mr. Orlando Franco, who represented ECLAC at the Executive Committee meeting, said that when the Commission began to work on the idea of a new development model for Latin America, it found that there were no Latin American countries that had simultaneously achieved sustained development and a more equitable distribution of wealth. To address this situation ECLAC developed a proposal founded on the following principles: maintenance of macroeconomic balance, which implied reforming health care financing; opening up of the Region's economies and establishment of strong ties with the international market; and creation of production conditions that would enable the Latin American economies to compete at the international level. The achievement of those objectives requires investment in human capital, whence the need to invest in education and health. Mr. Franco noted that ECLAC had developed with UNESCO a proposal on education similar to the joint PAHO/ECLAC proposal.

He pointed out that the proposal opened up new possibilities for collaboration between ECLAC and PAHO, given the strong interrelationship between economic issues and health and the need for the establishment of a productive dialogue between authorities in the health and economic sectors. He underscored the fact that ministers of health had to convince ministers of finance that an investment in health is an investment in development. Moreover, he emphasized that it was essential for economic and health institutions to work together in order to increase the efficiency and impact of health activities, as this was an increasingly important condition for securing funding for projects.

The Executive Committee's response to the document was extremely positive. Several representatives noted that it would provide further impetus for activities already being pursued in various countries of Latin America. Among the principal merits of the proposal mentioned by the Committee were its emphasis on equity and ensuring the quality of health services and the importance it attached to strengthening the research capabilities of the countries and improving information systems as management tools for monitoring progress and evaluating impact, as well as for defining the basic basket of health services. It was pointed out that the document should devote greater attention to the AIDS pandemic, given its enormous socioeconomic implications. It was also recommended that the proposal be given wide distribution, not only to ministers of health but to planning and finance ministers, and that plans be developed as soon as possible for translating the concepts expressed in the document into concrete action.

The Director expressed his profound appreciation to all who had taken part in drafting the document and to the members and observers present at the Executive Committee meeting for their valuable comments on how the proposal might be improved. He pointed out that in equating health with development the proposal expresses what health workers have long known: true health can only be achieved through authentic development, which means human development, oriented toward meeting the needs of all members of the population. He expressed the hope that the document would serve as a basis for broad intersectoral debate on health and economic reform in the countries. In addition, he noted that the PAHO/ECLAC proposal was one of several important policy documents—including the SOPP 1995-1998, *Health Conditions in the Americas*, and the *Quadrennial Report of the Director*—which would provide a foundation for the Organization's actions over the next few years.

The Executive Committee adopted Resolution CE113.R14 on this item. That resolution requests the Director to incorporate the Committee's suggestions into the document and recommends that the XXIV Pan American Sanitary Conference adopt a resolution urging the Member States to disseminate the proposal and incorporate its basic elements into their agendas and policies on national development and encouraging ongoing collaboration between PAHO and ECLAC. The complete text of the resolution appears in the Final Report of the 113th Meeting.

*Item 4.11: Study of the Market for Services of the Pan American Institute for Food Protection and Zoonoses (INPPAZ)*

Dr. Chávez Peón (Rapporteur, Subcommittee on Planning and Programming) told the Executive Committee that the Subcommittee had heard a report from the Director of INPPAZ, Dr. Raúl Londoño, in April 1994. Dr. Londoño explained how the study of the market for INPPAZ services had been carried out, noting that it was geared toward identifying the areas in which INPPAZ could best serve the countries and seeking new

sources of financing. The preliminary results indicated that a majority of the respondents were acquainted with INPPAZ, were interested in using its services, and were willing to pay for those services.

The Subcommittee emphasized the need to interpret the results of the study as carefully as possible since it had been carried out precisely to determine which areas should be developed most rapidly.

Dr. Arambulo (PAHO) recalled that the market study had been carried out pursuant to a resolution adopted in 1993 by the XXXVII Meeting of the Directing Council. He emphasized that since the Institute's principal function is to provide technical cooperation, the study did not have the same commercial approach as conventional market studies. He outlined the procedure followed in carrying out the study, which was conducted by an Argentine consulting firm, noting that the study population consisted basically of public institutions in the fields of health and agriculture and private institutions, including laboratories and entities concerned with food safety and related issues. Although the study was limited by several obstacles that hindered data collection, Dr. Arambulo reported that the information it yielded had served to identify immediate goals for INPPAZ and produce a medium-term plan for the Institute's future activities in the areas of information dissemination, training, direct technical assistance, international reference, and applied research.

