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ON PROGRAM, BUDGET, AND ADMINISTRATION
OF THE EXECUTIVE COMMITTEE**

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**OUTLINE OF THE PROPOSED PROGRAM BUDGET
OF THE PAN AMERICAN HEALTH ORGANIZATION 2024-2025**

Introductory Note to the Subcommittee on Program, Budget, and Administration

1. The proposed Program Budget of the Pan American Health Organization 2024-2025 will complete implementation of the Strategic Plan of the Pan American Health Organization 2020-2025. It will also be instrumental in responding to the post-COVID-19 transition and to emerging health and development challenges that will require efforts to recover better and to accelerate progress toward fulfilling priorities and commitments with Member States.
 2. The document will set out the corporate results and targets for the Pan American Health Organization (PAHO), as agreed with the Member States, for the next two years. It will present the budget that the Pan American Sanitary Bureau (PASB or the Bureau) will require in order to deliver on these biennial results and support Member States in improving health outcomes while contributing to the achievement of health targets set out in regional and global frameworks.
 3. The proposed Program Budget 2024-2025 (PB24-25) will follow the same programmatic structure as the Program Budgets for 2020-2021 (PB20-21) and 2022-2023 (PB22-23) and will consider the results of the PB20-21 end-of-biennium assessment and the PB22-23 midterm assessment. The results framework of the proposed PB24-25 will respond to the main strategic mandates for the period at regional and global levels: the PAHO Strategic Plan 2020-2025, the Sustainable Health Agenda for the Americas 2018-2030, the World Health Organization (WHO) Thirteenth General Programme of Work, and the WHO Programme budget 2024-2025. The implementation of the proposed PB24-25 will also contribute to progress toward the Sustainable Development Goals.
 4. As in previous planning cycles, the proposed PB24-25 provides an opportunity to review and redefine biennial results to ensure that PAHO's technical cooperation responds adequately to the country and regional public health situation. The COVID-19 pandemic and its socioeconomic impact have posed a unique challenge for PAHO, and this will continue to be true in the post-pandemic recovery phase.
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5. The document submitted for consideration to the Subcommittee on Program, Budget, and Administration (the Subcommittee) consists of an outline that describes the proposed structure and format of the proposed PB24-25 that will be presented at the upcoming 172nd Session of the Executive Committee in June 2023. Before the Executive Committee session, PASB will complete its review of the results framework, estimate its respective costing, and also incorporate changes resulting from the Subcommittee's discussion and the WHO Programme budget development process.

6. The Annex to this document presents the draft outline, including a brief summary of the intended process and content for all sections. In keeping with past practice, the budget section includes a high-level overview of the proposed budget and its expected sources of financing, the proposed structure of the budget by outcome, and details on how it compares to the current Program Budget (PB22-23).

Action by the Subcommittee on Program, Budget, and Administration

7. The Subcommittee is invited to consider the outline presented in the Annex and to provide PASB with comments and observations regarding the structure and content of the document. It may also wish to comment on the budgetary information provided.

Annex

PROPOSED
PROGRAM BUDGET OF THE
PAN AMERICAN HEALTH ORGANIZATION 2024-2025
Outline

Pan American Health Organization
Regional Office of the World Health Organization for the Americas

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Executive Summary

This section will provide a high-level summary of the contents of the document.

Programmatic Context and Strategic Direction

1. This section is currently under development but already includes an overview of the strategic direction that underpins the Program Budget 2024-2025 of the Pan American Health Organization (PAHO), as well as the prioritization of outcomes by Member States for the biennium. It will be further developed to summarize other components of the programmatic context, including the current health situation, and will set out PAHO's results-based management approach. Finally, it will document emerging challenges and lessons learned from implementation of the Program Budget 2022-2023 (PB22-23) that were considered in the development of the proposed Program Budget 2024-2025 (PB24-25).

