

**XXIII PAN AMERICAN SANITARY CONFERENCE****XLII REGIONAL COMMITTEE MEETING**

WASHINGTON, D.C.

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Provisional Agenda Item 6.2

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FINANCIAL REPORT OF THE DIRECTOR AND REPORT OF THE EXTERNAL AUDITOR FOR 1988-1989

The Director has the honor to present the Financial Report of the Director and Report of the External Auditor for the period 1988-1989 (Official Document 233, distributed separately). This report contains the details of the financial transactions of the Pan American Health Organization for the period 1 January 1988 to 31 December 1989 and statements depicting the financial position of the Organization as of 31 December 1989. It also includes financial statements for the Caribbean Epidemiology Center (GAREG); the Caribbean Food and Nutrition Institute (CFNI), and the Institute of Nutrition of Central America and Panama (INCAP).

The Executive Committee at its 105th Meeting considered the Financial Report of the Director and Report of the External Auditor and various aspects of the Organization's financial activities during 1988-1989, and adopted Resolution II, which reads as follows:

THE 105th MEETING OF THE EXECUTIVE COMMITTEE,

Having examined the Financial Report of the Director for 1988-1989 as contained in Official Document 233 and taking note of the report presented by the External Auditor on the accounts of the Organization for this financial period,

RESOLVES:

1. To transmit the Financial Report of the Director and the Report of the External Auditor for 1988-1989 (Official Document 233) to the XXIII Pan American Sanitary Conference.

2. To thank the External Auditor for presenting a clear and comprehensive report for the biennium 1988-1989.

3. To note that the financial condition of the Caribbean Epidemiology Center (CAREC), the Caribbean Food and Nutrition Institute (CFNI), and the Institute of Nutrition of Central America and Panama (INCAP) has improved and to encourage the governments that are members of these institutions to continue efforts to pay their outstanding quota contributions as early as possible.

4. To endorse the Director's proposal to credit the surplus of \$962,201 to reduce the quotas of Member Governments in relation to the Biennial Program Budget for 1992-1993.

5. To congratulate the Director on his successful efforts to maintain a sound and balanced financial position for the Organization.

GLOBAL MANAGEMENT COMMITTEE

At the first meeting of the GPA Management Committee in November 1988, agreement was reached on revised terms of reference covering the functions, composition and operations of the Management Committee. The terms of reference are reproduced in Annex 2 of the report of the Management Committee (Document GPA/GMC(1)/88.1). They provide a general framework for the Committee's activities, leaving matters of detail to be decided in the light of experience.

Composition of the Committee

The terms of reference provide that the Committee is to include "the governments of those countries which contributed undesignated funding in support of GPA's general budget in the previous fiscal year." The following clarifications are proposed:

- a) "contributed" - funding is considered as contributed on the date it is actually received by WHO or actually credited to the bank account designated by WHO for such contributions, whichever date is the earlier;
- b) "undesignated" - funding is considered as undesignated if it is not the subject of any legally binding condition preventing or restricting its use for any purpose that may be decided within the framework of the Global Program on AIDS;
- c) "fiscal year" - the year starting on 1 January and ending on 31 December.

With respect to regional representation on the GPA Management Committee, each of the six WHO regional committees is to select two members whose terms of office are increased from two to three years under the revised terms of reference. The first regional appointments, made under the original terms of reference, were for one and two year terms of office in order to achieve some continuity in membership. It will therefore be necessary to adjust the length of some terms of office at the next regional committee elections so that the "staggered" membership is maintained and the 3-year cycle is achieved. A procedure for this is proposed in this document.

Observers

Representatives of governments and intergovernmental organizations not included on the Committee, as well as certain nongovernmental organizations, may, on request, be granted observer status. It would be desirable to agree on the role that may be played by observers and to

give an indication of the way in which the request should be made. The following clarifications are proposed:

- a) Observers may, unless the Committee decides otherwise, participate in its deliberations, but may not take part in the formulation of its recommendations;
- b) Requests for observer status must be made in writing to the Director-General, for the attention of Director GPA, and must reach the Organization not later than one month before the opening day of the meeting.

Officers

Under the terms of reference, the Chairman of the Management Committee should, in principle, be a government representative and is to be elected from among members of the Committee for a period of two years. An unclear situation could arise if the government the Chairman represented in the previous year is no longer a member of the Committee or if the government is no longer represented by that person. The following clarification is proposed:

The Chairman's period of office will come to an end if the government he or she represented at the time of election is no longer a member of the Committee or if the government is no longer represented on the Committee by the person elected. In such cases, a new Chairman will be elected. The election will be for a full two-year term unless the Committee decides otherwise.

The terms of reference do not provide for a Vice Chairman but consideration could be given to continuing the ad hoc selection of such an officer to assist the Chairman in the performance of his/her duties.

Convening of Meetings

The following clarification is proposed:

Twelve weeks before the opening day of a regular meeting, notices convening the Committee will be sent by the Director-General to its members. A general announcement, included in the Activities Update of the Global Program on AIDS, will serve as notice to the governments and organizations eligible to request observer status.

Procedures

The following clarifications are proposed:

- a) Sixteen members - eight members from the category of contributors and eight members from the category of regional representatives - will constitute a quorum.

b) For other matters, if more formal procedures are necessary, reference will be made to the Rules of Procedure of the Executive Board.

The current situation (in conformity with the original terms of reference) is the following: the terms of office of six of the members (one from each region) expired at the end of 1989; the terms of the six others will expire after the session in 1990.

The following table illustrates how, as a result of these adjustments, beginning in 1992 four out of the twelve members will be replaced each year.

		TERMS OF OFFICE							
REGIONS	MEMBERS	1988	1989	1990	1991	1992	1993	1994	1995
A	1	=====**		+++++					
	2	=====**	-----			+++++			
B	1	=====**		+++++					
	2	=====**	-----			+++++			
C	1	=====**		+++++					
	2	=====**	+++++			+++++	+++++		
D	1	=====**		+++++					
	2	=====**	+++++			+++++	+++++		
E	1	=====**		////		+++++			
	2	=====**	+++++			+++++	+++++		
F	1	=====**		////		+++++			
	2	=====**	+++++			+++++	+++++		

==== indicates the original term of office of 1 or 2 years

**** indicates the six-months extension

----- indicates the period for which elections for two years will need to be made as a transitional measure

//// indicates the period for which elections for 1 year will need to be made - unless the regional committees decide to reappoint the current member - as a transitional measure

++++ indicates the three-year terms provided for under the revised terms of reference

At regional committee sessions in 1989:

Regions A and B elected one member each for 2-year terms starting from January 1990.

Regions C and D elected one member each for the full 3-year term starting from January 1990.

Regions E and F elected one member each for the full 3-year term starting from January 1990.

The sessions in 1990 would elect one member each for one year only (1991).

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