



REGIONAL COMMITTEE

Provisional Agenda item 7.2

*Seventieth Session  
Maldives  
6–10 September 2017*

SEA/RC70/5

20 July 2017

### **Programme Budget matters: Programme Budget 2018–2019**

The Programme Budget 2018–2019 approved by the Seventieth World Health Assembly is to be the primary instrument for expressing the full scope of work of the Organization, along with the roles and responsibilities of all levels of the Organization (country offices, regional offices and headquarters). It will be the basis for the detailed 2018–2019 operational planning that has already been initiated, as well as the basis for reporting, evaluating and accountability.

The attached working paper discusses the Approved Programme Budget and the ongoing operational planning for the 2018–2019 biennium in the context of the South-East Asia Region.

The Tenth Meeting of the Subcommittee on Policy and Programme Development and Management (SPPDM) held at the WHO Regional Office in New Delhi on 14 July 2017 reviewed the attached working paper and made the following recommendations:

#### **Action by Member States**

- (1) Continue active participation in discussions related to the Programme Budget 2018–2019 at the regional and global Governing Body meetings.
- (2) Provide timely inputs to the WHO country offices to enable finalization of country workplans following peer review to meet the deadline of entering workplans in GSM by 30 September 2017.
- (3) Actively participate in the peer review of the 2018–2019 workplans slated for 20–22 September 2017 in the Regional Office.

#### **Actions by WHO**

- (1) Provide detailed information on the operational planning process along with allocation by country offices and Regional Office Budget Centres to the Regional Committee.

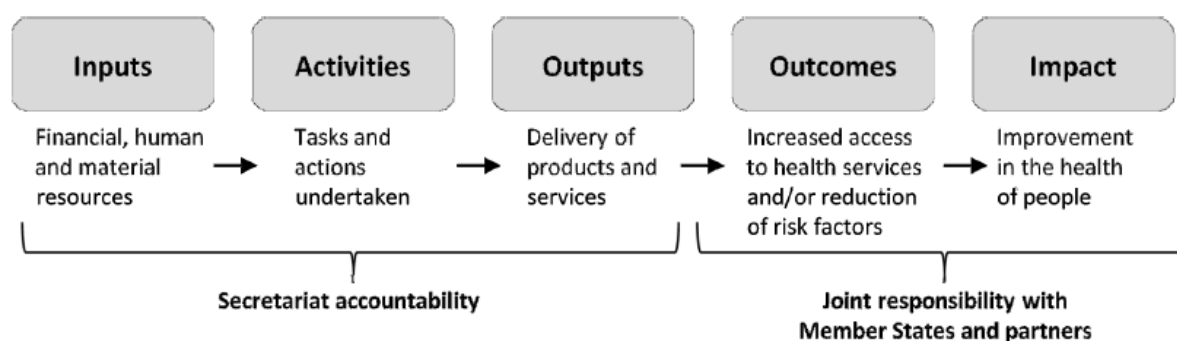
- (2) Continue to provide required support to Member States through WHO country offices for timely finalization of workplans for 2018–2019.
- (3) Make available comparative information on country-wise as well as Category-wise allocation of the Programme Budget to country office budget centres for the 2014–2015, 2016–2017 and 2018–2019 bienniums to the Seventieth Session of the Regional Committee.
- (4) Present the Draft Resolution on the Programme Budget 2018–2019 for consideration of the Seventieth Session of the Regional Committee.

The comparative information will be provided to the Regional Committee as an information document.

The working paper and SPPDM recommendations are submitted to the Seventieth Session of the Regional Committee for its consideration.

## Introduction

1. The Twelfth General Programme of Work (GPW) provides a high-level strategic vision on the work of WHO for the six-year period 2014–2019. It aims to improve results-based programming, management, accountability and transparency while enhancing resource mobilization.



2. Through Programme Budget 2018–2019, WHO is seizing the opportunity presented by the 2030 Agenda for Sustainable Development to strengthen its leadership in global health and enhance its support at the country level. The Programme Budget 2018–2019 opens up avenues for WHO to strengthen synergies between its role in the principal health-related Sustainable Development Goal (Goal 3: Ensure healthy lives and promote well-being for all at all ages) and other Sustainable Development Goals that have an impact on health outcomes.

