



PAN AMERICAN HEALTH ORGANIZATION  
WORLD HEALTH ORGANIZATION



## **49th DIRECTING COUNCIL**

### **61st SESSION OF THE REGIONAL COMMITTEE**

*Washington, D.C., USA, 28 September-2 October 2009*

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*Provisional Agenda Item 4.1*

CD49/5, Rev. 1 (Eng.)  
17 September 2009  
ORIGINAL: ENGLISH

### **PROPOSED PAHO PROGRAM AND BUDGET 2010-2011**

1. This document presents the second biennial Program and Budget for the Strategic Plan 2008-2012. The strategic objectives and region-wide expected results (RERs) included in this document are the same as those included in the amended PAHO Strategic Plan 2008-2012 also being presented to the 49th Directing Council. Thus, the PAHO Program and Budget 2010-2011 represents a proposal for a two-year costing toward the achievement of the RERs for 2010-2011.
2. The Pan American Sanitary Bureau (PASB) has undergone a Region-wide review of the RER indicators to ensure that they remain relevant and represent the best possible means to measure the Organization's achievements. As a result, some indicators have changed and others deleted in an attempt to improve their measurement and avoid duplicity.
3. In pursuance of good governance, transparency and accountability, this document presents for the first time separate budget figures by segment, similar to the presentation of the WHO global budget at the World Health Assembly. The three segments presented are: (a) PAHO/WHO base programs, (b) outbreak and crisis response, and (c) government financed internal projects. This differentiation has become necessary in recognition of the different budget and management requirements associated with segments (b) and (c) above, particularly given the unpredictable nature and magnitude of these two segments in recent years.
4. The proposal for base programs calls for US\$ 644 million in PAHO/AMRO regular budget and other sources. The portion funded by the regular budget amounts to \$287.1 million, which includes \$186.4 million from PAHO, assessed contributions. This represents a proposed increase of 3.5% in assessed contributions, as recommended by the 144th Executive Committee.

5. Budget figures are presented by strategic objective and region-wide expected result for the whole Organization, as well as sections for the subregional and country levels. Comparative tables are also presented showing changes from the previous biennium. The proposed resource levels by strategic objective incorporate comments and guidance received from Member States, internal discussions with strategic objective facilitators, as well as analysis that considers the regional prioritization model that has been previously discussed with Member States.

6. An addendum to the Program and Budget 2010-2011 (Official Document 333, Addendum) has been prepared in response to the requests from the Subcommittee on Program, Budget, and Administration (SPBA) and Executive Committee. That document presents four different budget scenarios and a justification for the requested increase of 3.5% in the assessed contributions. It also addresses the programmatic impact of such scenarios, and provides detailed information on the efforts made for efficiency and productivity.

7. At the time of a financial international crisis and when Member States are facing a pandemic, it is extremely important to invest in health in order to (a) protect the achievements in health, (b) strengthen health systems and services, based on primary health care, to ensure a suitable response to pandemics and other emergent diseases; (c) advance in the health related Millenium Development Goals in the Region, with special emphasis in prioritized countries, areas and populations; and (d) further advance in the implementation of the Health Agenda for the Americas.

#### **Action by the Directing Council**

8. The Directing Council is invited to review the PAHO Program and Budget 2010-2011 (Official Document 333) and to consider the adoption of the proposed resolutions recommended by the 144th Session of the Executive Committee in Annexes A and B.

Annexes



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CD49/5, Rev. 1 (Eng.)  
Annex A  
ORIGINAL: ENGLISH

### ***PROPOSED RESOLUTION***

#### **PROPOSED PAHO PROGRAM AND BUDGET 2010-2011**

##### ***THE 49th DIRECTING COUNCIL,***

Having examined the proposed Program and Budget of the Pan American Health Organization (PAHO) 2010-2011 (*Official Document 333*);

Having considered the report of the Executive Committee (Document CD49/2);

Noting the significant mandatory cost increases in fixed-term posts for 2010-2011, despite the Pan American Sanitary Bureau's (PASB) continuing and cautious efforts to reduce the number of fixed-term posts;

Noting the efforts of the Director to propose a program and budget that takes into account both the economic concerns of Member States and the Organization's public health mandates; and

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

#### ***RESOLVES:***

1. To approve the program of work for the PASB as outlined in the proposed PAHO Program and Budget 2010–2011 (*Official Document 333*).

