

156th SESSION OF THE EXECUTIVE COMMITTEE

Washington, D.C., USA, 22-26 June 2015

Provisional Agenda Item 5.7

CE156/25
6 April 2015
Original: English

STATUS OF PROJECTS FUNDED FROM THE PAHO HOLDING ACCOUNT

Introduction

1. The 48th Directing Council (2008), in accordance with Resolution CD48.R1 (1), approved the use of the Holding Account to fund priority projects as listed in Document CD48/22 (2). The resolution calls for the Pan American Sanitary Bureau (PASB) to present to the Executive Committee, through the Subcommittee on Program, Budget, and Administration (SPBA), periodic status reports on the projects funded from the Holding Account. This document represents an update as of 31 March 2015.

Update

2. Ultimately 14 projects were approved to be funded from the Holding Account. Six projects had been finished before 2014, and an additional four projects were completed in 2014. As of 31 March 2015, 87.5% of the \$25.29 million¹ originally authorized from the Holding Account had been implemented.

3. Of the remaining four projects still to be implemented: project 3.D on the implementation of the PASB Management Information System is ongoing and due to be completed by the end of 2015, while projects 4.B, 4.D and 4.F related to improvements to facilities were on hold pending the outcome of a condition assessment of the PAHO headquarters building and other properties that was completed late in 2014.

4. PASB will request the transfer of the unused balances totaling \$3.17 million in the holding account for infrastructure projects, 4.B, 4.D and 4.F to the Master Capital Investment Fund for the facilities and renovation projects that have been identified in the comprehensive PAHO facilities condition assessment.

5. Table 1 summarizes project progress and financial implementation reports as of 31 March 2015. Table 2 provides a brief description of all of the projects.

¹ Unless otherwise indicated, all monetary figures in this report are expressed in United States dollars.

TABLE 1
Holding Account Implementation Summary,
as of 31 March 2015 (in US\$)

Project Ref.	Project	Authorized from Holding Account	Implemented as of 31 March 2015	Balance in Holding Account	Implementation Status
1.A	Emergency Operations Center and Knowledge Center (EOC/KC)	2,808,700	2,808,700	0	Completed before 2014
1.B	Establishment of National Focal Points for International Health Regulations	1,500,000	1,500,000	0	Completed in 2014
Comment: For project 1.B, the amount of Holding Account funds carried over to 2014 was \$71,960 and was allotted as follows: GUY, \$58,277; HAI, \$5,430; JAM, \$3,866; and SUR, \$4,387. From the release of the funds (\$1,500,000) in April 2010 to 31 December 2014, the overall financial implementation was 99.3% and therefore, the funds should be regarded as executed.					
2.A	Strengthening PAHO's Public Health Information Systems	2,225,000	2,225,000	0	Completed in 2014
Comment: During the first semester of 2014, a detailed evaluation of PAHO's Health Information Platform was conducted and a Plan of Action for 2014-2015 was developed. Two working groups were formed: the Technical Working Group, which includes representatives from different PAHO departments, and the Information Technologies Working Group that is responsible for the management of the Platform. During the second semester of 2014, a situation analysis identified existing databases developed by different PAHO technical units. Furthermore, the Information Technologies Working Group in collaboration with Information Technology Services (ITS), performed systematic evaluations of the Platform's information tools. This allowed for the development and inclusion of new and improved data capturing systems for the Platform. The above activities exhausted all available Holding Account funds for the project. To continue to use the Information Platform, a health informatics professional (level P.2) has been contracted for 2015.					
2.C	Strengthening Communications through Improved PWR Connectivity	2,000,000	2,000,000	0	Completed in 2014
Comment: In 2014, ITS upgraded network optimization appliances that improved the connectivity in all country offices/centers. Subsequent phases will be based on the requirements for a cloud-based PMIS and email architecture, as well as a new funding modality. The collaboration within PAHO and with its partners requires this level of connectivity and investment.					
3.A	Modernization of the PASB Management Information System – Phase 1	919,751	919,751	0	Completed before 2014
3.B	Modernization of the Service Model for Delivery of IT and KM services	1,500,000	1,500,000	0	Completed in 2014
Comment: Regarding project 3.B, in 2014 new operating system software was deployed to all country offices/centers as well as headquarters to increase security and simplify desktop management. This project is now completed and the funds have been implemented.					

