

**Directing Council
PAN AMERICAN
HEALTH
ORGANIZATION**
XL Meeting

**Regional Committee
WORLD
HEALTH
ORGANIZATION**
XLIX Meeting

Washington, D.C.
September 1997

Provisional Agenda Item 5.1

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PROPOSED PROGRAM BUDGET OF THE PAN AMERICAN HEALTH ORGANIZATION FOR THE FINANCIAL PERIOD 1998-1999

The 120th Meeting of the Executive Committee examined the proposed program budget of the Pan American Health Organization (PAHO) for the financial period 1998-1999 contained in *Official Document 281*, in conjunction with the report of the Subcommittee on Planning and Programming (SPP) and supplementary information provided by the Director.

The observations and comments by the Executive Committee, as well as the explanations provided by the Secretariat, are summarized in the Annual Report of the Chairman of the Executive Committee (Document CD407). The Executive Committee adopted Resolution CE120.R3 (see Annex). Taking into consideration the comments and the Resolution, the Director has made changes to the proposed program budget. These changes are reflected in the revised version of *Official Document 281*, which is being submitted under separate cover.

The PAHOWHO regular budget proposal presented to the Executive Committee included an increase of 3.5%. The 1998-1999 PAHO budget proposal for the consideration of the Directing Council is for zero nominal growth with respect to the 1996-1997 biennium. The 1998-1999 WHO budget was approved by the World Health Assembly in May 1997 for \$82,686,000, an increase of 3.6% over 1996-1997. The combined PAHO and WHO budget is for a total of \$251,264,000, an increase of 1.2% or 0.58% annually.

Draft appropriation and assessment resolutions are on pages II-1 through II-4 of the revised *Official Document 281*.

CE120.R3

**PROPOSED PROGRAM BUDGET OF THE PAN AMERICAN HEALTH
ORGANIZATION FOR THE BIENNIUM 1998-1999**

THE 120th MEETING OF THE EXECUTIVE COMMITTEE,

Having considered the Report of the Subcommittee on Planning and Programming (Document CE1206);

Having examined the proposed program budget of the Pan American Health Organization for the biennium 1998-1999 contained in *Official Document 281*;

Noting with satisfaction the efforts of the Director to prepare this proposed program budget in a climate of continuing fiscal constraints;

Further noting with satisfaction the transparency of the budget document and its continued emphasis on the expected results of the programs proposed; and

Bearing in mind Article 14.C of the Constitution of the Pan American Health Organization and Article III, paragraphs 3.5 and 3.6, of the PAHO Financial Regulations,

RESOLVES:

1. To thank the Subcommittee on Planning and Programming for its preliminary review of and report on the proposed program budget.
2. To express appreciation to the Director for the attention given to cost savings and the strengthening of programs in his development of the program budget, in particular, with respect to the increased collection of funds from countries in arrears and cost containment by the program management at Headquarters.
3. To request the Director to restructure the program budget proposals to achieve a level of zero nominal growth for presentation to the XL Meeting of the Directing Council, consistent with the recommendations and suggestions made by the Executive Committee during the review of *Official Document 281*.
4. To recommend to the XL Meeting of the Directing Council that it consider the proposed program budget of the Pan American Health Organization for the biennium 1998-1999, with an effective working budget of \$168,578,000, as redefined by the Director, and that it adopt the required resolutions on appropriations and quota contributions, especially in regard to encouraging the countries to meet their payment obligations as soon as possible.

*(Adopted at the fifth plenary session,
25 June 1997)*