



REGIONAL COMMITTEE

Provisional Agenda item 7.1

Seventy-second Session
New Delhi
2–6 September 2019

SEA/RC72/4

31 August 2019

Programme Budget 2018–2019: Implementation and mid-term review

This Working Paper provides information on programmatic and financial implementation of the Programme Budget 2018–2019. The Mid-Term Review results were presented to the Seventy-second World Health Assembly in May 2019 (document A72/35) and are attached as an information document to this Working Paper.

As per latest interim monitoring of the programmatic implementation, 98.6% of the total 1460 Top Tasks across all Budget Centres were on track for achievement by the end of the biennium.

The approved Programme Budget for the WHO South-East Asia Region for the biennium 2018–2019 is US\$ 344.3 million. Of this, US\$ 288.8 million is the Base Budget and US\$ 55.5 million is for polio. No specific budget was approved under the “Outbreak, Crisis Response & Scalable Operations (OCR)” Category due to the event-driven nature of activities under this.

The allocated Programme Budget stands at US\$ 403.9 million as on 30 August 2019, mainly due to increase under Category 1: Communicable Diseases (US\$ 30.3 million) and subsequent allocation to Category 13: Outbreak, Crisis Response & Scalable Operations (OCR) (US\$ 31.1 million).

Funding for the approved Programme Budget is at 107%, while it is 91% when compared with the allocated Programme Budget. Implementation (expenditure) and utilization (expenditure *plus* encumbrances) stand at 70% and 82% of the distributed resources respectively. It is noted that utilization to distributed resources and to allocated Programme Budget has increased from 73% and 62% respectively as per the Working Paper reviewed by the Subcommittee on Policy and Programme Development and Management (SPPDM) as of 31 May 2019 to 82% and 75% respectively as of 30 August 2019.

The SEA Region is first among the regions in terms of utilization to allocated Programme Budget and utilization to distributed resources. Further, the Region is jointly at the top, along with the African and Western Pacific regions, in terms of implementation to allocated Programme Budget. Implementation to distributed resources for the Region is ahead of the global average.

This Working Paper was presented to the Twelfth Meeting of the Subcommittee on Policy and Programme Development and Management for its review and recommendations. The SPPDM reviewed the paper and made the following recommendations for consideration by the Seventy-second Session of the Regional Committee:

Action by Member States

- (1) Ensure a collaborative approach in accelerating implementation of programmes and activities at the country level.

Actions by WHO

- (1) Coordinate with Member States for making accelerated efforts towards technical and financial implementation and present an update to the Seventy-second Session of the Regional Committee.
- (2) Continue to monitor technical and financial implementation and further strengthen resource mobilization efforts.
- (3) Include the results from Top Task monitoring for 18 months in the Working Paper being submitted to the Seventy-second Session of the Regional Committee.

The Working Paper and the SPPDM recommendations are submitted to the Seventy-second Session of the WHO Regional Committee for South-East Asia for its consideration.

Introduction

1. The WHO Secretariat presented to the Seventy-second World Health Assembly the WHO Mid-Term Review (MTR) of Programme Budget (PB) 2018–2019 as the WHO Results Report (A72/35), which is attached herewith as an Information Document. The MTR 2018–2019 is a summary of key achievements and results in the first year of the biennium. Results matter, because they hold WHO accountable to WHO's own goals; to the people WHO serves; to Member States; and to donors and partners who invest in these results. The report highlighted the areas in which WHO has had an impact and the financial resources that were required to achieve them. The Seventy-second World Health Assembly deliberated upon and accepted the Report.

2. This Working Paper presents the highlights of the technical progress and financial implementation of the South-East Asia Region's Programme Budget and efforts towards resource mobilization.

Programmatic Implementation highlights

3. After completing the corporate requirements of the MTR at the end of 2018, the Region also completed its interim technical monitoring of the progress of Top Tasks at the end of 18 months of the Programme Budget 2018–2019. The six-monthly review of programme implementation provided an opportunity for Budget Centres to take stock of progress and the key issues that need to be addressed to complete implementation of Programme Budget 2018–2019 by the end of December 2019.

