

*directing council*



PAN AMERICAN  
HEALTH  
ORGANIZATION

XXX Meeting

*regional committee*

WORLD  
HEALTH  
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XXXVI Meeting

Washington, D.C.  
September-October 1984

INDEXED

Provisional Agenda Item 8

CD30/3, Corrig. (Eng.)  
31 August 1984  
ORIGINAL: SPANISH

ANNUAL REPORT OF THE CHAIRMAN OF THE EXECUTIVE COMMITTEE

Corrigendum

The attached pages 17 and 18 should substitute those appearing in Document CD30/3 published on 20 August 1984.

- Item 30, "Action Taken in Regard to the Elimination and Functions of the Area Offices of the Bureau. Progress Report," was deleted because there is no information to provide on the subject other than that contained in the present report and because the original mandate was to present a report in 1985.
- A new item on the "Basic Plan on Priority Health Needs of Central America and Panama" has been placed on the agenda to enable the Director to bring the Council up-to-date on this important matter following two meetings with the Health Ministers and the Assistant General Directors of the Social Security administrations of the countries of Central America and Panama, those of the Contadora Group, and other countries.
- A new item on Epidemiology has been included on a proposal by the Observer from Chile seconded by the Representative of Uruguay, and referring in particular to the seminar on this subject held in Buenos Aires, Argentina, in November 1983.

Item 22

The Request of the State of Saint Christopher and Nevis for Membership in the Pan American Health Organization (Item 22 of the agenda) was presented by the Director in the fifth plenary session, in which the Executive Committee unanimously approved Resolution VII proposing that the Directing Council approve with satisfaction this request for membership in PAHO.

Item 23

Finally, in taking up Item 23 of the agenda, "Other Matters," in the sixth plenary session the Chairman, Dr. López Scavino, speaking as the Representative of Uruguay, gave expression to the concern aroused by the increase of chronic diseases, particularly in the countries in the Southern Cone of the Americas. He referred to conversations held and activities carried on in connection with this matter in that subregion and in other countries, and requested the placing on the provisional agenda of the Executive Committee and of the Directing Council Meetings to be held in 1985 an item on "Health of Adults." It was so agreed by unanimous vote.

Also in the sixth plenary session and under Item 23 "Other Matters," and on a proposal by the Observer from Chile seconded by the Representative of Uruguay, the Executive Committee decided to place on the provisional agenda of the XXX Meeting of the Directing Council an item on epidemiology to enable the Governing Bodies of PAHO to give their support to the interesting recommendations put forward by a meeting of about 100 epidemiologists held in November 1983 at Buenos Aires.

Closing Session

It only remains for me to say that the 92nd Meeting of the Executive Committee held its closing session on 28 June 1984, thereby bringing to a conclusion proceedings which I hope may be of use in easing the important tasks of the XXX Meeting of the Directing Council.

*directing council*



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Provisional Agenda Item 8

CD30/3 (Eng.)  
20 August 1984  
ORIGINAL: SPANISH

ANNUAL REPORT OF THE CHAIRMAN OF THE EXECUTIVE COMMITTEE

(Presented by Dr. Armando López Scavino (Uruguay))

Paragraph C in Article 9 of the Constitution of the Pan American Health Organization requires the Directing Council to review the annual report of the Chairman of the Executive Committee. Hence it falls to me to report in detail to the Council on the work done by the Committee during the last year, that is, from October 1983 to September 1984, which embraces its 91st, 92nd and 93rd Meetings, because this year, by way of exception, I will also be reporting to you in a separate document on the latest recommendations that the Executive Committee shall see fit to make on the Provisional Draft Program Budget of the World Health Organization for the Region of the Americas in the biennium 1986-1987 in a special meeting on 24 September 1984 (whose inception is described further on in this report), thereby discharging the functions assigned to it in Article 14 of the Constitution of PAHO.

91st MEETING OF THE EXECUTIVE COMMITTEE

The 91st Meeting of the Executive Committee of the Pan American Health Organization was held in the Headquarters Building in Washington, D.C., on 4 October 1983, immediately following the closure of the XXIX Meeting of the Directing Council.

The Representatives of Canada, Costa Rica and Dominica, newly elected to the Executive Committee in replacement of Argentina, Jamaica and Nicaragua, whose mandates had expired, took their seats on the Committee. Also present at the single session were the Representatives of the other members of the Committee: Cuba, Ecuador, Panama, United States of America, and Uruguay, and also Observers for Argentina, Brazil, Chile, Jamaica and Nicaragua, who joined actively in the discussions.

The signal honor of chairing the proceedings of the Executive Committee fell to myself, in which capacity I was seconded by Dr. Abelardo Ramírez (Cuba) as Vice Chairman and by Dr. Lyall Black (Canada) as Rapporteur.

The agenda presented by the Director was approved forthwith, and immediately thereafter note was taken of the resolutions of the just ended XXIX Meeting of the Directing Council that were of special interest to the Committee.

Uruguay was made a member of the Award Committee, PAHO Award for Administration, in place of Argentina, whose membership on the Executive Committee had ended; Costa Rica and Dominica were appointed to the Standing Subcommittee on Inter-American Nongovernmental Organizations in place of outgoing members Jamaica and Nicaragua. Canada, Cuba and the United States of America were appointed to the vacancies left by Argentina and Jamaica on the Subcommittee on Long-Term Planning and Programming. Cuba and Ecuador were made members of the Special Subcommittee on Women, Health and Development, and, at the proposal of Panama, it was decided to place the topic of the status of family medicine in the Americas on the agenda of the 92nd Meeting of the Committee.

