



*executive committee of  
the directing council*

PAN AMERICAN  
HEALTH  
ORGANIZATION

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1959  
38th meet.  
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*working party of  
the regional committee*

WORLD  
HEALTH  
ORGANIZATION



38th Meeting  
Washington, D. C.  
23 September 1959

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**F I N A L R E P O R T**

The working documents are included in consecutive numerical order under the corresponding index tab, as listed in the agenda (Document CE38/1) appearing under tab No. 1.

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FINAL REPORT

Under the chairmanship of Dr. Miguel E. Bustamante (Mexico), with Dr. Darío Curiel (Venezuela) serving as Vice-Chairman, the 38th Meeting of the Executive Committee of the Pan American Health Organization was held at Washington, D. C., in the International Conference Suite of the Department of State of the United States, on 23 September 1959, as convoked by the Director of the Pan American Sanitary Bureau. The following members of the Committee, observers, and officers of the Bureau were present:

Members:

Dr. Bichat A. Rodrigues	BRAZIL
Mr. Humberto Olivero, Jr.	GUATEMALA
Dr. Emilio René Novales	
Dr. Carlos Padilla y Padilla	
Dr. Carlos A. Javier	HONDURAS
Dr. Jorge E. Zepeda	
Dr. Miguel E. Bustamante	MEXICO
Dr. Horace DeLien	UNITED STATES OF AMERICA
Mr. Charles G. Sommer	
Mr. Laurence Wyatt	
Dr. Darío Curiel	VENEZUELA

Member absent:

PERU

Member and Secretary ex officio of the  
Committee:

Dr. Abraham Horwitz, Director

PAN AMERICAN  
SANITARY BUREAU

World Health Organization:

Mr. Milton P. Siegel

Observers:

Dr. Mario Allaria

ARGENTINA

Dr. Raymond G. Hyronimus

FRANCE

Dr. Carlo Boulos

HAITI

Dr. Gerald V. A. Griffith

UNITED KINGDOM

Dr. Charles C. Nicholson

Advisers to the Director of the  
Pan American Sanitary Bureau:

Dr. Carlos Luis González, Assistant Director

Dr. Myron E. Wegman, Secretary General

Mr. Donald F. Simpson, Chief,  
Division of Administration

AGENDA

The agenda appearing in Document CE38/1 was approved.

DRAFTING COMMITTEE

Pursuant to Article 17 of the Rules of Procedure of the Executive Committee, the Drafting Committee was composed of the Chairman, the

Vice-Chairman, and the Secretary, and was entrusted with the preparation of the Final Report.

TOPICS DISCUSSED AND RESOLUTIONS APPROVED

During the 38th Meeting of the Executive Committee, the following topics were discussed:

1. Amendments to Articles 10 and 11 of the Rules of Procedure of the Executive Committee

The Chairman presented Document CE38/4 on this topic and stated that the Executive Committee, at its 37th Meeting, had considered the proposal of the representative of the United States to increase from 14 to 30 days the time limit set in Article 11 of the Committee's Rules of Procedure for transmittal by the Director of documents covering the agenda of the Executive Committee meetings. The representative of Venezuela had pointed out that, if this amendment were approved, it would be advisable to change also the time limit of 21 days stipulated in Article 10-c of the Rules, in connection with the proposing of agenda topics.

The Committee agreed to include the study of these amendments on the agenda of the 38th Meeting.

Mr. Olivero (Guatemala) pointed out that since the time limit for the governments to propose topics, set in the new Article 10-c, and the time limit for the Bureau to forward documents to governments, set in Article 11, are the same, the Bureau would have no time to distribute sufficiently in advance the documents referring to topics proposed by

governments. Dr. Javier (Honduras) was of the same opinion. Dr. González (Assistant Director, PASB) said that experience has shown that it is not always possible to comply with time limits, and the Bureau needs at least one week to reproduce and distribute the documents that the governments send on topics they wish to propose. Dr. Horwitz (Director, PASB) pointed out that since the World Health Assembly will possibly meet in February 1961 in New Delhi, the Executive Committee and the Directing Council, in turn, would have to meet before their usual dates, that is, in April and August 1960, respectively. In such case it would be impossible to distribute the Report of the External Auditor in time, because the Auditor will not arrive in the Region sufficiently in advance of the meeting. Therefore, it would be advisable to specify that these new time limits will not apply to the meetings held in 1960.