The Representative of Argentina expressed his country's satisfaction at being chosen as the host country for INPPAZ. He described some of the collaborative efforts that have taken place between Argentine institutions and INPPAZ and underscored the value of the Institute's work for Argentina and for all the countries of the Region. The Observer for the United States thanked the Secretariat for its attentiveness to the issues her Delegation had raised previously regarding INPPAZ and expressed the conviction that its program of work, particularly the emphasis placed on food quality control, clearly met a demand in the Region.

In regard to this item the Executive Committee adopted Resolution CE113.R15, adopting the documents relating to the market study and the financial study of INPPAZ, as well as the recommendations of the Technical and Scientific Committee and the International Coordinating Council of INPPAZ, as orientation for determining the focus of the Institute's technical cooperation activities; and requesting the Director to continue to refine the performance of INPPAZ so that it will be increasingly aligned with the basic needs of the countries.



*Item 4.12: Monitoring and Evaluation of the Strategies of Health for All by the Year 2000*

Dr. Chávez Peón, (Rapporteur, Subcommittee on Planning and Programming) said that the Subcommittee had considered a report by Dr. Castellanos (PAHO) on the status of the third monitoring of progress in the implementation of the strategies for Health for All by the Year 2000 (HFA-2000). Dr. Castellanos had noted that the World Health Assembly had decided that evaluation exercises should be carried out every six years while monitoring exercises should be conducted every three years in accordance with the Common Framework and Format developed for that purpose. As of the date of the Subcommittee meeting in April 1994, only nine countries had submitted their reports, although the deadline for doing so was 28 February 1994.

Dr. Castellanos then presented an updated version of the report that had been discussed by the Subcommittee. He emphasized that evaluation and monitoring were not simply data collection exercises but ongoing processes that offered the countries the opportunity to identify priority groups and regions and adjust their health policies and plans accordingly. He reported that since the Subcommittee meeting 11 more countries and territories had submitted information, bringing the total number for which information was available to 20. Some of the information received, however, consisted of numerical data with no explanations or analysis.

He told the Committee that the document to be submitted to the XXIV Pan American Sanitary Conference and subsequently to WHO would be prepared from the information received from the countries on health conditions and trends, experiences with primary care, health systems development, available resources, changes in lifestyles and in environmental conditions, and current demographic and socioeconomic trends. Given the high probability that information would not be received from all the countries, the Secretariat planned to extract information from several available sources, including the reports prepared by the PAHO/WHO Representations in the countries for *Health Conditions in the Americas* and documents of UNICEF, UNDP, ECLAC, IDB, the World Bank, and other sources.

In the Committee's discussion of this item the representatives affirmed the importance of the goal of HFA-2000 but noted that it seemed increasingly elusive given the growth in poverty and the huge disparities between health conditions in the developing countries and those in the developed countries and the notable differences even within the developed countries. They emphasized that it was important for all the countries to submit their reports so that information would not have to be obtained from other sources, which would detract from the quality and reliability of the final document.

The Executive Committee adopted Resolution CE113.R16, which urges the Member States to renew their commitment to the strategies of HFA-2000 and to primary health care and to intensify their efforts to ensure that the national reports not yet received by the Secretariat are submitted as soon as possible. It requests the Director to support a review of the monitoring and evaluation procedures and the common framework and format currently in use in order to maximize the value of the responses prepared by the countries, and to continue to work on the preparation of the regional report to be submitted to the XXIV Pan American Sanitary Conference.

*Item 5.1: Report on the Collection of Quota Contributions*

Mr. McMoil (PAHO) informed the Committee that as of 1 January 1994 total arrears of contributions for years prior to 1994 stood at US\$ 30,242,377. Between 1 January and 17 June payments totalling \$14,177,171 were received, which brought the total arrears down to \$16,065,202. Subsequently an additional payment of \$47,916 was received. The amount of arrears at the same time in 1993 was \$17,192,128. The total collected to date in 1994 represented 47% of the total outstanding 1993 assessments. As of 17 June 1994, collections of contributions in respect of 1994 assessments amounted to only \$6,100,052, or 8% of total assessments, as compared to 21% at the same time in 1993 and 25% in 1992. He reported that ten Member States had paid their 1994 assessments in full, three had made partial payments, and 26 had made no payment. Together, collections of arrears and 1994 assessments totaled \$20,325,139, which was 25% of the assessed level of contributions for 1994. The figure at the same time in 1993 was 50%.