There followed an interesting discussion of a report presented by the Director (Document CE91/2) on the currency of salaries and allowances. The outcome was the adoption by the Executive Committee of a resolution requesting the Director to take the necessary steps for the introduction in PAHO of rules similar to those followed in WHO and the United Nations, but with the possibility of granting exceptions if special circumstances at a given duty station so warrant. Thus, the idea is to relieve to the extent possible the foreign exchange difficulties of some Member Governments while assuring adequate guarantees to staff members.

Finally, following a discussion in closed session the Executive Committee approved another resolution authorizing the Director to sign a proposed Letter of Intent for development of the Governor Shepherd site as reviewed by the Subcommittee of the Directing Council dealing with this matter, and to negotiate and execute a Development Agreement, an Office Lease, a Ground Lease, and all other instruments contemplated by the Letter of Intent.

#### 92nd MEETING OF THE EXECUTIVE COMMITTEE

The 92nd Meeting of the Executive Committee of the Pan American Health Organization was held in the Headquarters Building at Washington, D.C., from 25 to 28 June 1984.

The meeting was attended by Representatives of the nine Members of the Executive Committee and Observers from eight other Member Countries of PAHO, in addition to those from Spain and several intergovernmental and nongovernmental organizations. In the absence of the Vice Chairman, Dr. Abelardo Ramírez (Cuba), a Vice Chairman pro tempore had to be elected. The choice fell on the Representative of Cuba, Dr. Roberto Menchaca, who seconded me effectively in my conduct of the discussions.

Also in the first plenary session the Executive Committee appointed Mr. Ian C. Inglis (Canada) Rapporteur pro tempore in place of Dr. Lyall Black of the same country.

Six plenary sessions sufficed to complete the tasks of the meeting, and the closing session could be held in the morning of 28 June 1984, one day sooner than had been scheduled in the convocation. This was made possible by the diligence of all participants and the effective assistance rendered at all times by the Director and his staff, the topics having been considered with all due care, and the discussions having been joined very actively not only by the Representatives of the Member Countries of the Executive Committee, but also by the Observers from other countries.

#### Item 2

The proceedings of the 92nd Meeting are most succinctly summarized in the Provisional Agenda (Item 2 of the Agenda) presented by the Director and approved by unanimous vote in the first plenary session. However, it is my function to report to you in greater detail on those proceedings and on the conclusions reached by the Executive Committee, which took the form of a series of decisions, some truly important, and 16 resolutions, which I shall present to you. For clarity of presentation it is preferable to follow not the chronological sequence of the discussions, but the development of each of the topics considered as enumerated in the agenda.

#### Item 3

On the subject of Representation of the Executive Committee at the XXX Meeting of the Directing Council of PAHO, XXXVI Meeting of the Regional Committee of WHO for the Americas (Item 3 of the Agenda), it was unanimously decided to designate Dr. Fidel Endara (Ecuador) to share with the Chairman of the Committee the task of advising and informing you on the work of the Executive Committee. The Committee designated the Representatives of Costa Rica and the Dominican Republic as our alternates.

#### Item 4

The Report on the Collection of Quota Contributions and Countries in Arrears in an Amount Exceeding the Sum of their Quotas for Two Full Years (Item 4 of the Agenda) was presented in the first plenary session by Mr. McMoil, who explained in full detail a situation that can be

summed up by saying that at that time 45.4% of the quotas for 1984 had been received compared with 46% of them at the same time in the previous year. He pointed out that since September 1983 the Dominican Republic, Haiti, and Paraguay were still in arrears to an extent of being subject to application of Article 6.B of the Constitution of PAHO, and had not paid in the amounts prescribed in the deferred-payment plans authorized for them by the Governing Bodies.

The Representative of the Dominican Republic stated that his country was fully disposed to pay its obligations in foreign exchange, but its economic situation made this utterly impossible to do, and it was prepared to pay its arrears in full in domestic currency.

In the discussion that ensued it became clear that the Committee was reluctant to recommend the imposition of sanctions on brother countries in straits and, moreover, that a solution would have to be found to a chronic problem that deferred-payment plans had been unable to solve.

The Director was of the view that a solution might be possible if the Governing Bodies were to authorize the aforesaid countries to pay in their arrears with the local-currency equivalent of the dollars that the Organization were to need over time to pay for its cooperation activities.

The idea was supported by several Representatives and Observers of Member Countries, but it was also pointed out that this measure could only be taken by the Directing Council, as it would mean suspending the application of certain provisions in the Financial Regulations. It was also feared that this course would encourage delays in the payment of quota contributions by other countries also contending with shortages of hard currencies. In short, it was feared that a precedent would be set.

In the end it was decided to set up a working group consisting of the Representatives of Canada, Costa Rica, the Dominican Republic and the United States of America, which drafted two resolutions.

Those draft resolutions were discussed and rewritten in the fourth and fifth plenary sessions, and in the latter session were approved by the Executive Committee. The first of these is Resolution III on the Collection of Quota Contributions, which thanks the Governments that have already made payments, and urges the others to make them so that the financial burden of the program can be spread fairly among all Members.