2. The first two biennia of the PAHO Strategic Plan 2020-2025 (SP20-25) provided important lessons, many of which were documented in the Results Report for the 2020-2021 biennium. Since the approval of the Strategic Plan in 2019, the Region of the Americas has been able to achieve and maintain many significant public health gains and produce transformative action on key priorities. Nonetheless, the period has been marked by the unprecedented toll of the COVID-19 pandemic, PAHO's financial crisis, and the evolving socioeconomic and political context of the Region. As shown in the 2020-2021 assessment, progress toward the SP20-25 targets is at risk. While actions are already being implemented to help the Region recover, the 2024-2025 biennium will be critical for the Organization's efforts to enable health systems recovery. Targeted, accelerated, and innovative actions must be implemented with equity and solidarity, taking into consideration the new and evolving regional and global context and lessons learned from the COVID-19 pandemic.

3. During 2024-2025, the Pan American Sanitary Bureau (PASB or the Bureau) will continue to support Member States' efforts to recover better from the health, social, and economic impacts of the pandemic. At the same time, PASB will assist in addressing gaps in health systems and coverage, and accelerating progress toward the targets of the Sustainable Health Agenda for the Americas 2018-2030 and the Sustainable Development Goals. The emphasis will be on completing implementation of the SP20-25 while advancing other regional mandates and priorities, with special attention to closing gaps and responding to the needs of populations living in situations of vulnerability. These priorities include, but are not limited to, promoting integrated care, strengthening national regulatory systems, expanding regional production capacity, improving access to mental health care, strengthening genomic surveillance, accelerating the digital transformation of the health sector and the use of data, implementing the One Health approach, reinvigorating immunization programs, pursuing the elimination agenda, integrating prevention and response actions related to noncommunicable diseases and mental health with a focus on primary health care, and addressing the health impacts of climate change. Through effective implementation of measures to address these commitments, countries will be better suited to

build more resilient health systems and ensure that primary health care remains at the center of sustainable development and at the forefront of national political agendas.