In regard to the matter of Member States subject to suspension of their voting privileges under Article 6.B of the PAHO Constitution for failure to meet their financial obligations to the Organization, Mr. McMoil told the Committee that nine countries might be subject to that provision. Bolivia owed a total of \$225,293 in quota assessments, of which \$106,015 dated back to 1991. No payment had been received as of the date of the Executive Committee meeting in 1994 and the country's payment plans were not known. Cuba owed \$2,478,382, of which \$805,342 related to 1991 and prior years. It made a payment commitment in 1993 and was continuing to make small payments against its arrears. Guatemala's arrears totaled \$423,776, of which \$146,546 corresponded to 1991 and prior years. It had paid \$154,329 as of 17 June 1994. Haiti owed \$361,308, of which \$212,030 were for 1991 and prior years. In late 1993 the Government and the Secretariat agreed on a deferred payment plan providing for a series of annual payments over the period 1993-1998. No payments had been received as of 17 June 1994. Jamaica's arrears stood at \$394,756, of which \$10,899 applied to 1991, and Nicaragua owed \$153,931, of which \$4,653 was for 1991. It was expected that those small outstanding balances would be paid prior to the opening of the Pan American Sanitary Conference. Peru owed a total of \$896,064, of which \$8,033 related to 1991.

It had made no payments in 1994 and had not apprised the Secretariat of its payment plans. Suriname's arrears totaled \$200,347, of which \$51,069 were for 1991, and had not made any payments as of 17 June 1994.

The Director pointed out that while some countries had made commendable attempts to fulfill their financial obligations to the Organization, 15 countries had made no payments at all in 1994. Nine countries faced the real possibility of having their voting privileges suspended, although the Pan American Sanitary Conference could decide to allow those countries to vote if special conditions were found to exist. Nevertheless, he urged all the Member States--but particularly those that received more in technical and financial cooperation than they paid in quotas--to make every effort to bring their payments up to date so that the Organization could continue to function smoothly.

The Executive Committee adopted Resolution CE113.R1, taking note of the report on the collection of quota contributions, thanking the Member Governments that have made their payments for 1994 and urging the others to do so as soon as possible, recommending to the XXIV Pan American Sanitary Conference that the provisions of Article 6.B of the PAHO Constitution be strictly applied, and requesting the Director to keep the Member Governments informed of any balances due and report to the Sanitary Conference on the status of the collection of quota contributions.

*Item 5.2: Financial Report of the Director and Report of the External Auditor for 1992-1993*

Mr. McMoil (PAHO) introduced the preliminary financial report of the Director for 1992-1993 and noted that the final, audited report would be available within 30 days and would be published, together with the report of the External Auditor, as an official document. He explained that PAHO had installed a new financial system, and owing to difficulties encountered in converting data to a new format, it was impossible to complete the financial report in time to have it audited and certified by the External Auditor prior to the 113th Meeting of the Executive Committee. Because the Executive Committee is required, under Article XII of the Organization's Financial Regulations, to review the final financial report of the Director and the report of the External Auditor before forwarding them to the Pan American Sanitary Conference, the Secretariat proposed that the Executive Committee meet in a special session immediately prior to the opening of the XXIV Pan American Sanitary Conference.

He pointed out that, although the financial statements presented to the Committee were unaudited, they did accurately reflect the financial position of the Organization as of 31 December 1993. The preliminary report contained details of the financial transactions of PAHO for the period 1 January 1992 to 31 December 1993 and financial

statements for the Caribbean Epidemiology Center (CAREC) and the Caribbean Food and Nutrition Institute (CFNI). The financial statements for the Institute of Nutrition of Central America and Panama (INCAP), along with the report of the External Auditor for INCAP, were final and complete and were presented separately. He briefly reviewed some of the figures contained in the report and emphasized that the Organization's overall financial condition was quite sound and the financial resources it had on hand were adequate to initially finance its programs in 1994-1995, pending receipt of assessed contributions.

With regard to the financial situation of CAREC, Mr. McMoil reported that the Center incurred a net loss of approximately \$787,000 as a result of a decline in its income and quota receipts. CFNI's financial status, on the other hand, improved somewhat relative to prior years. The Institute posted a net surplus of about \$81,000, compared with a loss of over \$113,000 in 1990-1991. As for INCAP, the External Auditor had not noted any serious deficiencies in the Institute's management or accounts, and its financial position remains sound.