## Programme Budget 2018–2019

3. This presents the budget requirement of WHO for the biennium 2018–2019 within the broader context of the Organization's Twelfth GPW. The introduction of the WHO Health Emergency Programme has resulted in Category E being introduced, replacing the Emergencies part of Category 5. Antimicrobial resistance (AMR) and food safety move to Category 1 and Category 2, respectively.

4. WHO's biennial Programme Budget elucidates the collaborative nature of the WHO's work with respective Member States within a given biennium.

5. The Programme Budget 2018–2019 is the key instrument for strengthening the financing, resource mobilization and strategic communication of the Secretariat. The Programme Budget is also the basis for detailed operational planning. It is the primary instrument for expressing the full scope of work of the Organization and identifying the roles, responsibilities and budgetary allocations of the three levels of the Organization, namely, the country offices, regional offices and headquarters.

6. The Seventieth World Health Assembly has approved a total budget of US\$ 4421.5 million for the biennium 2018–2019. Of this total, US\$ 3400.3 is for the Base Programme under Categories 1–6, inclusive of the Health Emergencies Programme. This is an increase of US\$ 46 million in the Base Budget.

7. The World Health Assembly has also approved a 3% increase in Assessed Contributions, corroborating the need for further resources, in particular, for the WHO Health Emergencies Programme. Financing of Category 6 and cost-recovery mechanisms, and the strategy and plan for value for money in WHO was also presented to the Health Assembly. The Approved Programme Budget 2018–2019 addressed the comments and concerns raised by Member States during the discussion on the previous version at the 140th Session of the WHO Executive Board.

8. The Approved Programme Budget 2018–2019 takes the following into account:

- (i) the full scope of the WHO Health Emergencies Programme;
- (ii) a coherent and comprehensive programme for combating AMR;
- (iii) giving an unrelenting push in support of the Polio Eradication and Endgame Strategic Plan 2013–2018, and the integration of essential polio functions to support other priorities, especially at the country level;
- (iv) honouring ongoing commitments, especially the unfinished agenda on ending the epidemics of HIV/AIDS, tuberculosis, malaria and neglected tropical diseases, and on combating hepatitis. Other commitments include improving the health of women, children and adolescents, and ending preventable maternal, child and newborn mortality through the Global Strategy for Women's, Children's and Adolescents' Health;
- (v) ensuring that ongoing strategies and plans gain further traction, including the following: the Global Strategy and Action Plan on Ageing and Health; the Comprehensive Implementation Plan on Maternal, Infant and Young Child Nutrition (2012–2025); the commitments made in the World Health Assembly resolution on health and the environment: addressing the health impact of air pollution; increasing vaccination coverage in hard-to-reach populations and communities; and the Political Declaration of the High-level Meeting of the UN General Assembly on the Prevention and Control of Noncommunicable Diseases.

9. The Approved Programme Budget 2018–2019 has been developed through a process of engagement at the three levels of the Organization, which has involved rigorous consultations with Member States for more than a year.

10. The first step was to identify the priorities for WHO's technical cooperation at the country level. A structured process of consultation with Member States and other stakeholders at the country level was put in place to further align with agreed priorities and sharpen the focus of work of the Organization. WHO country offices identified priorities in up to 10 Programme Areas for WHO's technical cooperation at the country level, to which approximately 80% of resources for the technical areas (Categories 1–4 and Emergencies) would be directed; the remaining 20% would be directed at meeting existing commitments and emerging priorities during the biennium.

11. The second step was to review the priorities at country offices, regional offices and at headquarters, taking into account a number of elements, including: existing commitments and engagement with partners; global and regional action plans and targets; and resolutions adopted by the Governing Bodies. The priority results and deliverables at each level of the Organization were consolidated by the three levels through the Programme Area, with oversight from the Category networks and the Global Policy Group.

12. Keeping in line with the Programme Budget 2014–2015 and 2016–2017, the Programme Budget 2018–2019 has been approved in its totality. It does not specify any details of the Assessed and Voluntary Contribution allocations within the document itself. This change is part of a wider WHO reform as it links to the concept of future financing of WHO, and the result is that it increases the engagement and responsibility of Member States to support the full financing of the Programme Budget.