4. The Region adhered to the timelines and achieved 100% reporting compliance during this exercise for all the active Top Tasks. Out of a total of 1460 active Top Tasks, approximately 98.6% are on track. Top Tasks reported as "at risk" numbered 20, and only one was reported to be "in trouble". Table 1 and Fig. 1 and 2 provide a summary of the progress of Top Tasks. The few Top Tasks at risk and in trouble were mainly due to scheduling and coordination challenges, particularly those requiring the collaboration of multiple partners in countries. However, most of them should be implemented by the end of the biennium.

Table 1. Top Task progress status by regional and country levels

Organization	Number and status of Top Tasks					Top Task progress and compliance			
	Total Top Tasks	Completed	In progress	Not started	On hold	On track	At risk	In trouble	% reported
SEA Member States	1 119	122	963	34	0	1 100	19	0	100%
Regional Office for South-East Asia	341	4	332	4	1	339	1	1	100%
Grand total	1460	126	1295	38	1	1439	20	1	100%

Fig. 1: *Top Task status by Category*

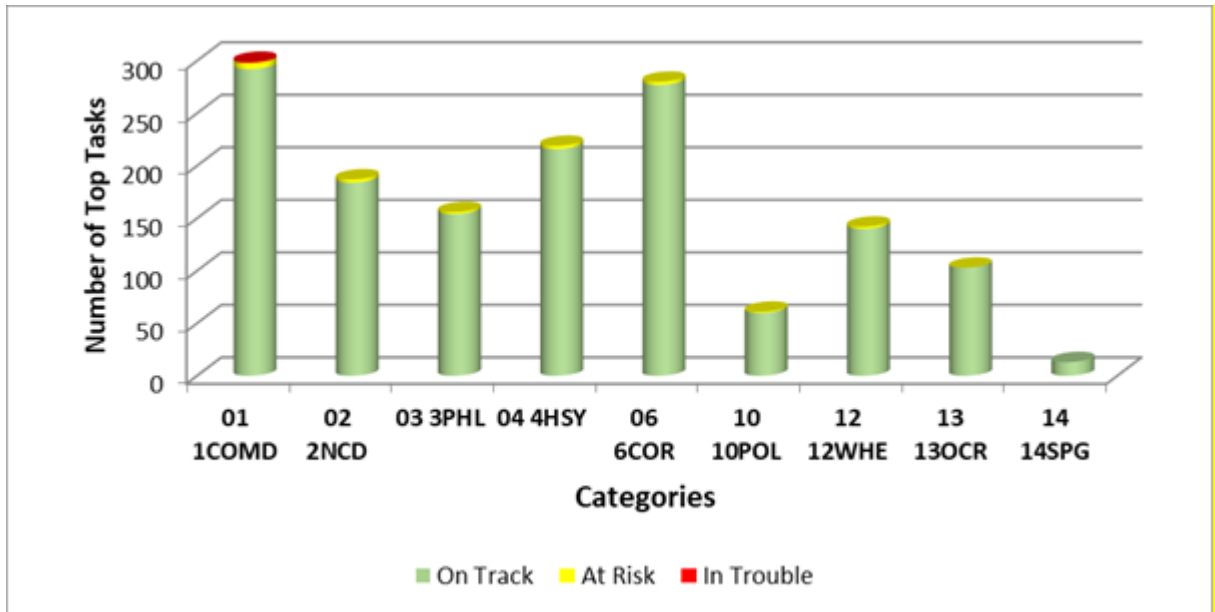


Fig. 2: *Top Task progress by Category*



5. The SEA Region continued to make steady progress across its eight Flagship Priority Areas, as outlined below. With the additional emphasis on results and driving impact in Member States in the Thirteenth General Programme of Work (GPW13), WHO will continue to collaborate with Member States and partners to sustain achievements, accelerate progress and innovate to further improve health outcomes in the Region while contributing to the GPW13 and SDG targets.

6. The Region has progressed well on the target of measles elimination and rubella control, and a recent expert review indicates that the Region can achieve elimination of both diseases by 2023. Steady progress in overall immunization coverage in the Region has been observed, with most Member States maintaining or increasing the coverage. Countries have also introduced new vaccines, such as pneumococcal conjugate vaccine (PCV) and human papillomavirus (HPV) vaccine. Polio transition plans are also in place following polio elimination in the Region.