The Director stressed that the Organization's financial situation is extremely solid. The most significant financial event during the period 1992-1993 was the sizable reduction in miscellaneous income as a result of fluctuations in the interest rates on the capital market, particularly in the United States. Miscellaneous income amounted to \$9,081,000, which was under the target amount of \$9,700,000. Nevertheless, the budget was executed according to plan and no major difficulties are expected with the budget for 1994-1995. The Director was confident that the External Auditor would confirm the soundness and accuracy of the Organization's accounts.

Several clarifications were made regarding certain items and phrases appearing in the preliminary report, and it was agreed that a special session of the 113th Meeting of the Executive Committee would be held at 3:30 p.m. on the Sunday immediately preceding the opening of the XXIV Pan American Sanitary Conference, at which time the Committee would review the official document containing the financial report of the Director and the report of the External Auditor.

As the document presented was not the final version of the report, no resolution was adopted. The presentation and discussion are reflected in the record of the Meeting.

*Item 5.3: PAHO Building Fund and Maintenance and Repair of PAHO-owned Buildings*

Mr. Tracy (Chief of Administration, PAHO) reported that the work on the exterior of the Council Chamber at the Headquarters building was completed within the approved total budget. The construction of a new documents center and conversion of office space in Venezuela, which was approved by the Committee at its 111th Meeting,

was also completed within budget. Only one project is proposed for 1994. The electrical system in the Organization's office building in Peru is in urgent need of modernization in order to accommodate the computers, photocopiers, and other electrical equipment that has been acquired since the building was purchased in 1967. The estimated cost of the project is US\$ 42,000.

In response to a question from one of the representatives, Mr. Tracy estimated that the current market value of the PAHO Headquarters building is probably between \$25 million and \$35 million.

The Executive Committee adopted Resolution CE113.R12, approving the proposal to remodel the electrical system in the Peru building at an estimated cost of \$42,000.

*Item 5.4: New PAHO Headquarters Building*

Dr. Chávez Peón (Rapporteur, Subcommittee on Planning and Programming) told the Committee that during the April meeting of the Subcommittee on Planning and Programming the Director had indicated that there was little likelihood PAHO would be able to construct a new Headquarters building on the proposed site in Montgomery County, Maryland, because a local zoning law had been changed to prohibit the construction of any international organization headquarters or embassy chancery in residential areas in that County.

Mr. Tracy (Chief of Administration, PAHO) reported that in December 1993 PAHO had filed a lawsuit attempting to have the change in the Montgomery County zoning code overturned. Although the State of Maryland filed a legal brief in support of the Organization, the judge at the hearing held on 3 March 1994 ruled in favor of Montgomery County. The Organization subsequently filed an appeal. A decision on that appeal was expected in July or August 1994. Mr. Tracy noted that it would be practically impossible for the Organization to locate in Maryland unless the law were overturned, and seeking an alternate location in the District of Columbia was not an option because all the appropriate sites were too costly.

The Committee's discussion on this item is reflected in the records of the Meeting. No resolution was adopted.

*Item 5.5: PAHO Field Office Buildings*

Mr. Tracy (Chief of Administration, PAHO) recalled that the Committee, at its 112th Meeting, had authorized the Director to continue to pursue negotiations for the construction of new buildings for the PAHO field offices in Barbados and Mexico. He reported that in Barbados architectural plans were being developed for the construction

of a new building, to be built on the same site on which the building currently housing the PAHO office is located. The Government of Barbados has agreed to lease that site to the Organization, and the World Health Assembly has approved a contribution of US\$ 325,000 for the project. In regard to the office in Mexico, the Government and the Organization are exploring several options, including construction of a new building if an appropriate site can be found or acquisition and renovation of an existing building. The World Health Assembly has approved a contribution of \$250,000 toward whatever project is eventually undertaken.

The Director indicated that construction of the Barbados building was expected to begin in December 1994. In Mexico, difficulties in finding a suitable site have led the Organization to consider the possibility of purchasing an existing building, as long as the cost is within the approved limits. The Mexican Government has expressed interest in seeing the matter resolved before the end of the current presidential administration in December 1994. He noted that, owing to rising rents and other problems, the Organization is considering or has already made changes with regard to its offices in Bolivia, Colombia, the Dominican Republic, Ecuador, Paraguay, and Suriname. The Director pointed out that through the years, the Organization has purchased or obtained the rights to 25 buildings throughout the Region, in addition to the Headquarters building.

