

166th SESSION OF THE EXECUTIVE COMMITTEE

Virtual Session, 22-23 June 2020

CE166.R1
Original: English

RESOLUTION

CE166.R1

STATUS AND AUTHORIZED LEVEL OF THE WORKING CAPITAL FUND

THE 166th SESSION OF THE EXECUTIVE COMMITTEE,

Having examined the *Status and Authorized Level of the Working Capital Fund* (Document CE166/8);

Noting that the provisions of Financial Regulation VIII stipulate that the amount and purposes of the Working Capital Fund will be determined from time to time by the Pan American Sanitary Conference or the Directing Council;

Taking into account that the rate of receipt of assessed contributions has declined, and there is risk of a negative impact on the sustainability of program implementation;

Noting, with concern, that the Working Capital Fund is consistently fully utilized, and therefore not available as a buffer for unforeseeable, extraordinary expenses as provided for in the Financial Regulations of the Pan American Health Organization (PAHO);

Noting the need to adequately position the Organization to manage the uncertainties of the cash and budgeting cycles,

RESOLVES:

To recommend that the Directing Council adopt a resolution in the following terms:

STATUS AND AUTHORIZED LEVEL OF THE WORKING CAPITAL FUND

THE 58th DIRECTING COUNCIL,

Having examined the *Status and Authorized Level of the Working Capital Fund* (Document CD58/__);

Having noted that the Director has replenished the Working Capital Fund to its current authorized level of US\$ 25.0 million;¹

Aware of the need for a buffer for unforeseeable, extraordinary expenses as provided for in the Financial Regulations of PAHO;

Considering the recommendation of the Executive Committee concerning an increase in the authorized level of the Working Capital Fund, in recognition of the rate of receipt of assessed contributions, as well as the need to ensure that the Program Budget is carried out in an efficient and orderly manner,

RESOLVES:

1. To approve an increase in the authorized level of the Working Capital Fund from \$25.0 million to \$50.0 million.
2. To authorize the Director to finance the increase in the Working Capital Fund from any surplus of revenue over expense as a result of efficiencies realized in the implementation of the Program Budget (budget surplus).

(Second meeting, 22 June 2020)

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