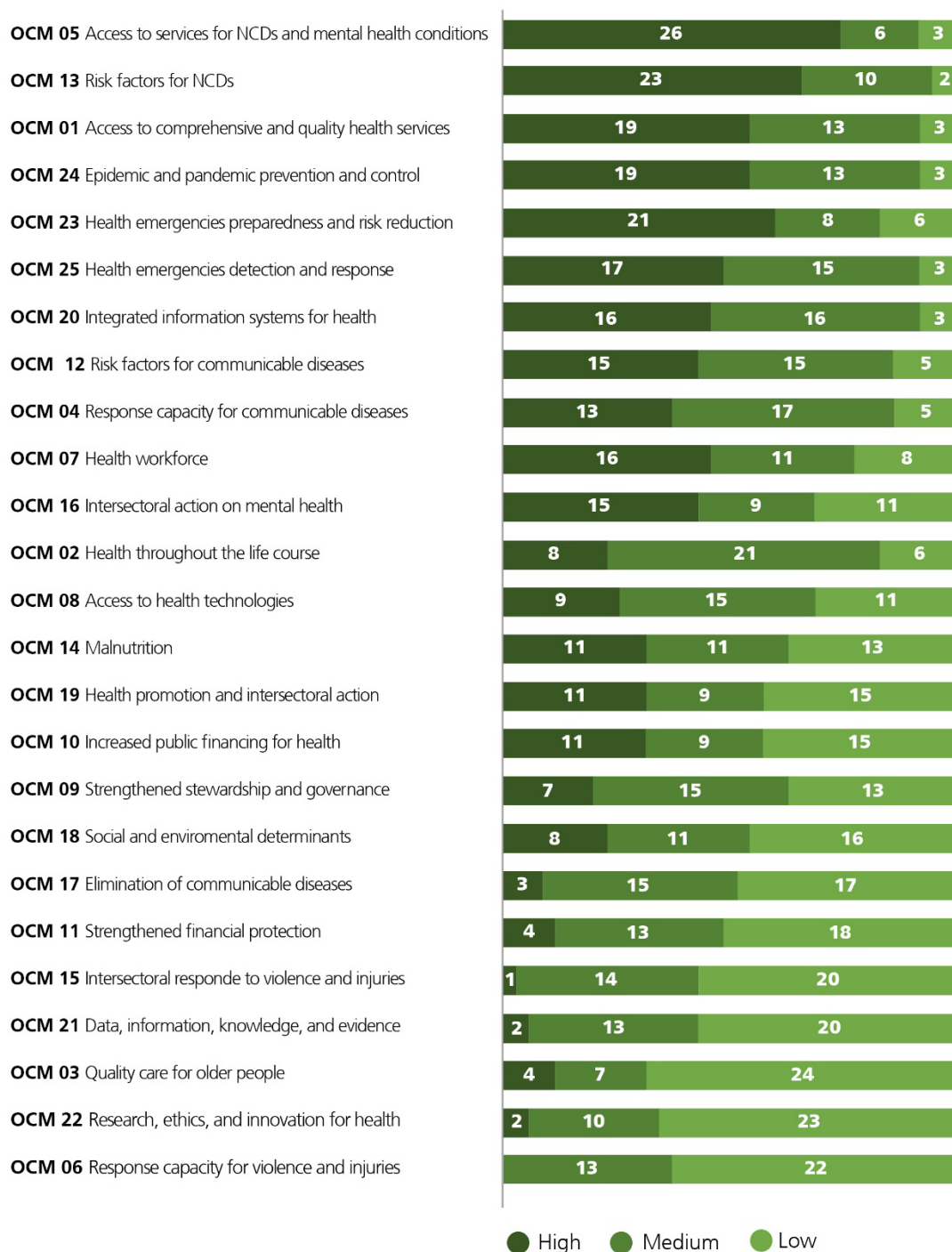
4. The Organization will seek to transition its technical cooperation for COVID-19 from an emergency response modality to sustained core technical cooperation, incorporating the lessons learned from 2020-2023. This will include addressing relevant decisions and recommendations from external evaluations and from the various World Health Organization (WHO) Member States working groups whose scope includes the Region, namely the Intergovernmental Negotiating Body; the Working Group on Amendments to the International Health Regulations (2005); the Standing Committee on Health Emergency Prevention, Preparedness and Response; and the Agile Member States Task Group on Strengthening WHO's Budget, Programmatic and Financing Governance.

5. In support of these goals, PASB will continue its efforts to enhance its leadership and governance role, strengthen the country focus approach, and further improve accountability and transparency. This includes implementing measures for prevention of and response to sexual exploitation, abuse, and harassment, as well as mechanisms for monitoring, assessment, and reporting that will be defined in the full draft Program Budget.

6. The PB24-25 presents an opportunity to further reevaluate strategic priorities in light of the current socioeconomic, political, and health situation in the Region and to make adjustments required to help ensure that PAHO's technical cooperation is responsive and aligned with the needs of Member States. With this in mind, from late 2022 into early 2023, Region-wide consultations were conducted with national health authorities to identify the priority technical outcomes of the SP20-25 using the PAHO-adapted Hanlon method. The consolidated regional results were then grouped into three priority tiers—high, medium, and low—to identify areas where the Organization's efforts are needed most during the 2024-2025 biennium and where PAHO's technical cooperation adds the most value.

7. The priority-setting exercise is still underway in a number of countries, and final prioritization results will be included in the PB24-25 presented to the Directing Council in September 2023. Figure 1 shows the consolidated regional results of the programmatic priorities stratification exercises in 35 countries and territories as of 12 January 2023. For each outcome, Figure 1 shows the total number of countries and territories that indicated a high, medium, and low priority rating. For example, 26 countries and territories indicated that Outcome 5 is a high priority, six a medium priority, and three a low priority.

**Figure 1. Consolidated Prioritization Results for the Program Budget 2024-2025
Number of countries and territories by priority rating for each outcome
(Preliminary Results as of 12 January 2023)**



Note: The top eight outcomes in the figure are those currently rated as high priority per the preliminary results. Outcomes 26, 27, and 28 were excluded due to the corporate nature of their scope.