2. To appropriate for the financial period 2010-2011 the amount of US\$ 339,852,335, which represents an increase to assessments of PAHO Member States, Participating States, and Associate Members of 3.5% with respect to the biennium 2008-2009, as follows:

| <b>SECTION</b> | <b>TITLE</b>   | <b>AMOUNT</b> |
|----------------|--|---------------|
| 1              | To reduce the health, social and economic burden of communicable diseases  | 23,302,000    |
| 2              | To combat HIV/AIDS, tuberculosis and malaria   | 6,324,000     |
| 3              | To prevent and reduce disease, disability and premature death from chronic noncommunicable conditions, mental disorders, violence and injuries   | 11,426,000    |
| 4              | To reduce morbidity and mortality and improve health during key stages of life, including pregnancy, childbirth, the neonatal period, childhood and adolescence, and improve sexual and reproductive health and promote active and healthy aging for all individuals | 11,694,000    |
| 5              | To reduce the health consequences of emergencies, disasters, crises and conflicts, and minimize their social and economic impact   | 3,893,000     |
| 6              | To promote health and development, and prevent or reduce risk factors such as use of tobacco, alcohol, drugs and other psychoactive substances, unhealthy diets, physical inactivity and unsafe sex, which affect health conditions                                  | 7,611,000     |
| 7              | To address the underlying social and economic determinants of health through policies and programs that enhance health equity and integrate pro-poor, gender-responsive, and human rights-based approaches   | 8,068,000     |
| 8              | To promote a healthier environment, intensify primary prevention and influence public policies in all sectors so as to address the root causes of environmental threats to health  | 13,399,000    |
| 9              | To improve nutrition, food safety and food security throughout the life-course, and in support of public health and sustainable development  | 12,009,000    |
| 10             | To improve the organization, management and delivery of health services  | 8,111,000     |
| 11             | To strengthen leadership, governance and the evidence base of health systems   | 32,026,000    |
| 12             | To ensure improved access, quality and use of medical products and technologies  | 7,565,000     |
| 13             | To ensure an available, competent, responsive and productive health workforce to improve health outcomes   | 9,305,000     |
| 14             | To extend social protection through fair, adequate and sustainable financing   | 5,207,000     |

| SECTION | TITLE  | AMOUNT      |
|---------|--|-------------|
| 15      | To provide leadership, strengthen governance, and foster partnership and collaboration with Member States, the United Nations system and other stakeholders to fulfill the mandate of PAHO/WHO in advancing the global health agenda, as set out in WHO's Eleventh General Programme of Work, and the Health Agenda for the Americas | 65,885,000  |
| 16      | To develop and sustain PAHO/WHO as a flexible, learning organization, enabling it to carry out its mandate more efficiently and effectively  | 61,275,000  |
|         | Effective Working Budget for 2010-2011 (Parts 1-16)  | 287,100,000 |
| 17      | Staff Assessment (Transfer to Tax Equalization Fund)   | 52,752,335  |
|         | Total – All Sections   | 339,852,335 |

3. That the appropriation shall be financed from:

(a) Assessment in respect to:

Member Governments, Participating States, and  
Associate Members assessed under the scale adopted.....239,152,335

(b) Miscellaneous Income .....20,000,000

(c) AMRO share approved at the 62nd World Health Assembly.....80,700,000

TOTAL .....339,852,335

4. In establishing the contributions of Member States, Participating States, and Associate Members, assessments shall be reduced further by the amount standing to their credit in the Tax Equalization Fund, except that credits of those states that levy taxes on the emoluments received from the PASB by their nationals and residents shall be reduced by the amounts of such tax reimbursements by PASB.

5. That, in accordance with the Financial Regulations of PAHO, amounts not exceeding the appropriations noted under paragraph 2 shall be available for the payment of obligations incurred during the period from 1 January 2010 to 31 December 2011, inclusive; notwithstanding the provision of this paragraph, obligations during the financial period 2010-2011 shall be limited to the effective working budget, i.e., Sections 1-16 of the table of appropriations in paragraph 2.

6. That the Director of the PASB shall be authorized to make transfers between the appropriation sections of the effective working budget up to an amount not exceeding 10% of the amount appropriated for the section from which the transfer is made; transfers between sections of the budget in excess of 10% of the section from which the credit is transferred may be made with the concurrence of the Executive Committee, with all transfers of budget credits to be reported to the Directing Council or the Pan American Sanitary Conference.