13. Resolution WHA70.5, paragraph 7, authorizes “the Director-General to use the Assessed Contributions together with the Voluntary Contributions, subject to the availability of resources, to finance the budget as allocated in paragraph 3, up to the amounts approved”. This paragraph gives full authority to the Director-General to use Assessed and Voluntary Contributions in the appropriate manner to deliver the full approved budget of US\$ 4421.5 million.

## **Programme Budget 2018–2019 for the SEA Region**

14. During the planning process, the WHO country offices identified their priorities for 2018–2019 in consultation with the respective national authorities in countries of the Region. They also identified the critical outputs on which the WHO country offices would work on the collaborative programme for the 2018–2019 biennium. Budgets were worked out by the country offices based on their outputs. They were collated and the Regional Programme Budget was developed based on this bottom–up planning process. The regional requirement was submitted to WHO headquarters during the development of the Global Programme Budget for 2018–2019.

15. The Seventieth World Health Assembly endorsed the Programme Budget 2018–2019 for the South-East Asia Region at US\$ 344.3 million. The Region’s Base Budget in Programme Budget 2018–2019 shows a net increase of US\$ 2 million over Programme Budget 2016–2017, even after the application of the Strategic Budget Space Allocation (SBSA). The budgetary increase is mainly due to the new Health Emergencies Programme, and the AMR and noncommunicable disease (NCD) programmes.

16. Biennium 2018–2019 too will follow the same procedure that is being followed in the current biennium, where non-cash contributions derived from “benefit-in-kind” or “service-in-kind” awards and work under “partnerships” as well as event-driven emergency and outbreak appeals will not be accommodated within the approved Programme Budget space. These types of funds are now being accounted for outside of the Programme Budget.

## **Technical highlights of Programme Budget 2018–2019 for the SEA Region**

### **Category 1**

17. Category 1 consists of six Programme Areas that are highly relevant to the SEA Region. Malaria elimination, prevention and control of tuberculosis and HIV/AIDS have received high priority status in several Member States that report a high disease burden. Four Regional Flagship Areas – measles elimination and rubella control by 2020; finishing the task of eliminating diseases on the verge of elimination (kala-azar, leprosy, lymphatic filariasis and yaws); AMR; and tuberculosis have been given special priority under Category 1. The 2018–2019 biennium

Programme Budget and operational plans will sustain the increased focus on these Regional Flagship Areas.

### **Category 2**

18. Food Safety moves to this category, taking the programme areas under Category 2 to six. The Secretariat will contribute to the further scaling up of interventions for the prevention and control of NCDs, while maintaining the momentum gained in tobacco control in the Region. Further expansion of the work on violence and injuries, nutrition and mental health will also be addressed. As the prevention and control of NCDs has been identified as one of the Regional Flagship Priorities, there would be more focus to position NCDs in the national development agenda of Member States to promote early detection and treatment of NCDs, and improve the evidence base for policy-making, planning and monitoring. The budget increase under Category 2 would allow WHO to engage with countries in the Region for the prevention and control of NCDs.

### **Category 3**

19. The work will focus on pursuing the unfinished business of ending preventable maternal, newborn and child deaths. As part of this effort, the Secretariat will intensify support to countries to reach the last mile and to end preventable maternal, newborn and child deaths in the Region. Being one of the Regional Flagship Priorities, emphasis on this would be enhanced, especially in those countries that still report a high burden of neonatal, infant, child and maternal morbidity and mortality. Further efforts will be made to improve synergies with other programme areas of ageing, health and gender, equity and human rights, and social determinants of health. Emphasis would be laid on the health impacts of environmental risks, particularly climate change and air pollution, in biennium 2018–2019. The Organization's ongoing and cross-cutting activities, especially efforts with respect to equity, are interwoven with the Sustainable Development Goals. In order to strengthen this work, the Programme Areas of gender, equity and human rights, and the social determinants of health have been merged into a single, new Programme Area: equity, social determinants, gender and human rights. This new area will create even greater opportunities to anchor the relevant integrative work across other programmes, through implementation of the SDGs across the Organization.