The other is Resolution IV on Members in Arrears in the Payment of Quota Contributions to an Extent that they are Subject to the Application of Article 6.B of the Constitution. The preamble of this resolution conveys the concerns and desires expressed in the discussion. In the operative part the Director is requested to persevere in his efforts to solve the problem and to propose to this XXX Meeting of the Directing Council a plan of action to that end; Member Countries in arrears are

requested to cooperate with the Director in devising that plan of action; and it is recommended to the XXX Meeting of the Directing Council that it not normally use deferred-payment plans as a means to recover outstanding quota contributions in the future, and that it invoke Article 6.B of the Constitution against Member Countries that have not actively cooperated in the plan of action prepared by the Director.

Item 5

This item consisted of the Financial Report of the Director and Report of the External Auditor for the Period 1982-1983 and was addressed by the Executive Committee in its first plenary session. The presentation was made by Mr. McMoil, who outlined the content of these two reports, presented as Official Document 194. The Report of the External Auditor was presented by his representative, Mr. Beadle, who explained in detail how the auditing had been done and referred, among other things, to the steps taken by PAHO to improve its control over computer development, and to the deterioration of INCAP's financial situation in 1982-1983.

In the discussion that ensued, the Director and his staff gave a wealth of detail and information in response to the concerns voiced by the speakers, particularly in regard to the status of INCAP and CAREC, losses caused by exchange-rate fluctuations, administrative decentralization, increases in Headquarters costs owing to useful innovations, inflationary effects, etc.

The Executive Committee brought all this together in Resolution II, approved in the fifth plenary session. This resolution notes with satisfaction the progress made in the Financial Management System and the effectiveness of the Internal Audit Office; expresses concern over the increase of outstanding quota contributions, the financial situation of INCAP and CAREC, and the problems identified in computer systems development; requests the Director to carefully review the financial situation of those centers, congratulates the Director on having maintained a sound financial position, and thanks the External Auditor for the report presented.

Item 6

The Amendments to the Staff Rules of the Pan American Sanitary Bureau (Item 6 of the Agenda) were presented to the Executive Committee during its first plenary session by Mr. Barahona, who explained that the purpose of these amendments was to continue the maintenance of close similarity between the Staff Rules of PAHO and WHO. This was followed by a hearing of the views of the staff of the PASB presented by Mr. Campagnaro, Chairman of the Staff Association.

The discussion of this topic was brief and, following a few explanations requested by the Representative of Canada, the Executive Committee approved Resolution I confirming the amendments to the Staff Rules of the Pan American Sanitary Bureau submitted by the Director.



Item 7

On the subject of the PAHO Award for Administration, 1984 (Item 7 of the Agenda), the Award Committee, consisting of Dr. Fidel Endara (Ecuador), Dr. Harold P. Thompson (United States of America), and Mr. Juan Pardo García (Uruguay), met on 26 June with Dr. Thompson as chairman, who presented the report on this subject to the fifth plenary session next day. He explained that the Committee was gratified by the large number of candidates presented and the high quality of all of them. They had unanimously bestowed the Award on Dr. Manuel Barquín, of Mexico, as stated in Resolution VIII, which was thereupon approved by the Executive Committee.

Item 8

Nongovernmental Organizations in Official Relations with PAHO: Inter-American Council of Psychiatric Associations was the title of Item 8 of the agenda, which was presented to the fifth plenary session of the Executive Committee by Dr. González (Panama) as a member of the Standing Subcommittee charged with reviewing the working relations of nongovernmental organizations with PAHO. The Committee accepted the proposal of the Subcommittee that more time be given to the Inter-American Council of Psychiatric Associations to begin its cooperation, but insisting that this be a last chance to do so. In its sixth plenary session, the Executive Committee approved Resolution XI expressing that decision.

Item 9

The Resolutions of the Thirty-seventh World Health Assembly of Interest to the Executive Committee (Item 9 of the agenda), presented by Dr. Banta, Deputy Director, elicited many comments. Particularly noteworthy was Resolution WHA37.14 relating to the Basic Plan on Priority Health Needs of Central America and Panama, expressing full support for an initiative of the Governments of that region and PAHO; several delegates from the Region had spoken from the floor in its favor in the World Health Assembly.

At one point in the discussion the Director said that he had been thrilled at the sight of the six Ministers of Central America and Panama presenting a joint initiative despite the differences among them, and he gave details on the measures already under way to give effect to that cooperation.

These proceedings are part of the summary record of the second plenary session, and the Executive Committee decided to place it as a specific item on the agenda of the Directing Council.

Item 10

The Governor Shepherd Building was Item 10 of the agenda, and was presented by the Chief of Administration, Mr. Tracy, in the second plenary session. This is a progress report which says, in sum, that, by the documents that the Director has signed with the authority of the previously mentioned 91st Meeting of the Executive Committee, PAHO will lease the site to the Lenkin Company for 60 years at a rent of \$600,000 a year (indexed for inflation). PAHO will have the right to rent up to 30,000 square feet in the new building at \$23.00 to \$27.00 per square foot; the end result will be to grant PAHO 23,000 square feet of free office space and, at the end of the 60-year term, PAHO will pay one dollar and receive free and clear title to the building and any adjacent land acquired by the leasing firm.

The Director expressed his gratitude to the Representative of Chile for the interest he had taken in this matter as a member of the Subcommittee concerned. This matter did not require the approval of a resolution.