During the discussion of this item questions were asked regarding the possibility of sharing facilities with other United Nations agencies in the countries, the budgetary impact of acquiring and maintaining the 26 properties mentioned by the Director, and whether the cost of the building projects in Mexico and Barbados would exceed the \$500,000 ceiling in the PAHO Building Fund. The Director indicated that the possibility for sharing space with other United Nations agencies was being studied and the situation looked most promising Bolivia, Ecuador, and Honduras. In reply to the question about budgetary impact, he pointed out that the purchase or lease of the 25 buildings in the field had no negative impact on the budget and actually represented a savings for the Organization in the long term. As for the cost of the projects in Mexico and Barbados, Mr. Tracy emphasized that the financial arrangements that had been made were extremely advantageous for the Organization because the costs would be shared by WHO and the Governments of the two countries. The Director added that other financing possibilities were being explored and it might not be necessary to use any money from the Building Fund, but in any case the amount used would not exceed the \$500,000 limit.

The Committee did not adopt a resolution on this item. The discussion is included in the record of the Meeting.

*Item 5.6: Amendments to the Staff Rules of the Pan American Sanitary Bureau*

The proposed amendments to the Staff Rules of the Pan American Sanitary Bureau were presented by Dr. La Vertu (PAHO), who explained that the changes were being made to bring the Staff Rules of the Bureau into line with the revisions adopted by the Executive Board of WHO at its Ninety-third session in January 1994, which resulted from decisions taken by the United Nations General Assembly at its Forty-eighth session in December 1993. She then described each of the proposed changes, noting that they had no budgetary implications since any additional costs entailed would be met out of already established allocations.

During the Committee's discussion of this item several changes were suggested to clarify the wording of Staff Rule 440.4 dealing with the procedures for extending the appointment of seconded staff; however, it was noted that, because the text of the amendment had already been adopted by the WHO Executive Board, adoption of the change in wording by the Executive Committee would create a slight discrepancy between the Staff Rules of WHO and those of the Bureau. The Director said that he thought PAHO could take the lead in adopting the proposed change in wording, which he did not believe violated the spirit of the amendment approved by the WHO Executive Board.

The Executive Committee adopted two resolutions on this item. The first, Resolution CE113.R19, confirms the amendments to Staff Rules of the Pan American Sanitary Bureau concerning, inter alia, the abolition of meritorious within-grade increases, the definition of pensionable remuneration, the procedures applicable to staff seconded from government, the salary for staff in the professional category and directors' posts, and the rates of staff assessment in the professional and higher categories. The resolution also adopts the proposed change of wording in the amendment to Staff Rule 440.4.

The second resolution adopted by the Committee, Resolution CE113.R20, sets the annual net salary of the Deputy Director at US\$ 82,586 at dependency rate and \$74,721 at single rate and the annual net salary of the Assistant Director at \$81,586 at dependency rate and \$73,721 at single rate, effective 1 March 1994. The resolution also recommends to the Pan American Sanitary Conference that it establish the annual net salary of the Director at \$90,043 at dependency rate and \$80,922 at single rate, effective 1 March 1994.

*Item 6.1: Statement by the Representative of the PAHO/WHO Staff Association*

The Staff Association report was presented by Mr. Arenales (PAHO), who asserted that the Organization had problems recruiting and retaining qualified staff owing

to the low salaries it offered and had therefore resorted to some questionable hiring practices. He stated that a survey conducted in 1992 and 1993 had shown that many staff appointments had been made without the corresponding vacancy notice having been distributed, and many other appointments had been confirmed without having been considered by a selection committee.

He reported that four appeals by PAHO staff had been submitted to the Administrative Tribunal of the International Labor Organization in February 1994. All related to the Administration's refusal to adhere to the staff rules and regulations of the Organization and all reflected a failure to negotiate.

The Staff Association believed that it was essential to include staff representatives in discussions on post reclassification and plans for restructuring the Organization. In addition, the practice of hiring national staff under local conditions of employment--under which they were not always entitled to health insurance or retirement benefits--should cease.

He noted that although the target set in 1986 for recruitment of women to professional posts had been reached, very few women had been appointed to posts as PAHO/WHO Representatives or to upper-level posts within the Secretariat. Greater effort should be made to place women in decision-making positions. In addition, he pointed out that the Organization had no policy on sexual harassment and should adopt one.