### **Category 4**

20. In the area of health systems strengthening, the focus will be on building resilient, integrated health systems. Innovations in the areas of health-care delivery, and transformational education, prequalification of medicines, development of medicines, vaccines and other health technologies will be given emphasis. Universal health coverage has been identified as one of the Regional Flagship Priorities in the SEA Region. Allocation from the Programme Budget for 2016–2017 has been increased mainly at country office level to manage related activities under Category 4. The additional budget in this category will be crucial for meeting the demands of technical assistance in health systems strengthening in support of universal health coverage. It will also allow the Secretariat to work on strengthening regulatory systems for the control of AMR, which too is one of the Regional Flagship Priorities, and on galvanizing research on and development of vaccines, treatments and diagnostics for outbreaks. The Secretariat of the Asia Pacific Observatory on Health Systems and Policies has moved from the Western Pacific Regional Office to the South-East Asia Regional Office. The Asia Pacific Observatory is a

collaborative partnership of interested governments, international agencies, foundations, civil society and the research community. Through its work and long-term collaborative partnerships, the Observatory will continue to contribute to capacity-building in research, analysis and evidence-to-policy links, in countries of the Western Pacific and South-East Asia Regions.

### **Category E**

21. The South-East Asia Region is subjected to frequent natural and human-induced disasters. It needs to pay special attention to epidemic- and pandemic-prone diseases while dealing with emergency preparedness and response. Category E will merit a critical focus for the biennium 2018–2019, capitalizing on the lessons learnt from the recent outbreaks and disasters that the Region and the world have faced. WHO would focus on fulfilling the increasing demand by Member States for technical support in meeting national core capacity requirements under the International Health Regulations (2005). The proposed budget increase is crucial for enabling the Organization to support implementation of the new WHO Health Emergencies Programme in the Region. Being a Regional Flagship Area, strengthening emergency risk management for sustainable development, and building national capacity for prevention and response would attract much focus.

### **Category 6**

22. The main focus will be on maintaining continuity while making further improvement in certain areas, as requested by Member States. Work on enhancement includes strengthening transparency, accountability, risk management and evaluation, and corporate learning. The changes will be systemwide. The SDGs move to Category 6. The budget in Category 6 has been reduced, but every effort will be made to sustain the investments in support of strengthening internal control, including at the country and regional levels, full implementation of the evaluation policy and framework, and strengthening of risk management and accountability.

23. The financing dialogue that was introduced for the biennium 2014–2015 has allowed the Organization to progress towards the objectives of alignment, transparency and predictability. The biennium 2016–2017 saw a global resource crunch of US\$ 500 million, which hampered the achievement of a fully funded Programme Budget. Further efforts at coordinated resource mobilization, strategic use of flexible funding and greater transparency achieved through the Programme Budget web portal should help the Organization achieve a fully financed Programme Budget in 2018–2019. In the South-East Asia Region in 2018–2019, an additional budget is proposed to further strengthen work in the areas of accountability, evaluation and transparency, as well as communications. The Region accords the highest priority to accountability, evaluation and transparency. Despite a cut in the Category 6 budget, the budget for transparency, accountability and risk management have been increased to ensure compliance. Budget Centres are also developing evaluation workplans for the 2018–2019 biennium.

### **Operational planning for 2018–2019 in the SEA Region**

24. The distribution of the Programme Budget sets out a US\$ 344.3 million budget space for the South-East Asia Region, with a country office-level budget space of US\$ 230.0 million, and a Regional Office-level budget space of US\$ 114.3 million. The budget space for each Category

level, Programme Area level and distribution between country offices and Regional Office levels is shown in Table 1.

25. When compared with Programme Budget 2016–2017, the budget for Categories 3, 4 and 6 has been decreased by US\$ 5.5, US\$ 3.4 and US\$ 1.9 million respectively, and polio by US\$ 21.5 million. The Programme Budget for all other categories has been increased. The details of the budgetary shift by category is given in Table 2.

26. During the 2018–2019 biennium too, as in the current biennium, budgetary control will be managed at the “Category” level, which is aligned to resolution WHA70.5.

