PPB/2010–2011

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PROPOSED PROGRAMME BUDGET 2010–2011

Foreword by the Director-General

I am presenting the Proposed programme budget 2010–2011 at a time of severe financial crisis and economic downturn. As Member States debate this budget, all parts of the world are being affected, to different degrees, by what could be the most severe economic decline experienced in several decades.

We are also in the midst of the most ambitious drive in history to reduce poverty and to close the widening gaps in health outcomes that are seen both within and between countries. No one wants this momentum to stall.

In recent years, health has been given an increasingly higher priority in the development agenda. This position has come about through generation of solid evidence that shows that investment in health goes hand in hand with development. This evidence is robust and holds true even in times of financial recession.

It is therefore imperative that governments, policy-makers and the international community are held accountable to their commitments to health, and that health is included in the national and international financial stimulus packages. The health sector, in turn, must recognize that improvements in health require interaction with many other sectors, including education, agriculture and environment.

According to economists, the financial crisis is unprecedented – and unpredictable – because it comes at a time of radically increased interdependence. This interdependence links societies and their economies; it also links the various sectors of government in unprecedented ways.

Policy spheres are no longer distinct. Many health problems now demand joint policy action with non-health sectors. Likewise, policy action in other sectors has important health consequences. Climate change, with its multiple consequences for health, is one clear example. The health sector must continue to argue for the inclusion of health in all policies, drawing support from the findings of the Commission on Social Determinants of Health.

Risk management, preparedness planning, and prevention are basic public health functions, and we have tools, as well as abundant experience, to help us to perform these functions well. Although nobody can predict how the current crisis will evolve, or which specific threats to health will arise, we must do our utmost to anticipate risks, to prepare, protect and prevent, and to avoid some serious mistakes made in the past. To this end, I convened a high-level consultation on the financial crisis and global health early this year, and this work is continuing.

At a time of crisis, the health sector must be steadfast in protecting its achievements, maintaining its capacities, and continuing its contribution to attaining wider social goals. In line with my commitment to primary health care, I would argue that equitable access to health care and greater equity in health outcomes are fundamental to a well-functioning economy in any country. I would further argue that equitable health outcomes should be a principal measure of how we, as a civilized society, are making progress.

WHO will stay firmly committed to the priorities clearly identified by its Member States, budgetary discipline, results-based management, and the improvement of health for all people. It is within the context of these challenges that I put forward the Proposed programme budget 2010–2011, which represents zero nominal growth for assessed contributions.

WHO's overriding priorities remain unchanged:

- implementing the International Health Regulations (2005) in order to respond rapidly to public health emergencies of international concern (including those caused by outbreaks of

emerging and epidemic-prone diseases), building on eradication of poliomyelitis in order to develop an effective surveillance and response infrastructure

- addressing the epidemic of chronic noncommunicable diseases, with an emphasis on measures to reduce risk factors such as tobacco consumption, improper diet and physical inactivity

- reducing maternal and child mortality, by extending activities aimed at universal access to, and coverage with, effective interventions, and strengthening health services

- improving health systems, focusing on human resources, financing and health information

- improving performance and building and managing partnerships so as to achieve the best results in countries.

This biennium the Organization introduced the Medium-term strategic plan 2008–2013 with its 13 strategic objectives.[1] In the interest of strategic consistency and comparability across consecutive budgets, the Proposed programme budget 2010–2011 maintains the substance of the 13 strategic objectives, although some shifts have been introduced in response to emerging public health issues such as climate change and patient safety.

Work has been continuing across all levels of the Organization to make the indicators, against which the Secretariat's achievements can be measured, more significant and accurate. This is work in progress and I am pushing for further improvements. When performance indicators are sharper, more measurable and more relevant, we can do a better job of translating available resources into tangible results.

Since I took office, I have been deeply committed to accountability and good governance. This commitment has driven a process of review and differentiation of those actions that WHO controls fully, those actions in which we collaborate with others, and those actions in which our response is largely determined by outside events beyond our control. To give added clarity, and in recognition of the different budget and management requirements, the Proposed programme budget 2010–2011 is therefore presented in the following segments:

- WHO base programmes

- special programmes and collaborative arrangements

- outbreak and crisis response.

The "70%–30%" principle continues to guide the overall distribution of resources, as directed by the strategy of strengthening first-line support to countries while ensuring adequate back-up from headquarters and the regional offices. The budget distribution between the individual regions and headquarters is unchanged.

I have taken due note of the comments and concerns of Member States as expressed during the deliberations of the Programme, Budget and Administration Committee and by members of the Executive Board at its 124th session in January 2009, and I have made the following changes from the proposed budget presented at that time.

[1] In line with resolution WHA60.11, the Medium-term strategic plan 2008–2013 has been revised following discussions at regional committee sessions and those of the Executive Board at its 124th session in January 2009. The revised version is presented for consideration by the Health Assembly in document MTSP/2008–2013 (Amended (draft))

The assessed contributions are proposed to remain at the 2008–2009 level of US$ 928.8 million, representing zero nominal growth. Miscellaneous income is now included in the total of assessed contributions at a reduced level of US$ 15 million, reflecting the projected income from interest earned and payment of arrears. This effectively means that cost increases due to exchange rate fluctuations and inflation will have to be absorbed through efficiencies.

I have also noted the concerns of Member States over the dilemma of maintaining a measure of ambition and aspiration while also introducing realism with regard to our capacity to implement and projected income in the global financial environment that is likely to prevail for the financial period 2010–2011. Balancing these considerations, I have proposed a moderate reduction (10% overall) relative to the WHO base programme level of the approved Programme budget 2008–2009. This reduction amounts to US$ 374 million, stabilizing the WHO base programme budget at a total of US$ 3368 million.

The debate on priorities during the Executive Board session in January has shaped the way the reduction across the strategic objectives has been made. Within this overall 10% reduction, the reduction for individual strategic objectives varies. Smaller than average reductions are thus proposed for strategic objectives 3 and 6 (noncommunicable diseases); strategic objective 4 (maternal and child health); strategic objective 7 (social determinants of health); and strategic objective 9 (nutrition), in line with the input received from Member States.

With this revision and adjustments in the other two budget segments, the total of the Proposed programme budget 2010–2011 stands at US$ 4540 million.

With regard to financing of the budget, no new mechanism is envisaged. It continues to be a great challenge to ensure the full delivery of a programme budget for which the assessed contributions now constitute only 20% of the total. The fact that the vast majority of the programme budget continues to be financed from voluntary contributions reflects the commitment and confidence of Members States and other partners. I am thankful to those Members States that have decided to support the Organization through longer-term framework agreements and by increasingly un-earmarking their contributions. This is the only mechanism we have to align funding with results.

The Proposed programme budget 2010–2011 will present a special challenge and there are indeed many unknowns that can come into play between now and its implementation. However, on one issue there can be no doubt: the obligation of the Organization to be a strong and firm advocate for investment in health in the current financial crisis and beyond.

I am pleased to submit this Proposed programme budget 2010–2011 for consideration by Member States.

Dr Margaret Chan
Director-General

Geneva, [date 2009]

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Rounding convention: The WHO programme budget is prepared in thousands of US dollars, and presented in millions. Each of the figures shown is correct; however, as a result of rounding in the presentation, there may be a slight discrepancy between the total shown, and the total when calculated by adding the figures as printed. In such a case, the total as shown should be considered correct since it takes into account the underlying figures