8. The consolidated preliminary prioritization results show that countries and territories collectively continue to prioritize technical cooperation largely in areas that are oriented to *a)* noncommunicable diseases and mental health, including risk factors; *b)* access to health services; *c)* health emergencies prevention, preparedness, and response; and *d)* communicable diseases risk factors. Notably, the COVID-19 pandemic and other recent developments in the Region have highlighted the importance of strengthening information systems for health, and this area has emerged as a new high priority for 2024-2025.

9. The Member States prioritization results also served to inform the development of the WHO Programme budget 2024-2025 and will inform WHO's planning and budget allocation decisions. In accordance with the approved PAHO-adapted Hanlon method, the priority tiers do not indicate the importance of a specific result, but rather the level of technical cooperation that countries and territories can expect from PASB.

Proposed Budget

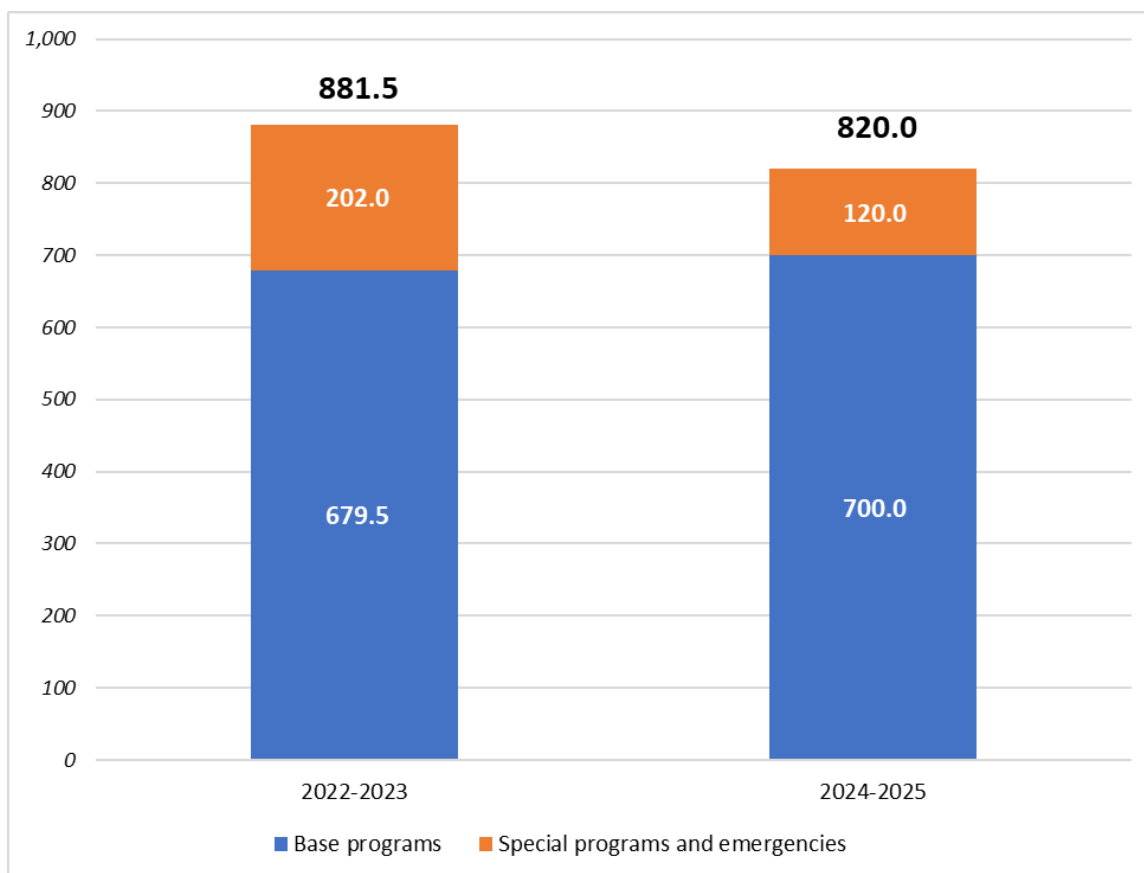
Overall Budget Proposal

10. The proposed budget of the Pan American Health Organization for the 2024-2025 biennium is US \$820 million in total.¹ Of this amount, \$700 million is for base programs and \$120 million is for special programs (including emergencies, as a placeholder budget), as shown in Figure 2.² This proposal represents a 3% increase for base programs and a 40% decrease in the special programs segment, resulting in an overall decrease of 7% compared to 2022-2023. The proposed increase in base programs and decrease in special programs responds to new and emerging needs, including necessary shifts in technical cooperation from an emergency response mode for COVID-19 to a sustained core technical cooperation modality. Determination of the budget envelope also considered the financing prospects during the post-pandemic recovery phase as well as the proposed WHO budget allocation to the Americas for 2024-2025.

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

² As outlined in Document CSP30/6 and corresponding Resolution CSP30.R1, the figure PASB presented to Member States as a placeholder for the special programs segment of the PAHO PB22-23 was increased to reflect the influx of funds received for outbreak and crisis response and other programs during 2022.

Figure 2. PAHO Proposed Budget 2024-2025 by Segment, Compared to 2022-2023
(US\$ millions)



11. The proposed PB24-25 includes the budget allocation from the World Health Organization for the Regional Office for the Americas (AMRO). This is currently indicated as \$295.6 million for base programs, plus \$4.3 million for special programs and \$13 million for emergency operations and appeals (a total of \$17.3 million).³ The AMRO budget allocation reflects an increase of \$3.5 million or 1.6% for base programs with respect to 2022-2023.