27. Detailed operational planning by the country offices and Regional Office departments is being done within the budget space described above, without considering the funding sources.

28. Final regional budget allocations among the country offices and Regional Office departments will be established only during the operational planning fine-tuning in the later part of 2017, which will be based on the country priorities, Regional Flagship Areas and needs identified during the bottom–up planning process.

29. The operational planning process would involve the following steps before being operationalized:

- (i) budget envelope agreed,
- (ii) outputs developed,
- (iii) preparation of human resource (HR) and activity workplans,
- (iv) peer review by Programme Area network,
- (v) submission of all workplans in the Global Management System (GSM), and
- (vi) approval of budget and funding.

30. The Committee is requested to review the Approved Programme Budget 2018–2019 and the ongoing operational planning for the 2018–2019 biennium for the South-East Asia Region, and provide its observations and recommendations.



**Table 1: Approved Programme Budget 2018–2019 for the South-East Asia Region: breakdown by Category and Programme Areas (in US\$ million)**

Categories and programme areas	2016–2017 (Revised Emergency)			2018–2019 (WHA Approved)			Change		
	CO	RO	Total	CO	RO	Total	CO	RO	Total
<b>Communicable diseases</b>									
HIV and hepatitis	8.1	4.5	12.6	7.4	3.7	11.1	-0.7	-0.8	-1.5
Tuberculosis	16.9	3.4	20.3	14.5	3.3	17.8	-2.4	-0.1	-2.5
Malaria	6.1	5.1	11.2	9.0	3.3	12.3	2.9	-1.8	1.1
Neglected tropical diseases	4.1	7.4	11.5	7.5	5.9	13.4	3.4	-1.5	1.9
Vaccine-preventable diseases	21.2	6.0	27.2	20.2	7.7	27.9	-1.0	1.7	0.7
Antimicrobial resistance	0.9	0.1	1.0	4.2	1.3	5.5	3.3	1.2	4.5
<b>Total – Communicable diseases</b>	<b>57.3</b>	<b>26.5</b>	<b>83.8</b>	<b>62.8</b>	<b>25.2</b>	<b>88.0</b>	<b>5.5</b>	<b>-1.3</b>	<b>4.2</b>
<b>Noncommunicable diseases</b>									
Noncommunicable diseases	11.5	5.3	16.8	12.8	4.2	17.0	1.3	-1.1	0.2
Mental health and substance abuse	1.4	0.7	2.1	2.4	0.9	3.3	1.0	0.2	1.2
Violence and injuries	1.1	0.9	2.0	2.5	0.7	3.2	1.4	-0.2	1.2
Disabilities and rehabilitation	0.6	0.2	0.8	0.5	0.2	0.7	-0.1	0.0	-0.1
Nutrition	1.5	1.1	2.6	1.9	0.9	2.8	0.4	-0.2	0.2
Food safety	0.7	0.3	1.0	0.7	0.3	1.0	0.0	0.0	0.0
<b>Total – Noncommunicable diseases</b>	<b>16.8</b>	<b>8.5</b>	<b>25.3</b>	<b>20.8</b>	<b>7.2</b>	<b>28.0</b>	<b>4.0</b>	<b>-1.3</b>	<b>2.7</b>
<b>Promoting health through the life course</b>									
Reproductive, maternal, newborn, child and adolescent health	15.3	4.8	20.1	11.5	5.7	17.2	-3.8	0.9	-2.9
Ageing and health	0.9	0.6	1.5	0.5	0.1	0.6	-0.4	-0.5	-0.9
Gender, equity and human rights mainstreaming	0.8	1.0	1.8	0.0	0.0	0.0	-0.8	-1.0	-1.8
Social determinants of health	1.2	1.7	2.9	0.0	0.0	0.0	-1.2	-1.7	-2.9