7. Substantial progress has been made in controlling and preventing HIV, hepatitis and tuberculosis (TB) in the Region. Maldives achieved elimination of mother-to-child transmission (EMTCT) for HIV and syphilis and Sri Lanka is progressing towards it. Bhutan, Thailand and Timor-Leste have made steady progress towards elimination of malaria while India and Myanmar have significantly reduced the number of deaths due to malaria. India has rolled out a national plan for hepatitis B and C with provision of free drugs. Continued progress has been made towards the elimination of neglected tropical diseases in the Region; Nepal has achieved trachoma elimination in 2018 and Timor-Leste has significantly reduced the prevalence of cases of yaws to only two positive cases since 2017.

8. Member States of the Region continued to advance towards universal health coverage (UHC) by improving access to essential health services. Five countries (Bhutan, Indonesia, Maldives, Sri Lanka and Thailand) are poised to achieve more than the global median of the UHC essential coverage index. Countries continued implementing essential service packages and essential medicines lists to rationalize service delivery and improve access to quality affordable health services, especially at the primary care level. The Democratic People's Republic of Korea finalized its essential health services package and digitized Koryo Medicine literature. The first locally manufactured pharmaceutical product in Bangladesh was prequalified.

9. Progress has also been made in the areas of maternal, neonatal and child health with most countries on track to achieve the relevant SDG targets. The target for stillbirth has already been achieved by Bhutan, Maldives, Sri Lanka and Thailand. This is the only Region to establish newborn birth defects and stillbirth surveillance in seven Member States.

10. All Member States have reported on their core capacities related to the International Health Regulations (IHR) (2005) through the new State Party Annual Report tool; eight countries have conducted joint external evaluations (JEE) for IHR core capacities and five have updated their national action plans on health security. WHO continued to work closely with Member States in establishing health emergency operation centres (HEOCs) and operationalizing them by providing them with training and logistics. WHO's revised Emergency Response Framework and Incident Management System have been implemented in all graded and protracted emergencies in the Region. WHO supported most of the health emergencies in the Region and to Indonesia's high-quality rapid response to the vaccine-derived polio virus (VDPV) outbreak in Papua. The Government of India's timely and successful response to the Nipah virus outbreak in the state of Kerala during this period is noteworthy.

11. Advocacy efforts and multisectoral actions to implement noncommunicable disease (NCD) “best buys” continued in countries with the introduction of major policy initiatives and legislative measures on controlling tobacco, alcohol, sugar, salt and trans-fats. Capacity for tobacco cessation has been enhanced in many countries and there is evidence of a reduction in the prevalence of tobacco use in some countries. Key achievement in countries include: taxation for sugar-sweetened beverages (SSBs) in Nepal and Sri Lanka; ban on trans-fats in Thailand; plain packaging for tobacco products introduced in Thailand; and ban on single-stick cigarettes and introduction of regulations on graphic health warnings on tobacco packs in Maldives in 2019.

12. All Member States in the Region are implementing national action plans (NAPs) to combat antimicrobial resistance (AMR). A WHO–FAO–OIE and UNEP review of NAPs was conducted in almost all Member States. Integrated surveillance for AMR is being piloted in India, Indonesia and Nepal.

Financial implementation of the Programme Budget

13. The approved Programme Budget for the WHO SEA Region for the period 2018–2019 is US\$ 344.3 million. Of this, US\$ 288.8 million is the Base Budget and US\$ 55.5 million is for polio. As Outbreak, Crisis Response and Scalable Operations (OCR) are event-driven in nature, it is not possible to anticipate accurately the budgetary requirement for specific emergencies. Thus, no specific budget was approved under this Category. Humanitarian response plans and Programme Budget 2018–2019 appeals are planned, budgeted and financed at the time of responding to events using emergency planning processes.

14. As on 30 August 2019, the allocated Programme Budget is US\$ 403.9 million (including polio and the OCR component). Total distributed resources are US\$ 367.9 million, which is 107% of the approved budget and 91% of the allocated Budget. Implementation (expenditure) and Utilization (expenditure plus encumbrances) are 70% and 82% respectively of the distributed resources. In relation to the approved Programme Budget, Implementation (expenditure) and utilization (expenditure *plus* encumbrances) are 75% and 88% respectively.