Item 11

This item, Women, Health and Development. Report of the Subcommittee, was considered by the Executive Committee in its fifth plenary session. The discussion was opened by the Assistant Director, Dr. Alvarez Gutiérrez, who recalled that in 1982 the XXI Pan American Sanitary Conference had requested the Executive Committee to convene its Subcommittee on Women, Health and Development at least twice a year to monitor the program. The Secretariat had prepared for the Subcommittee a report summarizing the activities of PAHO and the Member Governments for implementation of the Five-Year Regional Plan of Action on Women, Health and Development. The three members of the Subcommittee (Cuba, Ecuador and Panama), had met on 22 June 1984 to examine the program.

Dr. Endara, as Chairman of the Subcommittee, then presented the report and submitted a proposed resolution that was extensively discussed by those present. At the end of the discussion in the same fifth plenary session, the proposed resolution was approved with a few changes as Resolution IX, in which the Executive Committee recommends to the XXX Meeting of the Directing Council that it urge the Member Governments to provide more education opportunities for women, to strengthen the women, health and development focal points so that they may coordinate the measures of government institutions and women's nongovernmental organizations; and to enforce their laws on the protection of women and have all discriminatory legislation rescinded. The resolution also recommends that the Director be requested to continue giving priority to implementation of the Five-year Plan and to the Women, Health and Development Program, and to encourage PAHO Country Representatives to meet regularly with the heads of offices addressing special issues relative to women; that he provide special training to enable women to compete on an equal basis for senior positions in the Organization; that

he continue his support to the Special Subcommittee on Women, Health and Development, and that he ensure that the goals and actions of the Five-Year Regional Plan of Action on Women, Health and Development are fully integrated into the Plan of Action for the implementation of the Regional Strategies for the attainment of the goal of Health for All by the Year 2000.

Item 12

In the second plenary session Dr. Martínez Silva spoke on Blood Transfusion Services, Item 12 of the agenda. He reported on the activities pursued not only by PAHO but also by other international agencies and Governments since the XXI Pan American Sanitary Conference set the goal of setting up effective blood transfusion services in the countries of the Region by 1990 with due regard for the ethical considerations involved. He and the Director answered questions, and it was in the end decided that no resolution should be approved, but merely a record made of what had been said.

Item 13

Item 13 of the agenda, the Pan American Foot-and-Mouth Disease Center, was presented in the second plenary session by Dr. Fernandes who, after reviewing the background of the topic, said that, in compliance with Resolution XXVI of the XXIX Meeting of the Directing Council, at the end of 1983 PAHO had proposed to IICA a specific agreement on the Pan American Foot-and-Mouth Disease Center. Talks between IICA and PAHO technicians had begun on 13 June 1984 on the terms of this agreement, which would have to be submitted to the Directors of the two organizations for consideration.

In the discussion that ensued, fears were expressed that more funds would be diverted from the proper object of PAHO, which was human health, to meet the needs of animal health. It was also insisted that any duplication of effort with the Pan American Zoonoses Center should be carefully avoided. The Secretariat gave assurances that there was no thought of increasing expenditures, and also on coordination of activities to avoid duplications not only within PAHO itself, but also with the activities of FAO and other international agencies.

The Executive Committee adopted no decision on this topic.

Item 14

The presentation of Item 14, the Family Medicine Situation in the Americas was made in the second plenary session by Dr. Castellanos, who reported in detail on the study done by the Secretariat in compliance with instructions received from the Executive Committee in its 91st Meeting. The study shows that there are major doubts, controversies and

hypotheses as to whether the training for the family physician is the same as for the practitioner of general medicine or whether the two should be regarded as separate specialties. It is hence apparent that these matters should be more deeply researched before any thought is given to the formulation of a program for the Americas.

The ensuing discussion brought out the diversity of views on the training of physicians and the functions of the family physician in caring for the entire human being in his own setting, as against super-specialization. The Rapporteur drafted a proposed resolution, which was discussed in the fifth plenary session, but no agreement could be reached on it and it was decided to establish a working group consisting of the Representatives of Canada, Panama and the United States of America. This working group drafted another version which was discussed in the sixth plenary session, in which the Executive Committee decided in the end to take no decision on the matter.

#### Item 15

The Executive Committee began the consideration of Item 15 of its agenda, the Subcommittee on Long-Term Planning and Programming, in its fourth plenary session, continued it in the fifth and completed it in the sixth with the approval of five resolutions on the different matters considered under this heading.

The presentations were begun by the Representative of the United States of America, Mr. Boyer, as a member of the Subcommittee, who introduced the report of the Subcommittee. At the meeting of that body from 11 to 13 April 1984, held at Headquarters with the Representatives of Canada, Cuba, Panama, United States of America and Uruguay attending, an important document was studied which elaborated on the new Director's concept for operating the Organization based on the concepts of equity, efficiency and technical excellence, and gave more precise definitions of the exceedingly important functions to be performed by the Country Representatives.

The presentation was followed by a substantial and searching discussion based on the annexes to Document CE92/16, which means practically the entire study prepared for the meeting of the Subcommittee referred to by Mr. Boyer in his presentation of the report. The interest shown by those present is easily understood when it is considered that the Subcommittee's purpose is to facilitate the active and genuine participation of all the Governments in determining the Organization's policy, in its application and in its evaluation and oversight, that is, to shape suitable mechanisms that will enable the Secretariat and the Member Countries to perform their constitutional functions in the best possible way for the benefit of all the peoples of the Americas.

For orderly discussion, each of the five annexes and Addendum I of Document CE92/16 were considered separately.