The Director stated emphatically that the Staff Association's accusations regarding questionable hiring practices were unfounded. In 1992-1993 a total of 85 staff appointments were made: 55 with direct participation by selection committees, on which the Staff Association was always represented, and 21 in accordance with normal regulatory procedures, through senior staff selection committees. Of the latter, 18 were appointments that previously the Director would have made directly, without any intervention by a selection committee.

Nine appointments had not been subject to normal selection and appointment procedures. Five of them were appointments of staff to professional posts: one P.5 staff member transferred from UNICEF, two P.4 staff, one in Bolivia and one in Haiti, who were being paid out of extrabudgetary funds and had been appointed because no other candidates had applied for the posts; and two computer specialists, who had been needed urgently at Headquarters. The four remaining appointments were to general services posts: one photographer (G.7), who had been appointed to fill a post that had been vacant for some time; one data processing clerk (G.5); and two secretaries (G.5) for the offices of the Director and the Deputy Director, whose appointment through normal



selection procedures was not feasible because of the confidential nature of these positions.

Mr. Arenales welcomed the information provided by the Director, which he said the Staff Association had requested in April 1994, and clarified that he had not intended to make accusations but to seek solutions.

*Item 6.2: Resolutions and Other Actions of the Forty-seventh World Health Assembly of Interest to the PAHO Executive Committee*

Dr. Knouss, Deputy Director, PAHO, presented a summary of the resolutions of the Forty-seventh World Health Assembly considered to be of particular interest to the Region. One of the most significant was Resolution WHA47.4, which approved the Ninth General Program of Work. Resolution WHA47.5 dealt with infant and young child nutrition and urged that no free or subsidized supplies of breast-milk substitute be used in hospitals and that caution be exercised when distributing breast-milk substitutes during emergency relief operations. Resolutions WHA47.9 and WHA47.10 concerned maternal and child health and family planning and were entirely consistent with the standards for reproductive health science developed and field tested by the Pan American Neonatology Center in Montevideo and with PAHO's efforts to address the problems posed by early marriage and child-bearing and gender discrimination.

He said the World Health Assembly had adopted five resolutions relating to essential drugs and pharmaceutical products, including one concerning revision and amendment of the WHO Good Manufacturing Practices for Pharmaceutical Products, which would be particularly useful to the countries of the Region that were currently developing their own standards. Resolution WHA47.27 on the International Decade of the World's Indigenous People recognized the efforts already being made in the Region to address the health needs of indigenous communities. Resolution WHA47.32 on onchocerciasis control was of particular interest to the one million people in Brazil, Colombia, Ecuador, Guatemala, Mexico, and Venezuela at risk of contracting the disease.

In regard to the administrative matters considered by the Assembly, he noted that owing to failure by a number of Member States to pay their regular budget contributions, the Director-General of WHO had decided to reduce the amounts allocated to all the WHO regions by 10%. PAHO had accommodated the reduction by freezing vacant posts and reducing program spending. The Assembly had also endorsed several decisions taken by the Executive Board in connection with the WHO Response to Global Change Initiative.

Finally, he noted that Cuba and the United States of America, representing the Americas, had been elected to designate representatives to sit on the WHO Executive Board upon expiration of the terms of Dr. M. Paz Zamora of Bolivia and Professor B.A. Grillo of Uruguay.

In the discussion that followed Dr. Knouss's presentation it was pointed out that an important aspect of the Ninth General Program of Work is the emphasis it places on addressing specific health problems and reducing inequities. Reference was made to Resolution WHA47.30 on the health conditions of the Arab populations in the occupied Arab territories, and it was noted that health has become an instrument for resolving conflicts between countries and a bridge for peace at the world level. It was also observed that the Forty-seventh World Health Assembly was one of the least contentious ever held; there was consensus between Israel and the Arab countries, South Africa was welcomed back to WHO membership, and there was agreement on many technical issues. In addition, congratulations were expressed to Dr. Jesús Kumate (Mexico) on his election as Chairman of the WHO Executive Board.

The Committee did not consider it necessary to adopt a resolution on this item. The discussion is summarized in the record of the Meeting.

*Item 7: Other Matters*

Dr. Alleyne, Assistant Director, updated the Committee on the process of reform under way within the World Health Organization, noting that the Executive Board Working Group on the WHO Response to Global Change had made 47 recommendations concerning seven major areas: the mission of WHO; the Governing Bodies of WHO; changes in the work of the Secretariat at WHO Headquarters, at the level of the Regional Offices, and at the level of the country offices; coordination with United Nations agencies and other agencies; budgetary and financial issues; strengthening of technical expertise and research; and communications. He noted that WHO had established the Global Policy Council and the Management Development Committee to address the issues raised by the Working Group and had also created development teams to formulate policy and develop managerial tools in several areas.