TABLE 1 (cont.)
Holding Account Implementation Summary, as of 31 March 2015 (in US\$)

Project Ref.	Project	Authorized from Holding Account	Implemented as of 31 March 2015	Balance in Holding Account	Implementation Status
3.C	Strengthening of the Organization's Capacity to be IPSAS-Compliant by 2010	286,912	286,912	0	Completed before 2014
3.D	Modernization of the PASB Management Information System – Phase 2 (implementation)	9,328,850	9,328,850	0	99%
Comment: The implementation of the modernization of the PASB Management Information System (PMIS) is currently underway. A thorough status report on the PMIS, a portion of which is funded by the Holding Account, will be provided in Executive Committee Item 7.5.					
4.A	Improvements to Facilities: MOSS Upgrades and Security Measures	290,787	290,787	0	Completed before 2014
4.B	Improvements to Facilities: Energy-Saving Measures	2,500,000	66,000	2,434,000	3%
Comment: A study of the headquarters building façade was initiated in 2014 with the objective to assess the cost and feasibility of carrying out the necessary refurbishments to the building. These studies were part of a broader assessment of the condition of the building. The results of these studies are still being collated and will be made available to Member States in 2015.					
4.C	Improvements to Facilities: Plaza Drainage System Repairs	375,000	375,000	0	Completed before 2014
4.D	Improvements to Facilities: Security and Sanitary Measures	330,000	103,473	226,527	31%
Comment: Studies were initiated in 2014 to assess the feasibility and cost of security upgrades proposed by the United Nations Department for Security and Safety (UNDSS) to the headquarters building as well as the refurbishment of bathrooms and sanitary facilities. The results of these studies will be included in a broader assessment of the condition of the headquarters building and presented to Member States in 2015.					
4.E	Improvements to Facilities: Headquarters Office Tower Roof Repairs	250,000	250,000	0	Completed before 2014
4.F	Improvements to Facilities: Refurbishment of Conference Rooms and Furniture	975,000	465,440	509,560	48%
Comment: A study was initiated in 2014 to assess the costs and feasibility of refurbishing floors 2 and 10 of the main headquarters building. The results of these studies will be included in a broader assessment of the condition of the building and presented to Member States in 2015.					
Total		25,290,000	22,119,913	3,170,087	87.5%

TABLE 2
Summary of Projects Funded from the Holding Account²

Project No.	Title	Description
1.A	Emergency Operations Center and Knowledge Center (EOC/KC)	A regional EOC/KC is a central hub that conducts the corporate functions of emergency event assessment and management, disaster response coordination, and information and knowledge management. It also serves as a forum for analysis and information exchange to facilitate decision-making in support of efficient and timely response to all events that may constitute a public health event of international concern (PHEIC), as defined under the International Health Regulations (2005).
1.B	Establishment of National Focal Points for International Health Regulations	The national liaison centers for the International Health Regulations in the countries should receive support to boost their capacity to instantly generate information and manage knowledge; assess health risks; respond to situations that could constitute public health emergencies, such as natural disasters, communicable disease outbreaks, or chemical and radio-nuclear incidents; and meet the requirements set forth in the International Health Regulations (2005).
2.A	Strengthening PAHO's Public Health Information Systems	A new health information systems strategy should be put in place to rectify the fragmentation and lack of integration among systems, the duplication of systems that overwhelms countries with multiple requests for information, and the insufficient dissemination of available information.
2.C	Strengthening Communications through Improved PWR Connectivity	A PAHO Private Network will support the communications needs of the Organization's modern corporate management systems by providing the required connectivity through added communications capacity, bandwidth, security, and reliability. This network will enable and support social networking, knowledge-sharing, electronic meetings, and videoconferencing, and will provide connectivity to extend systems in health institutions. The network will also provide a foundation for the future direct involvement of Member States in the activities of the Bureau.
3.A	Modernization of the PASB Management Information System – Phase 1	PASB should fully explore business processes and how they can be improved in order to align with the World Health Organization (WHO), support a robust results-based management framework, and improve administrative efficiencies, reflecting the same high level of integration and interoperability that WHO expects to achieve through its implementation of the Global Management System. PASB will evaluate three alternatives for modernizing its management information system (PMIS) and formulate a recommendation for consideration by the Governing Bodies.
3.B	Modernization of the Service Model for Delivery of IT and KM Services	This initiative seeks to reduce the maintenance and management needs of PAHO's information technology infrastructure in all offices, decrease current security vulnerabilities, and provide updated software supporting all four PAHO official languages, thus reducing the management of desktops in PAHO/WHO Representative Offices and simplifying local office support.

² These project profiles were originally presented to the Governing Bodies in [Document CD48/22](#) [2008]. Project 2.B was not approved. Project 3.D was approved in 2011 in order to advance in the implementation of PMIS.