Budget by Outcome

This section will present the overall budget distributed by outcome.

12. The SP20-25 outcomes are the highest level of programmatic results to be presented in the proposed PB24-25. The outcomes will therefore be the first level for allocation of the budget (see the Programmatic Context and Strategic Direction section of this document for a full definition of health outcomes).

³ The amount reflects the review of the WHO Programme budget 2024-2025 during a consultation with Member States held on 12 December 2022.

13. Distribution of the proposed budget by outcome will be mainly defined by a bottom-up and top-down planning process that considers the priorities individually and collectively defined by Member States for the SP20-25. The Bureau will also incorporate lessons learned during the 2022-2023 budget implementation phase, with special attention to actions related to preparedness, prevention, control, and response to the COVID-19 pandemic and recovery.

14. The high-level process for development of the Program Budget is summarized as follows:

- a) The Bureau proposes an overall budget amount that balances programmatic needs with past and expected financing and implementation levels. Later, it distributes the overall budget between the regional, subregional, and country levels.
- b) The PAHO Budget Policy (Document CD57/5) approved in 2019 provides primary guidance on distribution of the country-level budget. PAHO/WHO Representative Offices define and cost the work to take place in the upcoming biennium and distribute their budgets across the approved health outcomes. This distribution is guided by the priorities defined by Member States during consultations for the PB24-25 and by the respective Country Cooperation Strategy, where applicable.
- c) The regional and subregional levels also propose the distribution of their overall budget allocations across the SP20-25 outcomes based on programmatic prioritization, technical needs, and regional and global commitments. These proposals will also incorporate lessons learned during implementation of the PB22-23.
- d) The results for the three levels are consolidated to produce the first full proposed PB24-25 to be presented to the Executive Committee. The Bureau then assesses and adjusts the figures to ensure that corporate priorities are adequately represented and that the budget is realistic and complete.

15. Table 1 presents a blank template that will be populated with comparative data from the proposed PB24-25 and the current approved PB22-23 in the document to be presented at the 172nd Session of the Executive Committee.