The discussion on Annex I (Report of the Subcommittee and Document CD92/16, ADD. I) focused on the Subcommittee's recommendations for the revision of its functions: its composition, how many meetings it should hold, and where and when, and the mandate it should be given. The speakers endorsed the proposal that the Subcommittee hold two regular meetings a year, preferably at Headquarters, one after the Meeting of the Directing Council and before the meeting of the Executive Board of WHO, and the other after the meeting of the Executive Board of WHO and before the June meeting of the Executive Committee of PAHO.

On the score of the Subcommittee's composition, it was argued in the discussion that the number of members should be increased, and that the Representatives of some other countries should be invited to attend even if they were not members of the Committee.

There was also some discussion of the advisability of changing the Subcommittee's name, for the phrase "long-term" was at variance with major functions for review of the established policy and its adaptation to changes in country situations requiring decisions in the medium term and even monitoring in the short term.

In regard to the mandate, there was general assent to the proposal made in Document CE92/16, ADD. I that the Subcommittee be given the functions of a) analysis of the planning, programming and budgeting processes, b) analysis of the system for the management of technical cooperation with the countries, c) analysis of changes in economic and social factors and their effects on the health sector, d) monitoring the functioning of the management systems in PAHO, e) analysis of special programs, and f) other functions as assigned by the Executive Committee. This was all brought together in Resolution XII, approved by the Executive Committee in its sixth plenary session.

In regard to Annex II (Managerial Strategy for the Optimal Use of PAHO/WHO Resources in Direct Support of Member Countries), the Subcommittee's recommendations and the discussions highlighted the need to make the management process more flexible. It was pointed out that changes in management require changes in people, that making the most of resources may require the raising of grave issues, and that direct support to countries requires that those countries shall have clearly established their own health priorities beforehand. Reference was made to the needed capacity to accept these changes, and concern was expressed about how capable the Country Representatives would be to perform their new functions. The Director took the floor to describe the policy in this regard. He referred to the limited latitude in the Organization for making changes in a staff whose members are in effect wedded to their posts, but a training program had been set up for the Country Representatives, and he was convinced that their performance would improve. He acknowledged that what was most difficult of all to change was the mental sets of the people doing the work. He also cited the

complexity of the problems involved in attaining technical excellence and of the measures being taken for the upgrading of personnel, and agreed that external help should be sought, though he pointed out that this collaboration should be channeled through the ministries of health of the countries in order not to wound susceptibilities in the Governments and to take advantage of the technical excellence available in many countries of Latin America.

The outcome of all this discussion was Resolution XV, approved in the sixth plenary session, in which the Executive Committee approved the recommendations on the "Management Strategy," urged the Member Governments to apply them and to study how available resources could be redeployed to promote the priorities adopted by the Governing Bodies of PAHO, and urged the Director to continue to examine the "Managerial Strategy" so that it could respond effectively to the changes taking place in the Region.

In taking up Annex III, Evaluating the Strategies for Health for All by the Year 2000. Common Framework and Format, the Director said that the Global Program Committee had considered using a common form for evaluation of the Strategies of Health for All by the Year 2000, and had concluded that in sending the form to the countries it should not be treated as a routine matter, for this was a good opportunity to strengthen the evaluation process in them. The Organization would itself fill out part of the form with information received from the countries, and help them in their monitoring and evaluation work so that they could provide all the data requested from them. In this way defects of the form could be gradually rectified.

In its sixth plenary session the Executive Committee approved Resolution XIII embodying essentially the recommendations of Annex III of Document CE92/16, urging the Director to implement them with a view to adjustment of the evaluation instrument following field tests, and the countries to cooperate in those field tests of the evaluation instrument and to use that instrument in their efforts to achieve the goal of Health for All by the Year 2000. Finally, the Director is urged to provide support to Member Countries in completing those tests, in preparing the contribution of the Americas to the seventh report on the world health situation, and in improving their information monitoring and evaluation capabilities.

In connection with National and International Financial and Budgeting Implications of the Regional Strategies and the Plan of Action for Health for All by the Year 2000 (The Economic Crisis in Latin America and the Caribbean and its Repercussions on the Health Sector), (Annex IV of Document CE92/16), the Executive Committee took note of the document presented by the Subcommittee, and in its sixth plenary session approved Resolution XIV recommending to the Directing Council the adoption of a proposed resolution expressing appreciation for the study done by the

Secretariat, urging the Director to implement its recommendations, urging Member Countries to study the cost of health services, their financing with a view to more effectiveness, efficiency and equity, and the impact of the economic crisis on the health sector, and requesting the Director to continue his observation of the impact of the economic crisis.

Consideration of the document Guidelines for the Promotion of TCDC/ECDC in the Health Sector with the Collaboration of PAHO (Annex V of Document CE92/16) gave rise to a detailed discussion in which the speakers commented widely on the political commitment implied in technical cooperation among countries, on the tendency in countries to give more importance to economic than to social development and on the use of bilateral cooperation funds to promote the economic and political aims of the country providing the cooperation. There was emphasis on the Organization's being ideally situated to promote TCDC, its greater facility for obtaining cooperation funds if good information is provided on possible specific activities; the need for coordination of a network of truly world scope to avoid needless duplication of research; the advisability of moving toward a voluntary international standardization of qualifications and training, and the impossibility of developing countries' being self-sufficient in essential drugs because of the rapid pace of progress in biological research.

It was also pointed out that technical cooperation among developing countries in health matters is no more than one sector of international cooperation, and that PAHO must be abreast of the activities of other agencies, such as UNICEF, to avoid duplications; that funding for TCDC must be found in addition to that provided by the countries themselves, perhaps in the form of long-term loans, and that the time has come for the Committee to start taking action instead of conducting more studies, for PAHO is uniquely suited to play a catalytic role.