He reported that the Management Development Committee had discussed the issue of management of the Organization and how it might be changed had been discussed at length, devoting considerable attention to how to streamline the budget and programming processes, how to make the work of the various committees within WHO more effective, how to increase the participation of the Governing Bodies in the Organization, and how to make the work of the Organization more transparent. That Committee's recommendations and the budget implications thereof would be discussed subsequently by the Global Policy Council, the Executive Board, and the World Health Assembly.

The Director told the Committee that the problems relating to regional integration and cooperation among countries had been discussed at the fourth Ibero-American Summit of Heads of State and Government. The leaders participating in the Summit requested that PAHO continue its efforts to implement the Regional Plan for Investment in the Environment and Health.

He also informed the representatives that the Organization, in collaboration with the Organization of American States, the United Nations Development Program, the Inter-American Development Bank, and the United States Agency for International Development, was organizing an Inter-American Conference on Violence, Health, and Society, which was tentatively scheduled for 16 and 17 November 1994 in Washington, D.C. It was hoped that the countries would send representatives from all the government agencies involved in the search for solutions to the problem, including ministries of health, justice, the interior, the economy, and education. In addition, all the Nobel peace prize recipients from the Region of the Americas were being invited to attend. Experts from various fields would be asked to participate on five panels, which would discuss such issues as the political and cultural aspects of violence, its economic repercussions, its manifestations in the family, and its magnitude as a public health problem. It was also expected that the meeting would discuss a declaration to be adopted at the Inter-American Summit being convened by President W. Clinton of the United States in December 1994. The Director asked all the representatives and observers present at the Executive Committee to promote the conference in their countries and urge the ministers and other authorities concerned with the issue of violence to participate.

The Director also advised the Committee that, because the final report of the Meeting needed to be prepared without delay, rather than adding a session to the 113th Meeting, to be held immediately preceding the XXIV Pan American Sanitary Conference in September, to discuss the Financial Report of the Director, as had been agreed, another meeting, the 114th, will be convened.

The Report on the 114th Meeting will be presented to the Conference as a separate addendum to the present document.



# XXIV PAN AMERICAN SANITARY CONFERENCE

## XLVI REGIONAL COMMITTEE MEETING

WASHINGTON, D.C.  
SEPTEMBER 1994

Provisional Agenda Item 3.1

CSP24/7, Add. I (Eng.)  
25 September 1994  
ORIGINAL: SPANISH

### ANNUAL REPORT OF THE CHAIRMAN OF THE EXECUTIVE COMMITTEE

#### *114th MEETING OF THE EXECUTIVE COMMITTEE*

The single plenary session of the 114th Meeting of the Executive Committee was held on 25 September 1994 at PAHO Headquarters in Washington, D.C. The session was attended by the representatives of Argentina, Belize, Bolivia, Canada, Mexico, Saint Vincent and the Grenadines, and Uruguay. Observers for the United States of America and Venezuela were also present.

The Meeting was chaired by Dr. Argentino L. Pico (Argentina). Mr. Edward Aiston (Canada) and Dr. Ruben Campos (Belize) served as Vice Chairman and Rapporteur, respectively.

*Item 2.1: Adoption of the Agenda*

In accordance with Rule 5 of the Rules of Procedure of the Executive Committee, the members adopted the provisional agenda prepared by the Secretariat for the 114th Meeting.

*Item 3.1: Financial Report of the Director and Report of the External Auditor for 1992-1993*

The Committee heard reports from Mr. William McMoil (PAHO) and Mr. Martin Sinclair of the Office of the Comptroller and Auditor General of the United Kingdom, who presented the report of the External Auditor, Sir John Bourn. Mr. Sinclair reported that the External Auditor had concluded that the 1992-1993 financial statements fairly presented the financial position of the Organization and the results of its operations for that financial period. He told the Committee that the External Auditor had found the financial position of the Organization as of 31 December 1993 to be reasonably healthy. However, the financial positions of the Caribbean Epidemiology Center (CAREC) and the Caribbean Food and Nutrition

Institute (CFNI) were found to be considerably less sound. The Institute of Nutrition of Central America and Panama (INCAP), on the other hand, had seen improvement in its financial situation.