Health and the environment	5.4	3.4	8.8	5.7	3.2	8.9	0.3	-0.2	0.1
Equity, social determinants, gender equality and human right	0.0	0.0	0.0	1.1	1.8	2.9	1.1	1.8	2.9
<b>Total – Promoting health through the life course</b>	<b>23.6</b>	<b>11.5</b>	<b>35.1</b>	<b>18.8</b>	<b>10.8</b>	<b>29.6</b>	<b>-4.8</b>	<b>-0.7</b>	<b>-5.5</b>
<b>Health systems</b>									
National health policies, strategies and plans	17.4	3.4	20.8	14.3	3.0	17.3	-3.1	-0.4	-3.5
Integrated people-centred health services	11.9	5.3	17.2	12.9	3.9	16.8	1.0	-1.4	-0.4
Access to medicines & other health technologies & strengthening regulatory capacity	9.2	3.9	13.1	7.1	2.6	9.7	-2.1	-1.3	-3.4
Health systems, information and evidence	4.5	5.5	10.0	5.1	8.8	13.9	0.6	3.3	3.9
<b>Total – Health systems</b>	<b>43.0</b>	<b>18.1</b>	<b>61.1</b>	<b>39.4</b>	<b>18.3</b>	<b>57.7</b>	<b>-3.6</b>	<b>0.2</b>	<b>-3.4</b>
<b>Health emergencies programme</b>									
Infectious hazard management	5.2	1.7	6.9	1.5	1.8	3.3	-3.7	0.1	-3.6
International Health Regulations and country preparedness	5.5	2.7	8.2	9.0	4.0	13.0	3.5	1.3	4.8
Health emergency information and risk assessment	1.0	2.7	3.7	0.7	2.4	3.1	-0.3	-0.3	-0.6
Emergency operations	1.6	3.0	4.6	3.6	3.5	7.1	2.0	0.5	2.5
Emergency core services	0.3	1.4	1.7	2.0	2.5	4.5	1.7	1.1	2.8
<b>Total - Health emergencies programme</b>	<b>13.6</b>	<b>11.5</b>	<b>25.1</b>	<b>16.8</b>	<b>14.2</b>	<b>31.0</b>	<b>3.2</b>	<b>2.7</b>	<b>5.9</b>
<b>Corporate services/enabling functions</b>									
Leadership and governance	9.3	6.7	16.0	9.3	9.3	18.6	0.0	2.6	2.6
Transparency, accountability and risk management	0.9	0.5	1.4	0.9	2.3	3.2	0.0	1.8	1.8
Strategic planning, resource coordination and reporting	2.0	1.7	3.7	2.0	1.1	3.1	0.0	-0.6	-0.6
Management and administration	16.3	17.3	33.6	14.8	12.3	27.1	-1.5	-5.0	-6.5
Strategic communications	0.9	0.8	1.7	0.9	1.6	2.5	0.0	0.8	0.8
<b>Total - Corporate services / enabling functions</b>	<b>29.4</b>	<b>27.0</b>	<b>56.4</b>	<b>27.9</b>	<b>26.6</b>	<b>54.5</b>	<b>-1.5</b>	<b>-0.4</b>	<b>-1.9</b>
<b>Subtotal base programmes</b>	<b>183.7</b>	<b>103.1</b>	<b>286.8</b>	<b>186.5</b>	<b>102.3</b>	<b>288.8</b>	<b>2.8</b>	<b>-0.8</b>	<b>2.0</b>
Polio eradication	63.5	13.5	77.0	43.5	12.0	55.5	-20.0	-1.5	-21.5
<b>Subtotal</b>	<b>63.5</b>	<b>13.5</b>	<b>77.0</b>	<b>43.5</b>	<b>12.0</b>	<b>55.5</b>	<b>-20.0</b>	<b>-1.5</b>	<b>-21.5</b>
<b>Grand total</b>	<b>247.2</b>	<b>116.6</b>	<b>363.8</b>	<b>230.0</b>	<b>114.3</b>	<b>344.3</b>	<b>-17.2</b>	<b>-2.3</b>	<b>-19.5</b>

Table 2: **Budget increases and reductions for the South-East Asia Region by Categories (in US\$ million)**

Category	2016–2017	2018–2019	Approved budget increase/decrease
Category 1	83.8	88.0	4.2
Category 2	25.3	28.0	2.7
Category 3	35.1	29.6	-5.5
Category 4	61.1	57.7	-3.4
Category E	25.1	31.0	5.9
Category 6	56.4	54.5	-1.9
Net budget increase	286.8	288.8	2.0