15. Top Programme Budget priorities identified with Member States and Regional Flagship Programmes continued to guide the allocation of resources with over 80% of resources being allocated to such priorities in Member States. Driving impact at the country level is the underlying thrust of the Regional Director’s vision for her second term – “Sustain. Accelerate. Innovate”. Accordingly, 77% of the Region’s financial resources have been distributed to country offices, and only 23% have been retained for the Regional Office.

Table 2: Programme Budget implementation summary as on 30 August 2019 (in US\$ million)

Level	Approved PB	Allocated PB	Distributed resources	% Resources vs allocated PB	Implementation (expenditure)	Utilization (expenditure + encumbrances)	Balance available	% Utilization vs allocated PB	% Utilization vs resources	% Implementation vs allocated PB	% Implementation vs resources
CO	230.0	305.9	284.0	93%	198.9	235.9	48.1	77%	83%	65%	70%
RO	114.3	98.0	83.9	86%	58.8	65.6	18.3	67%	78%	60%	70%
Total	344.3	403.9	367.9	91%	257.7	301.5	66.4	75%	82%	64%	70%

16. Table 3 shows a comparison of the allocated Budget, distributed resources, implementation, utilization and balance available as of August 2019 vis-à-vis August 2017. The Region has more resources, and both, implementation and utilization, are higher as compared with the previous biennium, in absolute terms as well as in percentages on various parameters.

Table 3: Comparison of funding and implementation status in August 2019 and August 2017 (in US\$ million)

Month	Allocated PB	Distributed resources	% Resources vs allocated PB	Implementation (expenditure)	Utilization (expenditure + encumbrances)	Balance available	% Utilization vs allocated PB	% Utilization vs resources	% Implementation vs allocated PB	% Implementation vs resources
August 2017	374.4	340.5	91%	234.4	269.0	71.5	72%	79%	63%	69%
August 2019	403.9	367.9	91%	257.7	301.5	66.4	75%	82%	64%	70%
Variation	29.5	27.4	--	23.3	32.5	(5.1)	3%	3%	1%	1%

17. The full funding of the Programme Budget requires a combination of the right levels of financing from Assessed Contributions and Voluntary Contributions. The new financing model of the Organization aims to achieve a fully funded Programme Budget that is realistic and driven by the priorities and expected outputs agreed to by Member States. The 2018–2019 Programme Budget is well funded with overall distributed resources equal to 91% of the allocated Programme Budget and over 88% across different categories, except for Category 12 (WHE) and Category 13 (OCR).

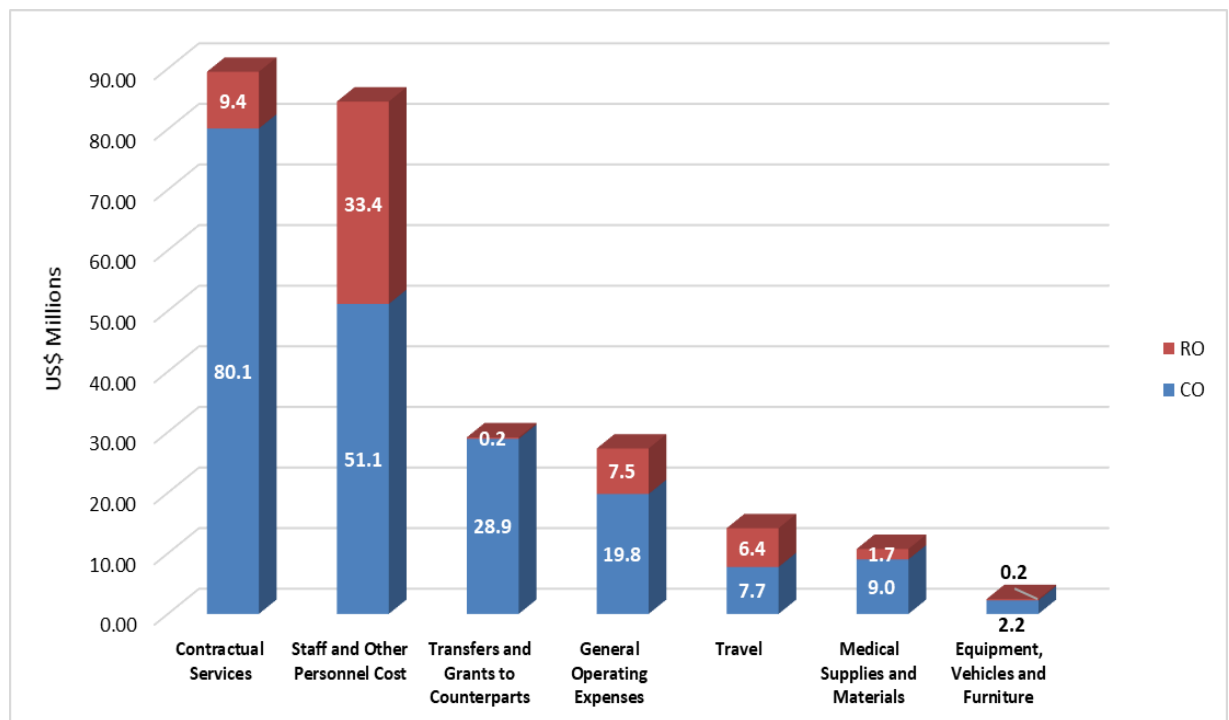
18. Annexures 1 and 2 show the status of implementation by Budget Centre and Category, respectively, for Member States of the SEA Region and the Regional Office as a whole.