Table 1. Proposed Program Budget 2024-2025 by Outcome, Compared to 2022-2023
(US\$ millions)

Outcome	Outcome short title	Approved budget 2022-2023	Proposed budget 2024-2025
OCM 1			
OCM 2			
OCM 3			
OCM 4			
OCM 5			
OCM 6			
...			
OCM 28			
Total base programs		\$679.5	\$700.0
Special programs		\$202.0	\$120.0
Total PAHO Program Budget		\$881.5	\$820.0

Implementation of the PAHO Budget Policy: Budgets by Country and Functional Level

16. PAHO continues to strategically strengthen its country-level work. To distribute the country-level budget allocation in a transparent and equitable manner, Member States adopted the PAHO Budget Policy at the 57th Directing Council in September 2019.

17. The version of the proposed PB24-25 to be presented at the 172nd Session of the Executive Committee will include country-by-country budgets. Table 2 provides the format for these budgets.

**Table 2. Proposed PAHO Program Budget 2024-2025: Indicative Budget by
Country/Territory and Functional Level**
(US\$ millions)

Country/territory	Code	Proposed budget
Member States		
Antigua and Barbuda	ATG	
Argentina	ARG	
Bahamas	BHS	
Barbados	BRB	
Belize	BLZ	
Bolivia	BOL	
Brazil	BRA	
Canada	CAN	
Chile	CHL	
Colombia	COL	
Costa Rica	CRI	
Cuba	CUB	

Country/territory	Code	Proposed budget
Dominica	DMA	
Dominican Republic	DOM	
Ecuador	ECU	
El Salvador	SLV	
Grenada	GRD	
Guatemala	GTM	
Guyana	GUY	
Haiti	HTI	
Honduras	HND	
Jamaica	JAM	
Mexico	MEX	
Nicaragua	NIC	
Panama	PAN	
Paraguay	PRY	
Peru	PER	
Saint Kitts and Nevis	KNA	
Saint Lucia	LCA	
Saint Vincent and the Grenadines	VCT	
Suriname	SUR	
Trinidad and Tobago	TTO	
United States of America	USA	
Uruguay	URY	
Venezuela	VEN	
Eastern Caribbean		
Office of the Eastern Caribbean Countries	ECC	
Associate Members		
Aruba	ABW	
Curaçao	CUW	
Puerto Rico	PRI	
Sint Maarten	SXM	
Participating States		
French Departments in the Americas		
Netherlands Territories		
United Kingdom Territories		
Total - Country level		
Total - Subregional level		
Total - Regional level		
Total - Base programs		700.0
Special programs		120.0
PROGRAM BUDGET - TOTAL		820.0

Budget Alignment with WHO Outcomes

18. PAHO maintains its commitment to align with the WHO Thirteenth General Programme of Work (GPW 13) and the proposed WHO Programme budget 2024-2025. Programmatic alignment facilitates technical collaboration, monitoring, and reporting between the global and regional levels. From the budgetary perspective, alignment eases the transfer, implementation, and reporting of funds and streamlines reporting processes.

19. The proposed PB24-25 outputs have been structured so that no PAHO output responds to more than one output in the WHO GPW 13 results framework. This makes it possible to aggregate the AMRO budget from the bottom up and to have a budget that is easily translatable into the WHO programmatic results chain.

Financing the Program Budget

20. This section is under development and will be completed with up-to-date details on resource trends, financing, and funding expectations.

Base Programs

21. Table 3 shows the expected financing of base programs in the PB24-25 compared with that of the PB22-23, as well as the contribution of each financing source as a share of the whole.

Table 3. Proposed PAHO Program Budget 2024-2025 by Financing Source Compared with PAHO Program Budget 2022-2023, Base Programs Only (US\$)

Source of financing	2022-2023	2024-2025	Increase	Share
PAHO net assessed contributions	194,400,000	194,400,000	0	27.8%
PAHO budgeted miscellaneous revenue	14,000,000	14,000,000	0	2.0%
PAHO voluntary contributions and other sources	179,000,000	196,000,000	17,000,000	28.0%
WHO allocation to the Americas	292,100,000	295,600,000	3,500,000	42.2%
TOTAL	679,500,000	700,000,000	20,500,000	100%

22. Financial Regulation 4.4 of the Pan American Health Organization establishes that assessed contributions and budgeted miscellaneous revenue shall be made available for implementation in the budgetary period to which they relate, based on the assumption that Member States will pay their assessed contributions on a timely basis. Other sources of PAHO financing, such as voluntary contributions, are made available when the respective agreement is fully executed. Funding from WHO is made available upon receipt of awarded funds or a communication from the WHO Director-General.