TABLE 2 (cont.)
Summary of Projects Funded from the Holding Account

Project No.	Title	Description
3.C	Strengthening of the Organization's Capacity to be IPSAS-Compliant by 2010	The United Nations system agreed to replace the United Nations System Accounting Standards (UNSAS) with International Public Sector Accounting Standards (IPSAS) by 2010. PAHO's Governing Bodies approved the adoption of IPSAS by 2010. In order to meet that commitment, the Organization must align its Financial Regulations and Rules, processes, and systems with IPSAS. Furthermore, significant training and oversight will be required to ensure that new policies are understood and implemented correctly. For further details, please refer to Project Profile 3.C in Document CD48/22 (2008).
3.D	Modernization of the PASB Management Information System – Phase 2 (implementation)	The PMIS Modernization Project will enable the Bureau to strengthen collaboration among all stakeholders and will lead to improved results-based management and organizational decision-making. The modernization project will replace most of the Bureau's aging administrative information systems and significantly improve its business processes and administrative operations, thus reducing overall operational costs.
4.A	Improvements to Facilities: MOSS Upgrades and Security Measures	PAHO/WHO Representative Offices need one-time assistance to complete Minimum Operational Security Standards (MOSS) upgrades.
4.B	Improvements to Facilities: Energy-Saving Measures	Many components of the Headquarters building and conference center are the original ones installed in 1965 and need to be replaced. Components to be replaced include the induction heating/cooling system and electrical cabinets on the 2nd and 10th floors, the windows of the main building and conference center, and the conference center roof.
4.C	Improvements to Facilities: Plaza Drainage System Repairs	There are leaks in the plaza drainage system at Headquarters, and as a matter of regular maintenance, the entire system needs repair.
4.D	Improvements to Facilities: Security and Sanitary Measures	Security upgrades are needed in the Headquarters lobby and 2nd floor, along with sanitary improvements in the building's restrooms.
4.E	Improvements to Facilities: Headquarters Office Tower Roof Repairs	The scheduled replacement of the roof over the main Headquarters office tower is overdue. There are increasing leaks during rainstorms, further damaging the building.
4.F	Improvements to Facilities: Refurbishment of Conference Rooms and Furniture	The Organization's main physical assets are the Headquarters office tower, the conference wing, and the adjacent rented office annexes. These facilities require ongoing maintenance to ensure that they remain useful in support of the Bureau's work of providing technical cooperation to Member States, and to meet technological and ergonomic requirements and work safety standards.

Action by the Executive Committee

6. The Committee is invited to examine this document, and to provide further guidance and recommendations, including consideration of a resolution to transfer Holding Account balances for building projects to the Master Capital Investment Fund (Annex).

References

1. Pan American Health Organization. Use of Program Budget Income Exceeding the Authorized Effective Working Regular Budget 2006-2007 [Internet]. 48th Directing Council of PAHO, 60th Session of the Regional Committee of WHO for the Americas; 2008 Sept 29-Oct 3; Washington (DC), United States. Washington (DC): PAHO; 2008 (Resolution CD48.R1) [cited 2012 January 17]. Available from: <http://www.paho.org/english/gov/cd/CD48.r1-e.pdf>.
2. Pan American Health Organization. Use of Program Budget Income Exceeding the Authorized Effective Working Regular Budget 2006-2007 [Internet]. 48th Directing Council of PAHO, 60th Session of the WHO Regional Committee for the Americas; 2008 Sept 29-Oct 3; Washington (DC), United States. Washington (DC): PAHO; 2008 (Document CD48/22) [cited 2012 January 17]. Available from: <http://www.paho.org/english/gov/cd/cd48-22-e.pdf>.



156th SESSION OF THE EXECUTIVE COMMITTEE

Washington, D.C., USA, 22-26 June 2015

CE156/25

Annex

Original: English

PROPOSED RESOLUTION

TRANSFER OF FUNDS FROM THE HOLDING ACCOUNT TO THE MASTER CAPITAL INVESTMENT FUND

THE 156th SESSION OF THE EXECUTIVE COMMITTEE,

Having considered Document CE156/25 on the status of the implementation of Holding Account projects as of 31 March 2015;

Considering that projects 4.B “Improvements to Facilities: Energy-Saving Measures,” 4.D “Improvements to Facilities: Security and Sanitary Measures,” and 4.F “Improvements to Facilities: Refurbishment of Conference Rooms and Furniture” have been on hold for several years and PAHO has identified capital projects that will require financing far in excess of the respective authorized budgets from the Holding Account;

Observing that projects 4.B, 4.D, and 4.F have unspent balances of US\$ 2,434,000,¹ \$226,527, and \$509,560, respectively, and that these projects are a subset of the comprehensive PAHO Headquarters’ refurbishment project to be financed from the Master Capital Investment Fund;

Noting that the Pan American Sanitary Bureau proposes to transfer the balances from projects 4.B, 4.D, and 4.F, a total of \$3,170,087, to the Master Capital Investment Fund,

RESOLVES:

1. To reduce the approved funding from the Holding Account projects 4.B, 4.D, and 4.F by \$2,434,000, \$226,527, and \$509,560, respectively, leaving the total balance at zero.
2. To transfer the amount of \$3,170,087 from the Holding Account to the Master Capital Investment Fund.

- - -

¹ Unless otherwise indicated, all monetary figures in this report are expressed in United States dollars.