19. The total resources available to the Region as on 30 August 2019 are US\$ 372.4 million, of which US\$ 151.9 million are Flexible Funds and US\$ 220.5 million is from other Voluntary Contributions. Out of this, US\$ 367.9 million has been distributed to Member States and the Regional Office in the ratio of 77:23 approximately. Of the total distributed resources, US\$ 110.5 million is allocated for staff costs and US\$ 257.4 million for activities. The overall implementation (expenditure) rate against distributed resources is 70%, i.e. US\$ 257.7 million (33% for staff costs and 67% for activities).

20. Fig. 3 reflects the Programme Budget expenses by “expenditure type” as on 30 August 2019. The main components of the total expenditure of US\$ 257.7 million are “Contractual Services” (35%), “Staff and other Personnel Costs” (33%), 11% each for “Transfers and Grants to counterparts” and “General Operating Expenses”, and the balance 10% for other activities.

21. Travel expenditure is 5% of the total expenditure for the Region. This is well below the global average of 8%. This has been achieved through Management efforts aimed at containing travel costs by ensuring full compliance with the Organization's Travel Policy and Procedures, implementing various cost-efficiency measures and promoting alternative mechanisms of work in lieu of travel.

**Fig. 3: Programme Budget expenses by expenditure type, 2018–2019
(in US\$ million)**



22. Table 4 reflects Programme Budget implementation across all Major Offices. Accelerated efforts and close monitoring have resulted in increased utilization and implementation in the Region. The SEA Region is first among the regions in terms of utilization to allocated Programme Budget and utilization to distributed resources. Further, the Region is jointly at the top, along with the African and Western Pacific regions, in terms of implementation to allocated Programme Budget. Implementation to distributed resources for the Region is ahead of the global average.

23. It is noted that utilization to distributed resources and to allocated Programme Budget has increased from 73% and 62% respectively as per the Working Paper reviewed by the SPPDM as of 31 May 2019 to 82% and 75% respectively as of 30 August 2019. The Secretariat will continue to work with Member States to ensure available funds are fully implemented according to plan by the end of the biennium, while ensuring value for money.

Table 4: Global Programme Budget implementation by Major Offices [in US\$ million]

Major Office	Allocated PB	Distributed resources	% Resources vs allocated PB	Implementation (expenditure)	Utilization (Expenditure + Encumbrances)	% Utilization vs allocated PB	% Utilization vs resources	% Implementation vs allocated PB	% Implementation vs resources
Africa	1 772.4	1 573.6	89%	1 136.5	1 231.9	70%	78%	64%	72%
Americas	202.3	153.5	76%	113.7	119.5	59%	78%	56%	74%
Eastern Mediterranean	1 544.7	1 390.4	90%	971.7	1 106.5	72%	80%	63%	70%
Europe	375.2	331.9	88%	235.5	263.6	70%	79%	63%	71%
Headquarters	1 841.5	1 689.4	92%	1 092.8	1 214.9	66%	72%	59%	65%
South-East Asia	403.9	367.9	91%	257.7	301.5	75%	82%	64%	70%
Western Pacific	319.6	282.3	88%	205.4	223.6	70%	79%	64%	73%
Grand total	6 459.6	5 789.0	90%	4 013.3	4 461.5	69%	77%	62%	69%