7. That up to 5% of the budget assigned to the country level will be set aside as the "Variable Country Allocation," as stipulated in the Regional Program Budget Policy. Expenditure in the country variable allocation will be authorized by the Director in accordance with the criteria approved by the 2nd Session of the Subcommittee on Program, Budget and Administration, as presented to the 142nd Session of the Executive Committee in Document CE142/8. Expenditures made from the country variable allocation will be reflected in the corresponding appropriation sections 1-16 at the time of reporting.

8. To estimate the amount of expenditure in the program and budget for 2010-2011 to be financed by other sources at US\$ 355,851,000, as reflected in *Official Document 333*.



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CD49/5, Rev. 1 (Eng.)  
Annex B  
ORIGINAL: ENGLISH

### ***PROPOSED RESOLUTION***

#### **ASSESSED CONTRIBUTIONS OF THE MEMBER STATES, PARTICIPATING STATES, AND ASSOCIATE MEMBERS OF THE PAN AMERICAN HEALTH ORGANIZATION FOR 2010-2011**

#### ***THE 49th DIRECTING COUNCIL,***

Whereas in Resolution CD49.R\_\_ the Directing Council approved the PAHO Program and Budget 2010-2011 (*Official Document 333*); and

Bearing in mind that the Pan American Sanitary Code establishes that the scale of assessed contributions to be applied to Member States of the Pan American Health Organization will be based on the assessment scale adopted by the Organization of American States (OAS) for its membership, and that in Resolution CD49.R\_\_ the Directing Council adopted the new scale of assessments for the PAHO membership for the biennium 2010-2011,

#### ***RESOLVES:***

To establish the assessed contributions of the Member States, Participating States, and Associate Members of the Pan American Health Organization for the financial period 2010-2011 in accordance with the scale of assessments shown below and in the corresponding amounts, which represent an increase of 3.5% with respect to the biennium 2008-2009.

Assessments of the Member States, Participating States  
and Associate Members of PAHO for 2010-2011