Dr. DeLien (United States) suggested that a time limit of 21 days, instead of 30, be established in Article 11, and that a sentence be added to the effect that the Director may waive the time limit whenever special considerations warranted, which change would solve the problem mentioned by the Director.

The Executive Committee therefore unanimously adopted the following resolution:

RESOLUTION I CE38.R1

The Executive Committee,

Deeming it advisable that the Member Governments have more time to study the documentation of the meetings of the Executive Committee; and

Bearing in mind Article 32 of the Rules of Procedure of the Committee,

RESOLVES:

To amend Articles 10-c and 11 of the Rules of Procedure of the Executive Committee, to read as follows:

"Article 10-c: Any subject proposed not later than 30 days prior to the meeting by any Member of the Organization or by organizations entitled to propose subjects. The Director of the Pan American Sanitary Bureau may waive the time limitation should such a waiver be justified by special considerations.

"Article 11: The Director of the Pan American Sanitary Bureau shall send to the Member Countries of the Organization the provisional agenda and he shall send all the pertinent documents to the representatives at least 21 days prior to the meeting, but he may waive the time limitation should such a waiver be justified by special considerations."

2. Decentralization of Activities of the Pan American Sanitary Bureau to the Zone Offices

In presenting this topic, contained in Document CE38/2, the Chairman recalled that it already had been studied, at the suggestion of the Government of Mexico, by the previous meeting of the Committee, which in Resolution XVII requested the Director to present a report describing the present status of the decentralization of activities of the PASB, the Bureau's experience in this matter, and the measures it was proposed to take in the future.

Dr. Horwitz (Director, PASB) presented the document and stated that it outlines the history of the policy of decentralization of the PASB, which has, in fact, been one of the basic principles underlying the administration of the PASB. He pointed out that the Director of the Bureau, in his Four-Year Report for the period January 1947 to April 1950, had the following to say on the matter: "The health problems of the Americas are too complex, the program of the Bureau is too varied, and the distances are too great to permit centralized administration. Only through zone and sector offices is it possible to maintain contact with the health authorities of the interested nations and supervise field activities." This then, was the basis for intensifying the creation of zone offices, which was highlighted last year with the establishment of the Zone I Office in Caracas. Dr. Horwitz also emphasized the fact that the responsibilities of headquarters and the zone offices were more or less clearly defined in 1951 and 1952. To headquarters was assigned



responsibility for all matters having to do with policies, procedures, and regulations, and with the review and evaluation of program performance, and the zone offices were responsible for the coordination and carrying out of activities.

Experience has shown, added the Director, that this process of decentralization ought to include administrative functions also, and in the course of the last five or six years, zone offices have been given additional administrative responsibilities having to do with the local purchase of supplies and equipment, publications, maintenance of inventories and control over equipment and supplies, matters concerning personnel, and accounting, which is, in large measure, decentralized. An indirect indication of this policy that the Bureau has been following during the past few years can be obtained from a study of the distribution of funds and staff between headquarters and the field. While in 1954, 44 per cent of the budget was spent for activities at headquarters and 56 per cent for field activities, the proportion this year is 23.9 and 76.1 per cent, respectively. Plans for 1961 include 22.2 per cent for headquarters and 77.8 per cent for the field. As for posts, while in 1954, 44 per cent of the posts were assigned to headquarters and 56 per cent to field activities, this year 29.4 per cent have been assigned to headquarters and 70.6 per cent to the field. For 1961 it is planned to increase the field staff and to add only a few posts to headquarters.

The Director pointed out that in any institution of a given standing, the delegation of responsibility is a constant concern to those who administer it. Experience has shown that while absolute centralization leads to disaster, it is also true that over-decentralization ends in dismemberment. It is natural that however sound the theory behind the management of any organization may be, however definite the established policy and however clearly determined the standards and procedures, it is unquestionably true that if too many functions are delegated there is the danger that unity may be lost and the local agencies acquire too much autonomy; this destroys the over-all relationships that are essential in an organization that has such delicate functions as those of public health are.