23. Regarding the sources of financing:
- a) **Assessed contributions.** This amount includes the estimation of assessed contributions from PAHO Member States, Participating States, and Associate Members, which are expected to be received in full. In 2022-2023, assessed contributions were approved in the amount of \$194.4 million. PAHO assessed contributions have not increased since 2012-2013. As technical cooperation demands from Member States expand and diversify, having zero nominal growth in net Member State contributions has effectively resulted in a reduction in the Organization's flexible resources, since staff and activity costs have increased (due to inflation and fluctuation in exchange rates, among other factors). This situation has increased dependence on voluntary contributions and limited the Bureau's ability to address funding gaps.
 - b) **Budgeted miscellaneous revenue.** This amount corresponds to the estimated income earned in the preceding biennium from interest on the Organization's investments. Based on the most up-to-date information at the time of presenting this budget proposal, miscellaneous revenue is expected to be \$14 million.
 - c) **PAHO voluntary contributions and other sources, including special funds.** This component includes voluntary contributions that are mobilized directly by PAHO, as well as revenue from program support costs and any other source of income that finances the Program Budget.⁴ PAHO continues to strengthen and expand its relationship with external partners to enhance its resource mobilization.
 - d) **WHO allocation to the Americas.** The proposed WHO Programme budget allocation to the Region of the Americas for base programs in 2024-2025 is \$295.6 million.⁵ This allocation would correspond to 42% of the PAHO budget for base programs and can only be financed by WHO flexible funds and voluntary contributions mobilized by WHO, which have demonstrated an increasing trend over the past several biennia. The anticipated increase in WHO's assessed contributions for the PB24-25 is expected to provide additional flexible funds to support regional and country priorities.

Special Programs

24. This section will provide a summary of the three special programs that compose this budget segment: outbreak and crisis response, polio eradication maintenance, and the Hemispheric Program for the Eradication of Foot-and-Mouth Disease. These are fully funded by voluntary contributions and are time-limited. During 2020-2021 and 2022-2023,

⁴ The main component of PAHO other sources is the income generated from charges to voluntary contributions, known as program support costs; the Master Capital Investment Fund; and other funds such as BIREME sales and services, CLAP sundry sales and services, PROMESS vaccines and medications sales, sales of PAHO publications, the Special Fund for Health Promotion, and Virtual Campus services.

⁵ World Health Organization. Draft Proposed programme budget 2024-2025 (Document EB152/27), available at: https://apps.who.int/gb/ebwha/pdf_files/EB152/B152_27-en.pdf.

most of the funds mobilized or redirected to respond directly to the COVID-19 pandemic are being budgeted and reported on in this segment as part of outbreak and crisis response.

25. Polio eradication maintenance has traditionally been financed by WHO. Nevertheless, as polio has been eradicated in the Region, and following changes in WHO's polio planning, most financing for this program is expected to finance PAHO base programs, so the amount included in this segment would be used as a placeholder.

26. Foot-and-mouth disease eradication is a regional initiative with dedicated voluntary contributions whose projections will determine the budget envelope.

Perspectives on Resource Mobilization: Challenges and Opportunities

27. This section is currently under development. It will include the Bureau's latest perspectives on resource mobilization for the next biennium, including possible challenges and opportunities for financing the PB24-25, especially in the context of the post-pandemic recovery phase and efforts to improve financing at regional and country levels.