The Director pointed out, among other things, that some progress was still needed in the conceptual area because it was not yet fully understood what was meant by technical cooperation among countries. He was aware that what was involved was an expression of solidarity, but with a political component, and that in a certain way TCDC/ECDC had to meet the interest of the Governments involved. He pointed out that even in multilateral programs conducted through PAHO/WHO, UNICEF, etc., the countries have to be made to see that it is they who are cooperating among themselves. Finally, he gave an account of the Organization's work in this area, notably a study on the needs for cooperation in seven countries of Latin America, which would serve as a basis for the design of a program; and the most ambitious plan of all, the Basic Plan on Priority Health Needs of Central America and Panama, a region for which PAHO already has specific projects on hand.

The proposed resolution on this subject was discussed in the sixth plenary session and, after a few minor changes, was approved by the Executive Committee as Resolution XVI, which essentially recommends to the XXX Meeting of the Directing Council that it urge the Member Countries to use the mechanisms of TCDC/ECDC relative to the Strategies and the Plan of Action for Health for All by the Year 2000; recommends that the Director collaborate with the Member Countries in taking steps for that purpose; and requests him to report on all this to the Governing Bodies.

#### Item 16

The Provisional Draft of the Program Budget of the World Health Organization for the Region of the Americas for the Biennium 1986-1987 (Item 16 of the agenda) was considered during the third plenary session. The Director introduced the subject with a very complete and detailed description of the mechanism and timetable for determining the WHO budget for the Americas. He described the difficulties involved in managing a budgetary process that begins so far ahead. He explained that the WHO budget proposal for 1984-1985 in the Americas had at first been constructed on the basis of the average increase in costs foreseeable at the end of 1981 and in early 1982, a time of high uncertainty and inflation in the United States of America which had resulted in the cost increase being estimated at about 23%. It was thought at the time that the Region of the Americas would have to carry the excess costs above 14.5%, which would reduce its programs 8.15%. In constructing the actual PAHO budget in 1983, however, it was seen that the costs in the Americas would not rise 23% as had been predicted, but only 14.4%. The official WHO document could not be corrected, however, and if it were taken as a basis for determining the change in costs for 1986-1987 at a time of low inflation in the United States of America and of major devaluations of local currencies in Latin America, the result would be a far too small increase in costs. The consequence would be a misleadingly low estimate of the Region's funding requirements, considerably below the US\$58,560,000 initially allocated by the Director-General. This matter was brought before the Subcommittee on Long-Term Planning and Programming for consideration in view of the possible prospect of having to "give back" to WHO the "excess" funds originally assigned to PAHO by the Director-General of WHO. Finally, in discussions held at Geneva in May 1984 it was agreed that the budgeting officers at Geneva and Washington should work together, but there had not been enough time to prepare a new, updated document to present for consideration by the 92nd Meeting of the Executive Committee.

The ensuing discussion dealt extensively with difficulties imposed by fluctuations in the economic situation, and particularly in the trends of inflation, which hindered accurate prediction. It was also said that some excessively rigid mechanisms might be made more flexible in order not to have to "give back" dollars that could be put to good use to meet sharply felt needs in a Region that contributes about 34% of WHO's regular budget and receives only 10% of it in return.



Finally, to be able to advise the Directing Council properly in such an important matter and with the latest possible information, it was decided that the Executive Committee would hold a special meeting on Monday, 24 September 1984, immediately following the session of the XXX Meeting of the Directing Council to be held in the afternoon of that day.

#### Item 17

This item was the Basis for the Definition of the Organization's Action Policy with Respect to Population Matters. The presentation was made in the third plenary session by Dr. Solis, who commented extensively on the report presented by the Director (Document CE92/12).

There followed a lengthy and animated discussion in which the many speakers agreed that there was a close connection between health and every aspect of population dynamics, that parents have the basic human right to take informed, free and responsible decisions on the number and spacing of their offspring, but that Governments can and must induce correct tendencies by supplying to all population sectors the information and means needed for the practice of family planning, and that PAHO has an obligation to act in this area by helping the Governments to formulate and implement these population policies.

At the end of the discussion the Director requested the Governing Bodies to approve a recommendation that the Organization could take as a guide to its activities. In its sixth plenary session the Executive Committee complied by approving Resolution X recommending to the Directing Council a proposed resolution embodying these points.

#### Item 18

The subject of this item was the International Program on Chemical Safety. It was introduced in the third plenary session by Mr. Davila, who recalled that the Program had been established in response to the concern about this problem on the part of the Governing Bodies of WHO. He pointed out that the hazards now went beyond the borders of the industrialized countries and that toxic chemicals were today a menace to all people in all countries. The International Labor Organization, the United Nations Development Program, and the World Health Organization are participating in the Program. The planning and coordination are centralized at WHO Headquarters.

In the ensuing debate it was brought out that chemical safety has long been a matter of concern to WHO, as attested by the creation in 1975 of the Pan American Center for Human Ecology, and by the reference in the Plan of Action for Health for All by the Year 2000 to the need to control physical and chemical pollution of the environment.

The Program has as active participants two developed countries in the Region--Canada and the United States of America--whose Representatives on the Executive Committee stated that their Governments are supporting the Program, its Coordination Group, and the Regional Advisory Committee. It was also emphasized in the discussion that all developing countries should participate actively in the program and that there should be coordination at the world level to avoid costly duplications of services.