In the particular case of the Pan American Sanitary Bureau, Dr. Horwitz went on to say, this problem of finding the proper balance between what can be decentralized and what ought not to be decentralized, makes a more careful analysis necessary because the PASB serves as the Regional Office of the WHO and naturally, insofar as the WHO is concerned, decentralization is done at the Washington level. This circumstance, added to the fact that many functions have already been decentralized, leads to the thought that it may not be necessary to continue decentralizing administrative activities to the zones, and to make a detailed study of the administrative practices now in effect at both the central level and the field level. This should be done in order to see how far economies could be made in the systems without affecting

efficiency, by mechanizing some of the operations, for example, or, as has occurred in certain activities mentioned in the document, by contracting the services of private concerns. He explained that on his visits to the countries, he had been concerned by the number of administrative functions that have to be performed by the zone representatives, a fact that limits the time that they might devote to essentially technical functions, such as the coordination of the programs in which the Bureau collaborates with Member Governments. It is therefore necessary to review the administrative work performed by the zone offices with a view to reducing it to a minimum, so that they may be able to act more and more as decentralized agencies, since that was the basic idea behind their establishment.

Dr. Rodrigues (Brazil) agreed with the Director and pointed out that, in his opinion, the zone offices should advise the governments in the planning of public health activities, receive their requests, which they would forward to headquarters, and then apply the decisions taken thereon. He also mentioned the possible dangers in excessive decentralization, something that his country has already had some experience with, although in a different field. But the work of the zone offices is very important for the smooth operation of the Bureau and they should therefore have trained personnel in sufficient numbers. He expressed his satisfaction over the collaboration being rendered by the Zone V Office to the Government of his country, particularly under the present circumstances.

The Chairman called attention to the importance of the problem and to the lack of sufficient experience on administrative procedures in the field of health, at the international level. He recalled that the World Health Organization is also concerned about this problem, and about the extent to which decentralization should be carried out. The problem arises not only at the world level, as in the case of the WHO, but at the regional level, in connection with the Pan American Health Organization, and at the national level for the countries. He pointed out, for information purposes, that Mexico has chosen an intermediate solution between those adopted by the United States of America and Brazil, one that in certain respects resembles that of Venezuela. The solution to the decentralization problem has been found in coordination agreements with the states. By this system of agreements, the general program and the programs of the states and the municipalities are coordinated and implemented according to a single criterion.

Administrative decentralization and technical decentralization present serious difficulties, one of which is to find competent persons who, although they may not be specialists in everything, do have the necessary training to administer and direct the technical part of decentralized services. It is true that there are many specialists in the different regions, a fact favorable to decentralization with respect to the WHO. It is often difficult, however, to find specialists in the zones, where their services are particularly needed. The ideal would be to see that in the health administration courses in the schools of public

health, all the importance that it deserves be given to this question, which is fundamental to a good and effective organization of health services, at both the international and the national levels. He thought that the Director's statements were very interesting and he would like to call the economies mentioned bitter economies, that is, the offspring of the economic pressures his colleagues all know and were trying to solve for the future in order to benefit an Organization they all value and in which he personally had collaborated for many years.

He was in agreement with the Director's report which he believed to be an excellent lesson in health administration, and stressed the fact that it was advisable for the Executive Committee to continue studying the problem of decentralization.

Dr. DeLien (United States) was convinced that decentralization had thus far proved beneficial to Bureau activities and that it would be advisable to continue it, provided it would not be detrimental to the unity and the efficiency of the Bureau. At the same time, he said, an evaluation should be made of the results obtained. For that reason, he supported the draft resolution contained in the document under discussion. Mr. Olivero (Guatemala) stressed the effectiveness of the Zone III Office to the Central American countries, and asked the Director if he proposed to recentralize some of the functions delegated to the zone offices.

Dr. Horwitz (Director, PASB) explained, in reply to the question by the representative of Guatemala, that the question under discussion concerned the decentralization of administrative activities exclusively, not the decentralization of the technical functions that have to be carried out in as close contact as possible with the governments and with the persons for whom they are ultimately intended. Consequently, he pointed out, the appointment of experts for field activities has not been interrupted; on the contrary, it has been accelerated as much as possible. He stressed the fact that technical decentralization would be pushed to the maximum. Furthermore, if the Organization should have available additional funds for certain activities, particularly for water-supply programs, or if a special fund could be established for education, such technical decentralization would be given an additional impetus. He pointed out that, on the other hand, no more administrative functions should be decentralized to the zone offices, because unquestionably the greater these responsibilities, the less time the zone representatives would have to spend on the truly technical activities with respect to the governments and on coordination with PASB officers in the countries. The Director concluded by saying that his observations referred to administrative activities and not at all to direct and immediate public health functions.