| (1)<br>Membership          | (2)<br>Scale Adjusted to<br>PAHO Membership |        | (3)<br>Gross Assessment |            | (4)<br>Credit from Tax<br>Equalization Fund |           | (5)<br>Adjustment for Taxes<br>Imposed by<br>Member States<br>on Emoluments<br>of PASB Staff |        | (6)<br>Net Assessment |            |
|----------------------------|---|--------|-------------------------|------------|---|-----------|--|--------|-----------------------|------------|
|                            | 2010  | 2011   | 2010                    | 2011       | 2010  | 2011      | 2010   | 2011   | 2010                  | 2011       |
|                            | %   | %      | US\$                    | US\$       | US\$  | US\$      | US\$   | US\$   | US\$                  | US\$       |
| <b>Member Governments:</b> |   |        |                         |            |   |           |  |        |                       |            |
| Antigua and Barbuda        | 0.022                                       | 0.022  | 26,307                  | 26,307     | 5,803                                       | 5,803     |  |        | 20,504                | 20,504     |
| Argentina                  | 3.211                                       | 3.211  | 3,839,591               | 3,839,591  | 846,939                                     | 846,939   |  |        | 2,992,652             | 2,992,652  |
| Bahamas                    | 0.077                                       | 0.077  | 92,074                  | 92,074     | 20,310                                      | 20,310    |  |        | 71,764                | 71,764     |
| Barbados                   | 0.060                                       | 0.060  | 71,746                  | 71,746     | 15,826                                      | 15,826    |  |        | 55,920                | 55,920     |
| Belize                     | 0.022                                       | 0.022  | 26,307                  | 26,307     | 5,803                                       | 5,803     |  |        | 20,504                | 20,504     |
| Bolivia                    | 0.046                                       | 0.046  | 55,005                  | 55,005     | 12,133                                      | 12,133    |  |        | 42,872                | 42,872     |
| Brazil                     | 7.953                                       | 7.953  | 9,509,893               | 9,509,893  | 2,097,697                                   | 2,097,697 |  |        | 7,412,196             | 7,412,196  |
| Canada                     | 13.761                                      | 13.761 | 16,454,876              | 16,454,876 | 3,629,624                                   | 3,629,624 | 25,000   | 25,000 | 12,850,252            | 12,850,252 |
| Chile                      | 1.073                                       | 1.073  | 1,283,052               | 1,283,052  | 283,016                                     | 283,016   |  |        | 1,000,036             | 1,000,036  |
| Colombia                   | 0.839                                       | 0.839  | 1,003,244               | 1,003,244  | 221,296                                     | 221,296   |  |        | 781,948               | 781,948    |
| Costa Rica                 | 0.187                                       | 0.187  | 223,607                 | 223,607    | 49,323                                      | 49,323    |  |        | 174,284               | 174,284    |
| Cuba                       | 0.241                                       | 0.241  | 288,179                 | 288,179    | 63,567                                      | 63,567    |  |        | 224,612               | 224,612    |
| Dominica                   | 0.022                                       | 0.022  | 26,307                  | 26,307     | 5,803                                       | 5,803     |  |        | 20,504                | 20,504     |
| Dominican Republic         | 0.206                                       | 0.206  | 246,327                 | 246,327    | 54,335                                      | 54,335    |  |        | 191,992               | 191,992    |
| Ecuador                    | 0.206                                       | 0.206  | 246,327                 | 246,327    | 54,335                                      | 54,335    |  |        | 191,992               | 191,992    |
| El Salvador                | 0.105                                       | 0.105  | 125,555                 | 125,555    | 27,695                                      | 27,695    |  |        | 97,860                | 97,860     |
| Grenada                    | 0.022                                       | 0.022  | 26,307                  | 26,307     | 5,803                                       | 5,803     |  |        | 20,504                | 20,504     |
| Guatemala                  | 0.187                                       | 0.187  | 223,607                 | 223,607    | 49,323                                      | 49,323    |  |        | 174,284               | 174,284    |
| Guyana                     | 0.022                                       | 0.022  | 26,307                  | 26,307     | 5,803                                       | 5,803     |  |        | 20,504                | 20,504     |
| Haiti                      | 0.045                                       | 0.045  | 53,809                  | 53,809     | 11,869                                      | 11,869    |  |        | 41,940                | 41,940     |
| Honduras                   | 0.045                                       | 0.045  | 53,809                  | 53,809     | 11,869                                      | 11,869    |  |        | 41,940                | 41,940     |
| Jamaica                    | 0.123                                       | 0.123  | 147,079                 | 147,079    | 32,443                                      | 32,443    |  |        | 114,636               | 114,636    |
| Mexico                     | 8.141                                       | 8.141  | 9,734,696               | 9,734,696  | 2,147,284                                   | 2,147,284 |  |        | 7,587,412             | 7,587,412  |
| Nicaragua                  | 0.045                                       | 0.045  | 53,809                  | 53,809     | 11,869                                      | 11,869    |  |        | 41,940                | 41,940     |
| Panama                     | 0.163                                       | 0.163  | 194,909                 | 194,909    | 42,993                                      | 42,993    |  |        | 151,916               | 151,916    |
| Paraguay                   | 0.124                                       | 0.124  | 148,274                 | 148,274    | 32,706                                      | 32,706    |  |        | 115,568               | 115,568    |
| Peru                       | 0.553                                       | 0.553  | 661,256                 | 661,256    | 145,860                                     | 145,860   |  |        | 515,396               | 515,396    |