This was all embodied in Resolution V approved in the fifth plenary session, in which the Executive Committee takes note of the report on the International Program of Chemical Safety (IPCS), recommends to the Member Countries that they become more involved in the IPCS, and recommends to the Director that, subject to the availability of resources, he prepare a status evaluation report on chemical safety in the Region and a medium-term program (1984-1989).

#### Item 19

The title of this item was Action Taken in Regard to the Elimination and Functions of the Area Offices of the Bureau. Progress Report. This report was introduced in the third plenary session by the Chief of Administration of the PASB, Mr. Tracy, who recalled that the Area Offices had been eliminated on 1 January 1984 and redesignated Country Representative Offices, that they had been reorganized, and new instructions had been issued for operation in coordination with the Ministries of Health.

The Representative of the United States of America voiced concern that the change might be only nominal and that staff had been transferred from the old Area Offices to Headquarters. He was also interested in the matter of premises for the Offices.

The Director explained in full detail that there had been no transfers of personnel, that the premises of most of the old Area Offices were owned by PAHO, and that new agreements were being negotiated under which the Governments would provide financial support and premises to the Country Representative's Offices, which would even make it possible to sell or rent out some PAHO premises. He closed with remarks on relations between Representatives and Governments. He said that the Representatives should not remain passive, but should see to it that the Organization fulfills the mandates it receives from the Member Governments so that country decisions may be taken in keeping with collectively established priorities, and so as to maintain a mutually productive relationship at all times without the Offices becoming appendages of the Governments.

The Executive Committee decided there was no need to approve any resolution on this topic.

Item 20

The Dates of the XXX Meeting of the Directing Council of PAHO, XXXVI Meeting of the Regional Committee of WHO for the Americas (Item 20 of the agenda) were set in the fifth plenary session of the Executive Committee with the unanimous approval of Resolution VI authorizing the Director to convoke the Meeting at the Headquarters building in Washington, D.C., from 24 September to 2 October 1984.

Item 21

The Provisional Agenda of the XXX Meeting of the Directing Council of PAHO, XXXVI Meeting of the Regional Committee of WHO for the Americas (Item 21 of the agenda) was approved with the following changes in the original document (CE92/5):

- The title of Item 22 was changed to "Health of Disabled Persons" (instead of "Disabled Persons" alone).
- Item 23: "Family Medicine Situation in the Americas" was deleted. The 92nd Meeting of the Executive Committee came to no decision for the pursuit of this matter.
- In Item 24: "Subcommittee on Long-Term Planning and Programming," "Part A, Report," was deleted because the Subcommittee is a subsidiary body of the Executive Committee and must therefore report to it. Therefore, this Item 24 will read: National and international financial and budgeting implications of the regional strategies and the plan of action for Health for All by the Year 2000."
- Part C of Item 24, "Technical Cooperation Among Developing Countries," was made a separate item of the agenda of the XXX Meeting of the Directing Council with the addition of Resolution XVI, in which the 92nd Meeting of the Executive Committee presents a proposed resolution to the Council.
- Part D, "Role of the Subcommittee," was also deleted as a subject lying solely within the province of the Executive Committee.
- Item 25, "Governor Shepherd Building," was deleted because there is no information to give the Directing Council on this subject other than that contained in the present report.
- Item 26, "Blood Transfusion Services," was deleted because Resolution XV of the XXIX Meeting of the Directing Council only requested the presentation of a study to the Executive Committee, which has been done and is covered in the present report.

- Item 30, "Action Taken in Regard to the Elimination and Functions of the Area Offices of the Bureau. Progress Report," was deleted because there is no information to provide on the subject other than that contained in the present report and because the original mandate was to present a report in 1984.
- A new item on the "Basic Plan on Priority Health Needs of Central America and Panama" has been placed on the agenda to enable the Director to bring the Council up-to-date on this important matter following two meetings with the Health Ministers and the Assistant General Directors of the Social Security administrations of the countries of Central America and Panama, those of the Contadora Group, and other countries.
- A new item on "Health of Adults" has been included on a proposal by the Representative of Uruguay.
- A new item on Epidemiology has been included on a proposal by the Observer from Chile seconded by the Representative of Uruguay, and referring in particular to the seminar on this subject held in Buenos Aires, Argentina, in November 1983.

#### Item 22

The Request of the State of Saint Christopher and Nevis for Membership in the Pan American Health Organization (Item 22 of the agenda) was presented by the Director in the fifth plenary session, in which the Executive Committee unanimously approved Resolution VII proposing that the Directing Council approve with satisfaction this request for membership in PAHO.

#### Item 23

Finally, in taking up Item 23 of the agenda, "Other Matters," in the sixth plenary session the Chairman, Dr. López Scavino, speaking as the Representative of Uruguay, gave expression to the concern aroused by the increase of chronic diseases, particularly in the countries in the Southern Cone of the Americas. He referred to conversations held and activities carried on in connection with this matter in that subregion and in other countries, and requested the placing on the provisional agenda of the XXX Meeting of the Directing Council of an item on "Health of Adults." It was so agreed by unanimous vote.

Also in the sixth plenary session and under Item 23 "Other Matters," and on a proposal by the Observer from Chile seconded by the Representative of Uruguay, the Executive Committee decided to place on the provisional agenda of the XXX Meeting of the Directing Council an item on epidemiology to enable the Governing Bodies of PAHO to give their support to the interesting recommendations put forward by a meeting of about 100 epidemiologists held in November 1983 at Buenos Aires.