Dr. Rodrigues (Brazil) supported the proposal of the representative of the United States, that the draft resolution presented be approved. The Committee then unanimously adopted the following resolution:

RESOLUTION II

CE38.R2

The Executive Committee,

Having studied the report of the Director on the decentralization of activities of the Pan American Sanitary Bureau;

Noting with interest the considerable movement of decentralization;

Appreciating the need to review in detail the current status of decentralization; and

Noting the several studies on this matter now being undertaken by the Director,

RESOLVES:

To request the Director to keep the Executive Committee informed of the results of the several studies now in process and offer recommendations on the course of action to be followed with respect to decentralization, in order to achieve the most effective and economical operation for the Pan American Sanitary Bureau.

3. Amendments to the Financial Regulations of the Pan American Sanitary Bureau

In presenting Document CE38/3 on this topic, Mr. Simpson (Chief, Division of Administration, PASB) stated that two months ago a check covering a quota payment was received; it had, quite properly, been made payable to the Pan American Health Organization, in accordance with Article 21 of the Constitution. The Bank refused to accept the check for deposit, alleging that the Financial Regulations did not clearly authorize the Director to deposit and administer funds of the Pan American Health Organization. It was necessary to return the check and ask for another, made payable to the Pan American Sanitary Bureau.

It is therefore necessary to introduce editorial changes in the title and certain articles of the Financial Regulations, to make it clear that the Regulations apply to funds of the Organization, and to provide specifically that the Director of the Pan American Sanitary Bureau is authorized to receive, deposit, and administer the funds and assets of the Organization.

Mr. Olivero (Guatemala) requested that certain matters of detail be clarified, which Mr. Simpson did, following which the Committee unanimously approved the following resolution:



RESOLUTION III

CE38.R3

The Executive Committee,

Having studied the problems raised by the present text of the Financial Regulations; and

Having reviewed the proposals of the Director to overcome these problems,

RESOLVES:

To recommend that the Directing Council approve the following changes in the text of the Financial Regulations:

1. Change the title from "Financial Regulations of the Pan American Sanitary Bureau" to "Financial Regulations of the Pan American Health Organization."

2. Revise Article 1 to read as follows:

"1.1 - These regulations shall govern the financial administration of the Pan American Health Organization.

"1.2 - The Director of the Pan American Sanitary Bureau shall receive, deposit, and administer all funds and assets of the Pan American Health Organization in accordance with these Financial Regulations."

3. Replace the word "Bureau" by "Organization" in Articles 6.1, 7.2, 8.1, 10.1, 10.3, 10.5, 11.1, 11.2, 12.1, 12.2, and 12.8.

4. Closure of the Meeting

After the topics on the agenda had been studied, the Chairman expressed the appreciation of the Committee to the Representatives of Guatemala and Peru, whose terms of office were about to end, for the work they had done, and emphasized the interest and competence shown for three years by Mr. Olivero, the Representative of Guatemala, whom he congratulated on behalf of all the members of the Committee. He also thanked the participants for the assistance they had given him while he occupied the Chair.

Dr. DeLien (United States) added his congratulations to those of the Chairman, with special reference to the enthusiasm shown by Mr. Olivero, expressing the hope that he would continue to attend future meetings as an observer, so that the Committee might still benefit from his experience. He also congratulated Dr. Bustamante on the ability with which he had served as Chairman.

Mr. Olivero (Guatemala) expressed his thanks for those words of appreciation, and his satisfaction at having been able to collaborate in such an important task as that being done by the Executive Committee. He then thanked the Director and the staff members of the Bureau for the assistance they had given him in carrying out his duties.

In closing the meeting, the Chairman proposed that the Final Report record the appreciation of the Committee to the Director and to the PASB staff members for their collaboration during its deliberations.

It was so agreed.

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

DONE at Washington, D. C., United States of America, on this twenty-third day of September 1959. The Secretary shall deposit the original texts in the archives of the Pan American Sanitary Bureau and shall send copies thereof to the Member Governments.

Chairman of the Executive Committee  
Representative of Mexico

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