The External Auditor's report expressed concern regarding several issues, including the financial weakness of several of the Pan American centers and their ability to continue to operate without financial support from the Organization; the problems encountered in implementing the new financial accounting system, which had seriously hampered the Organization's normal financial and accounting operations and made it impossible to prepare the final reports of the Director and the External Auditor in time for the Executive Committee's 113th Meeting in June 1994; and the financial feasibility of the proposed relocation of PAHO Headquarters.

Mr. McMoil reviewed the figures contained in the Financial Report of the Director (*Official Document 261*), noting that it demonstrated that the Organization had continued to maintain steady program growth and healthy finances during the 1992-1993 biennium. Total expenditures had increased by approximately 9% with respect to 1990-1991. Collection of quota assessments for the biennium had increased to 80.2% of total assessments, compared to 71% for 1990-1991, and earned miscellaneous income had exceeded the budget estimate by more than \$300,000, yielding a net operating surplus of \$2,000,000. That surplus had been placed in a holding account until the Pan American Sanitary Conference decided how the funds should be utilized. He also reported that, under Article 4.5 of the Organization's Financial Regulations, transfers of funds had been made between the various sections of the budget to meet program requirements and funding needs relating to the transfer of four posts in connection with the establishment of the Executive Secretariat of the Regional Plan for Investment in the Environment and Health. He informed the Executive Committee that its concurrence with those transfers was required.

In regard to CAREC and CFNI, Mr. McMoil noted that both centers had incurred deficits, owing mainly to decreased income and quota receipts, although the financial condition of CFNI had improved somewhat. He also pointed out that the financial status of INCAP had improved greatly, reducing the Center's financial dependence on PAHO to minimal levels.

During the Committee's discussion of this item, the members expressed their satisfaction at the solid financial situation and the sound management practices which the report reflected. Concern was expressed with regard to the problems caused by the new financial accounting system and it was requested that the Director keep the Executive Committee apprised of the Secretariat's progress in resolving those problems. It was also suggested that a plan of action should be formulated to address the ongoing financial difficulties of CAREC, CFNI and other Pan American centers. In regard to the feasibility of the proposed construction of a new PAHO Headquarters building, it was noted that updated financial projections and costing were needed. Several questions were asked regarding the transfers of funds between the various sections of the budget. Finally, it was suggested that the External Auditor's report should be accompanied

by comments from the Director regarding the issues raised, which would help the delegations to better understand those issues and form opinions about them.

In response to the representatives' comments, Mr. Tracy (Chief of Administration, PAHO) reported that the problems with the new financial accounting system had been largely resolved and said that the system is now working reasonably well. He noted that the implementation of the new system had resulted in substantial savings for the Organization. As for the new building project, he pointed out that revised cost estimates were needed not because the estimates formulated in 1990--when the construction of a new building was proposed--were inaccurate, but because legal and other problems had delayed the project.

The Director emphasized that the Organization's overall financial position is sound and pointed out that it is important to look at the big picture, rather than focusing on specific problems that might exist in certain areas. Echoing Mr. Tracy's comments on the financial accounting system, he noted that problems were inevitable whenever a new system was implemented, but that Mr. McMoil and his staff had overcome most of the initial difficulties. He reiterated that the system is working well and the situation can be expected to improve as the staff becomes more proficient in its use. In regard to the transfers of funds between the various sections of the budget, he clarified that some transfers had been necessary in order to cover costs that had not been budgeted for; however, whenever possible such transfers were made to meet program requirements. Finally, he said that he considered the recommendation that the External Auditor's report be accompanied by comments from the Director a good one and assured the delegates that every effort would be made to include such comments with the next report.

The Executive Committee adopted Resolution CE114.R1, which takes note of and approves the Director's transfer of funds from Part I to Parts II and III of the Effective Working Budget for 1992-1993. The Resolution also recommends that the XXIV Pan American Sanitary Conference adopt a resolution taking note of the Financial Report of the Director for 1992-1993; congratulating the External Auditor for the thoroughness of his review; expressing concern about the difficulties encountered in implementing the new financial accounting system and requesting that the Director keep the Executive Committee informed of progress in resolving those difficulties; expressing deep concern about the financial status of CAREC and CFNI and urging the Member Governments to meet their financial commitments to those centers; recognizing the improvement in the financial situation of INCAP; and commending the Director for having maintained the Organization in sound financial condition.