National Voluntary Contributions

28. This section is currently under development and will include an estimate of national voluntary contributions (NVCs) that fund national cooperation agreements. These have increased as a source of funding for PAHO activities at country level, especially since the start of the COVID-19 pandemic. NVCs are country-specific funds that have been provided by national governments to finance specific initiatives that are aligned with PAHO programmatic objectives. Since NVCs are negotiated, funded, implemented, and reported at country level, they fall outside the Program Budget, although they are managed in accordance with PAHO financial rules and regulations and are accounted for in the financial reports of the Director. The Bureau will continue to implement NVCs as a mechanism for funding country-specific work to achieve joint results that contribute to overall health development objectives in the Region.

Risk and Mitigation Actions for 2024-2025

This section is currently under development.

Accountability for Results and Financial Resources

29. Monitoring and assessment are essential for proper management of the Program Budget and to guide necessary revisions to policies and programs. PAHO will monitor, assess, and report on PB24-25 implementation in line with the results framework defined in the SP20-25. The Organization will continue to build on its rich experience and lessons learned from over two decades of implementing a results-based management (RBM) approach. This includes the joint assessment of results with Member States and efforts to ensure transparency and accountability for results throughout the implementation of the Program Budget and operational plans.

30. The PB24-25 has 28 outcomes, following the structure of the PAHO SP20-25. Each outcome includes a set of outputs that define the specific results to be delivered in the biennium in collaboration with Member States and partners. The PB24-25 will outline key interventions under each outcome along with strategies to achieve the outputs.

31. Output performance will be measured through output indicators, with corresponding 2023 baseline and 2025 target figures. The indicators will be monitored and assessed using a set of technical descriptions known as the compendium of output indicators. It is important to note that the baseline and target figures are built on projections by the Bureau. In line with lessons learned from previous biennia, the baselines and targets will need to be validated. This process serves to build commitment on the part of Member States and PASB to report on the outcome and output indicators at the end of the biennium and allows for a more accurate assessment of results.

32. The monitoring and assessment of PB24-25 implementation will be conducted through established mechanisms in alignment with the Organization's RBM approach. In addition to supporting the monitoring and assessment of the Program Budget, these mechanisms will support the monitoring of progress toward the commitments in the SP20-25. The end-of-biennium assessment report to PAHO Governing Bodies is the primary means of accountability to Member States for the implementation of the Program Budget and provides an interim assessment of the SP20-25. It includes the joint assessment of countries' progress on the outcome and output results, a best practice that is unique in WHO and the United Nations system. The PAHO Program Budget Portal is a public accountability mechanism and provides quarterly updates on budget implementation. Within PASB, monthly monitoring of budget implementation and regular performance monitoring and assessment reviews facilitate analysis and decision-making for effective implementation of the Program Budget throughout the biennium.

33. At country level, PASB will continue to improve accountability for results through the mechanisms mentioned above, in addition to building on innovations that drive the Organization's impact in countries. PASB will also continue to regularly update, monitor, and assess the PAHO/WHO Country Cooperation Strategies.

34. In addition to demonstrating accountability for results in the PB24-25, monitoring and assessment processes in PAHO will serve as the basis for reporting to WHO on the implementation of the AMRO portion of the WHO Programme budget. This will include the midterm report to be presented to the World Health Assembly (WHA) in 2025 and the final WHO Results Report that will be presented to the WHA in 2026. PAHO will contribute to global reporting by providing regional data, contributing to case studies that showcase the Organization's impact at country level, and submitting regular monthly financial reports.

35. Consistent with the commitment of PAHO to accountability and transparency, the evaluation function has been enhanced to strengthen organizational learning. Evaluation recommendations will be implemented with a view to continuous learning and improvement, and the lessons learned will be used to inform policy-making and decision-making.

36. For consideration of the full spectrum of PAHO's accountability mechanisms, Member States may refer to Annex E of the SP20-25.

Outcomes and Outputs

37. This section will include:

- a) Outcomes from the SP20-25
- b) The proposed budget, presented by outcome
- c) Outputs and output indicators specific to the PB24-25, including indicative baselines and targets
- d) Key technical cooperation interventions