Closing Session

It only remains for me to say that the 92nd Meeting of the Executive Committee held its closing session on 28 June 1984, thereby bringing to a conclusion proceedings which I hope may be of use in easing the important tasks of the XXX Meeting of the Directing Council.

*directing council*



PAN AMERICAN  
HEALTH  
ORGANIZATION

XXX Meeting

Washington, D.C.  
September-October 1984

*regional committee*

WORLD  
HEALTH  
ORGANIZATION

XXXVI Meeting



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24 September 1984  
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ANNUAL REPORT OF THE CHAIRMAN OF THE EXECUTIVE COMMITTEE

(Presented by Dr. Abelardo Ramírez (Cuba), Chairman pro tempore)

93rd MEETING OF THE EXECUTIVE COMMITTEE

In accordance with the decision taken at its 92nd Meeting, the Executive Committee held its 93rd Meeting on 24 September 1984 at the Headquarters of the Pan American Health Organization in Washington, D.C. It was a special meeting whose purpose was to update the information of the Committee and its advice to the Directing Council with respect to the examination of the Provisional Draft of the Program Budget of the World Health Organization for the Region of the Americas for the Biennium 1986-1987. At the 92nd Meeting it had not been possible to complete that examination because of the uncertainties arising from the need to make cost forecasts well in advance, in a period of considerable economic fluctuation.

The single session held was attended by Representatives of the nine Members of the Executive Committee and observers from two Member Countries of PAHO.

In the absence of the Chairman, Dr. Armando López Scavino (Uruguay), and pursuant to Rule 10 of the Rules of Procedure, the Vice Chairman served as Chairman pro tempore of the Meeting. Dr. Hugo Damasco (Uruguay) was appointed Vice Chairman pro tempore.

In the absence of the Chairman, Dr. Armando López Scavino (Uruguay), and of the other representative to the Committee, Dr. Fidel Endara (Ecuador), Dr. Juan Roberto Menchaca (Cuba) was designated to represent the Executive Committee in the XXX Meeting of the Directing Council, together with Dr. Amiro Pérez Mera (Dominican Republic), who had been so appointed during the 92nd Meeting. One or the other will carry out the constitutional function of presenting the work and views of the Executive Committee to the Directing Council.

Mr. Milam (PASB) presented the Provisional Draft of the Program Budget of WHO for the Region of the Americas (Document CE93/2, Corrig. 2). The 1986-1987 PAHO/WHO Regular program budget was first presented as a provisional draft in the Organization's Official Document 187 which was published in April of 1983. The WHO Regular portion was a part of this provisional draft, although no actions were required by the Governing Bodies during 1983.

In July 1983 the Director-General of WHO provided this Region with a planning ceiling of \$58,560,000 for 1986-1987. This planning ceiling was \$1,068,000 less than the provisional draft contained in Official Document 187 of April 1983 and represented an increase of 15.2% over 1984-1985 instead of the 17.3% increase in the original provisional draft.

The Director discussed the situation in general terms with the Subcommittee on Long-term Planning in April of this year. The situation was caused by the high cost of the original provisional draft, which was formulated in mid-1982 during a period of high costs, compared to the lower costs which the Secretariat now foresees.

This situation was again discussed with the June 1984 Executive Committee, which normally would have made recommendations to this Directing Council. The Director explained that the Secretariat continued working on the projections and discussed the idea of creating a Regional Director's Development Program for Country Activities, to be devoted to funding unexpected changes in the situations of Member Countries which affect the cost of the programs and to support those countries that are making genuine efforts to fulfill their obligations by carrying out the policies and strategies they have adopted collectively.

Then the Executive Committee reviewed Document CE93/2 which presented the latest calculations pertaining to the 1986-1987 WHO Program Budget projections. These projections are some \$484,000 less than the Director-General's July 1983 planning ceiling and contain funding of \$58,076,000, representing an increase of 14.2%, composed of 0.9% program growth and 13.3% mandatory increases, assuming basically the same program is to be continued. The program growth of 6.7% related to Country Activities was achieved by reductions in the Regional programs. The Regional Director's Development Program for Country Activities amounts to \$207,000.

The Executive Committee's discussion was very detailed and explicit. The Secretary cleared up the doubts expressed and explained the reasons for the problems that had caused the Representatives of the Member Countries and the Observers concern. There was a great deal of interest among the delegates in the Director's establishment of the Regional Director's Development Program for Country Activities. The majority of the participants in the discussion were reluctant to recommend in advance the acceptance of a lesser appropriation for the Region of the Americas, a reduction that would have to be accepted, without further recourse, if it were agreed upon in Geneva to decrease the level of the overall WHO regular budget.

Accordingly, the Executive Committee approved a resolution proposing that the Directing Council, acting as the WHO Regional Committee: (1) recommend to the Director-General of WHO provisional approval of the distribution of the \$58,076,000 program budget for the Region of the Americas; (2) request that the Director-General explore the possibility of restoring the \$484,000 to the Regional Director's Development Program for Country Activities (which would provide the program with funding of \$691,000 and an overall 1986-1987 level of \$58,560,000, equivalent to an increase of 15.2% composed of 1.8% program growth and mandatory increases of 13.4%); and (3) ask the Director-General to take full account, when preparing the program budget, of the views expressed at the Directing Council by the Member Countries of the Region of the Americas.