Resource mobilization efforts

24. The overall financing situation in the Region is positive, with 100% funding of approved Programme Budget 2018–2019 (Base Segment). However, funds are not evenly distributed between categories and programme areas because of earmarking of Voluntary Contributions and distribution of funds.

25. As shown in Table 5, the Region has seen a positive trend in overall funding of the Programme Budget under GPW12, 2014–2019. From 2014–2015 to 2018–2019, the approved Budget increased by 9% (US\$ 23.6 million) and funding by 21% (US\$ 50.3 million).

Table 5. *Funding of Programme Budgets, 2014–2015 to 2018–2019*
(Base Segment in US\$ million)

Biennium	Approved PB	Funds available	% Funded
2014–2015	265.2	238.5	90.0%
2016–2017	286.7	249.9	87.2%
2018–2019	288.8	288.8	100%

26. WHO is strengthening and improving its resource mobilization efforts through transformation of the Organization’s External Relations function. The development and launch, in 2018, of the WHO Financing Campaign and the WHO Investment Case for 2019–2023 are helping to bring this vision for a stronger and more reliably funded Organization into clearer focus. The investment case describes how a stronger, more efficient and results-oriented WHO can serve and guide governments and partners in their efforts to improve the health of their populations and to achieve Sustainable Development Goal 3.

27. The Secretariat laid solid foundations for a Resource Mobilization Strategic Framework for 2019–2023 with related advocacy plans for the WHO investment case and coordinated engagement plans for new and existing donors. As a result, financing of the Programme Budget 2018–2019 has improved.

28. WHO has also developed a better model for strategic engagement with partners and donors who contribute financially or in kind to the Organization. These efforts are aimed at generating increased funding that is more flexible and predictable, and derived from a broader donor base. Success on this front requires close coordination between the three levels of the Organization, and a clear and aligned understanding of the needs, strengths and roles of WHO’s country, regional and headquarters offices. Improved recognition of our partners’ contributions to WHO’s work and, where requested, higher donor visibility, are an integral part of a strengthened resource mobilization effort, one that can help the Organization deliver on its targets.

29. The inaugural WHO Partners Forum was held on 9–10 April 2019 in Stockholm, Sweden. The impact that the Organization has had on global health in recent years was highlighted at the Forum. Partners were requested to support WHO’s efforts to improve the quality and quantity of resources required to implement GPW13 and achieve the health-related SDG targets through a longer-term collaboration. It was co-hosted by WHO and the Swedish Ministry of Foreign Affairs, with participants from both the public and private sectors sharing experiences on innovations and lessons learned to further strengthen partnerships and make WHO financing more efficient and effective.

30. In order to strengthen partnerships and financing, the Region's focus would be on "sustaining" the achievements of the past two bienniums by ensuring resilience of technical and operational frameworks, including the Resource Mobilization Management System (RMMS) and the Global Resource Mobilization Coordination Team (GRMCT). In addition, it would be necessary to "accelerate" progress through effective participation in the proposed donor relationship management system and strengthen focal points; and "innovate" to scale up collaboration by promoting bilateral and multilateral cooperation within the Region and beyond to further improve partner visibility.

The way forward

31. Full funding of the Programme Budget is dependent on financing from both Assessed Contributions and Voluntary Contributions. The key aspiration for the redesigned Resource Mobilization Strategic Framework is to increase the predictability, flexibility and sustainability of resources to enable WHO to deliver on its mission and strategic goals in the context of GPW13. The new financing model of the Organization aims to establish three-level interdisciplinary donor engagement teams, implement a donor relationship management system and streamline grant management to achieve a fully funded Programme Budget that is realistic and driven by the priorities and expected outputs agreed to by Member States.

