

PROGRAMMING OF THE BUDGET SURPLUS

Background

1. Financial Regulation 4.6 of the Pan American Health Organization (PAHO) stipulates that any balance of the funded Assessed Contributions and Budgeted Miscellaneous Revenue not committed by the end of the current budgetary period, or not authorized to be carried over into the subsequent budgetary period, shall be used to replenish the Working Capital Fund to its authorized level. Thereafter, any balance will be transferred to surplus and made available for subsequent use in accordance with the resolutions adopted by the Pan American Sanitary Conference or Directing Council.
2. The amount available for programming in 2024–2025 from the budget surplus of the 2022–2023 biennium is US\$ 4 443 423.38.¹

Proposal

3. Upon the completion of the audit of the 2023 financial statements, any budget surplus will first go to replenish the Working Capital Fund to its authorized level of \$50 000 000.² As stipulated in PAHO Financial Regulation 4.6, given that the balance of this Fund as of 31 December 2023 was \$50 000 000, the entire budget surplus may be available for subsequent use in accordance with the resolutions adopted by the Conference or Directing Council.
4. The proposed allocation of \$4 443 423.38 resulting from the 2022–2023 budget surplus is presented below in accordance with PAHO Financial Regulation 4.6:

Fund	Amount (US\$)
Replenishment of the Master Capital Investment Fund – Real Estate Maintenance and Improvements Subfund	\$3 443 423.38
Replenishment of the PAHO Emergency Epidemic Fund	\$1 000 000.00
Total Proposed Allocation	\$4 443 423.38

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

² See Document CD58/10 and Resolution CD58.R1 (2020).

Action by the Executive Committee

5. The Executive Committee is invited to take note of this report, provide any comments it deems pertinent, and consider approving the proposed resolution presented in the Annex to this document.

Annex

CE174/22

Annex
Original: English

Proposed Resolution

PROGRAMMING OF THE BUDGET SURPLUS

The 174th Session of the Executive Committee,

(PP1) Having considered the report on the *Programming of the Budget Surplus* (Document CE174/22),

(PP2) Noting that the provisions of Financial Regulation 4.6 of the Pan American Health Organization stipulate that any balance of the funded Assessed Contributions and Budgeted Miscellaneous Revenue not committed by the end of the current budgetary period, or not authorized to be carried over into the subsequent budgetary period, shall be used to replenish the Working Capital Fund to its authorized level and, thereafter, any balance will be transferred to surplus and made available for subsequent use in accordance with the resolutions adopted by the Pan American Sanitary Conference or Directing Council,

Resolves:

(OP) To recommend that the 61st Directing Council adopt a resolution along the following lines:

PROGRAMMING OF THE BUDGET SURPLUS

The 61st Directing Council,

(PP) Having considered the report on the *Programming of the Budget Surplus* (Document CD61/___);

Resolves:

(OP) To approve the allocation of the 2022–2023 budget surplus totalling US \$4 443 423.38³ as follows:

- a) \$3 443 423.38 to replenish the Master Capital Investment Fund – Real Estate Maintenance and Improvements Subfund.
- b) \$1 000 000.00 to replenish the Emergency Epidemic Fund of the Pan American Health Organization.

³ Unless otherwise indicated, all monetary figures in this report are expressed in United States dollars.