32. Country needs and the Regional Flagship Priority Areas will continue to guide the allocation of resources. The SEA Region is making concerted efforts and closely monitoring implementation, both technical and financial, in accordance with the priorities agreed to with Member States, to ensure that the Programme Budget is fully implemented by the end of the biennium. Further, the Region is committed to achieving value for money in Budget implementation with the aim of delivering the same level of services using fewer resources.

33. The Seventy-second Session of the WHO Regional Committee for South-East Asia is requested to consider the implementation of the Programme Budget 2018–2019.

Annexure 1

Programme Budget 2018–2019: Budget, distributed resources, implementation and utilization by country (as on 30 August 2019) [in US\$ million]

Budget Centre	Allocated PB	Distributed resources	% Resources vs allocated PB	Implementation (expenditure)	Utilization (expenditure + encumbrances)	Balance available	% Utilization vs allocated PB	% Utilization vs resources	% Implementation vs allocated PB	% Implementation vs resources
SE_BAN	51.4	50.0	97%	35.5	42.2	7.8	82%	85%	69%	71%
SE_BHU	6.0	5.6	94%	3.9	4.7	0.9	79%	84%	65%	69%
SE_IND	107.5	104.3	97%	75.0	90.1	14.2	84%	86%	70%	72%
SE_INO	31.3	28.5	91%	19.3	21.5	7.0	68%	75%	62%	68%
SE_KRD	16.8	16.0	95%	8.1	11.9	4.1	71%	75%	48%	51%
SE_MAV	6.2	5.8	94%	4.0	4.5	1.3	72%	77%	64%	68%
SE_MMR	27.6	26.5	96%	19.4	23.4	3.1	85%	88%	70%	73%
SE_NEP	17.6	16.4	93%	10.9	12.7	3.7	72%	77%	62%	66%
SE_SRL	8.1	7.9	98%	5.3	6.1	1.8	76%	78%	66%	67%
SE_THA	12.0	11.4	95%	8.9	9.3	2.1	77%	81%	74%	78%
SE_TLS	12.5	11.6	93%	8.6	9.5	2.1	76%	81%	69%	74%
CO Reserve	8.9	-	0%	-	-	-	0%	0%	0%	0%
Total CO	305.9	284.0	93%	198.9	235.9	48.1	77%	83%	65%	70%
Total RO	98.0	83.9	86%	58.8	65.6	18.3	67%	78%	60%	70%
Grand total	403.9	367.9	91%	257.7	301.5	66.4	75%	82%	64%	70%

Annexure 2

Programme Budget 2018–2019: Budget, distributed resources, implementation and utilization by Category
(as on 30 August 2019) [in US\$ million]

Category	Category name	Approved PB	Allocated PB	Distributed Resources	% Distributed Resources vs allocated PB	Implementation (expenditure)	Utilization (expenditure + encumbrances)	% Utilization vs Approved PB	% Utilization vs Resources	% Implementation vs Approved PB	% Implementation vs Resources
01	Communicable diseases	88.0	118.3	114.9	97%	78.0	91.7	104%	80%	89%	68%
02	Noncommunicable diseases	28.0	28.0	25.6	91%	17.2	20.3	72%	79%	61%	67%
03	Promoting health through the life-course	29.6	25.6	23.8	93%	13.9	17.4	59%	73%	47%	59%
04	Health systems	57.7	53.3	50.8	95%	32.6	40.3	70%	79%	57%	64%
06	Corporate services/enabling functions	54.5	58.7	52.1	89%	39.0	43.2	79%	83%	72%	75%
12	WHO's Health Emergencies Programme	31.0	29.5	21.6	73%	15.9	17.5	56%	81%	51%	74%
Total Base Programmes		288.8	313.4	288.8	92%	196.6	230.4	80%	80%	68%	68%
10	Polio eradication	55.5	57.4	53.0	92%	43.8	49.0	88%	93%	79%	83%
13	Outbreak, Crisis Response & Scalable Operations (OCR)	0.0	31.1	24.1	77%	17.1	21.7		90%		71%
14	Research in Human Reproduction (HRP)	0.0	2.0	2.0	97%	0.2	0.4		17%		12%
Grand total		344.3	403.9	367.9	91%	257.7	301.5		82%		70%