| (1)<br>Membership                 | (2)<br>Scale Adjusted to<br>PAHO Membership |                       | (3)<br>Gross Assessment   |                           | (4)<br>Credit from Tax<br>Equalization Fund |                          | (5)<br>Adjustment for Taxes<br>Imposed by<br>Member States<br>on Emoluments<br>of PASB Staff |                         | (6)<br>Net Assessment    |                          |
|-----------------------------------|---|-----------------------|---------------------------|---------------------------|---|--------------------------|--|-------------------------|--------------------------|--------------------------|
|                                   | 2010  | 2011                  | 2010                      | 2011                      | 2010  | 2011                     | 2010   | 2011                    | 2010                     | 2011                     |
|                                   | %   | %                     | US\$                      | US\$                      | US\$  | US\$                     | US\$   | US\$                    | US\$                     | US\$                     |
| <b>Member Governments:</b>        |   |                       |                           |                           |   |                          |  |                         |                          |                          |
| Saint Kitts and Nevis             | 0.022                                       | 0.022                 | 26,307                    | 26,307                    | 5,803                                       | 5,803                    |  |                         | 20,504                   | 20,504                   |
| Saint Lucia                       | 0.022                                       | 0.022                 | 26,307                    | 26,307                    | 5,803                                       | 5,803                    |  |                         | 20,504                   | 20,504                   |
| Saint Vincent and the Grenadines  | 0.022                                       | 0.022                 | 26,307                    | 26,307                    | 5,803                                       | 5,803                    |  |                         | 20,504                   | 20,504                   |
| Suriname                          | 0.045                                       | 0.045                 | 53,809                    | 53,809                    | 11,869                                      | 11,869                   |  |                         | 41,940                   | 41,940                   |
| Trinidad and Tobago               | 0.152                                       | 0.152                 | 181,756                   | 181,756                   | 40,092                                      | 40,092                   |  |                         | 141,664                  | 141,664                  |
| United States of America          | 59.445                                      | 59.445                | 71,082,053                | 71,082,053                | 15,679,313                                  | 15,679,313               | 5,100,000  | 5,100,000               | 60,502,740               | 60,502,740               |
| Uruguay                           | 0.181                                       | 0.181                 | 216,433                   | 216,433                   | 47,741                                      | 47,741                   |  |                         | 168,692                  | 168,692                  |
| Venezuela                         | <u>2.060</u>                                | <u>2.060</u>          | <u>2,463,269</u>          | <u>2,463,269</u>          | <u>543,349</u>                              | <u>543,349</u>           | <u>0</u>   | <u>0</u>                | <u>1,919,920</u>         | <u>1,919,920</u>         |
| Subtotal                          | <u>99.450</u>                               | <u>99.450</u>         | <u>118,918,500</u>        | <u>118,918,500</u>        | <u>26,231,100</u>                           | <u>26,231,100</u>        | <u>5,125,000</u>   | <u>5,125,000</u>        | <u>97,812,400</u>        | <u>97,812,400</u>        |
| <b>Participating Governments:</b> |   |                       |                           |                           |   |                          |  |                         |                          |                          |
| France                            | 0.289                                       | 0.289                 | 345,575                   | 345,575                   | 76,227                                      | 76,227                   |  |                         | 269,348                  | 269,348                  |
| Kingdom of the Netherlands        | 0.090                                       | 0.090                 | 107,619                   | 107,619                   | 23,739                                      | 23,739                   |  |                         | 83,880                   | 83,880                   |
| United Kingdom                    | <u>0.060</u>                                | <u>0.060</u>          | <u>71,746</u>             | <u>71,746</u>             | <u>15,826</u>                               | <u>15,826</u>            |  |                         | <u>55,920</u>            | <u>55,920</u>            |
| Subtotal                          | <u>0.439</u>                                | <u>0.439</u>          | <u>524,940</u>            | <u>524,940</u>            | <u>115,792</u>                              | <u>115,792</u>           |  |                         | <u>409,148</u>           | <u>409,148</u>           |
| <b>Associate Member:</b>          |   |                       |                           |                           |   |                          |  |                         |                          |                          |
| Puerto Rico                       | <u>0.111</u>                                | <u>0.111</u>          | <u>132,730</u>            | <u>132,730</u>            | <u>29,278</u>                               | <u>29,278</u>            |  |                         | <u>103,452</u>           | <u>103,452</u>           |
| Subtotal                          | <u>0.111</u>                                | <u>0.111</u>          | <u>132,730</u>            | <u>132,730</u>            | <u>29,278</u>                               | <u>29,278</u>            |  |                         | <u>103,452</u>           | <u>103,452</u>           |
| <b>TOTAL</b>                      | <u><b>100.000</b></u>                       | <u><b>100.000</b></u> | <u><b>119,576,170</b></u> | <u><b>119,576,170</b></u> | <u><b>26,376,170</b></u>                    | <u><b>26,376,170</b></u> | <u><b>5,125,000</b></u>  | <u><b>5,125,000</b></u> | <u><b>98,325,000</b></u> | <u><b>98,325,000</b></u> |

(5) This column includes estimated amounts to be received by the respective Member Governments in 2010-2011 in respect of taxes levied by them on staff members' emoluments received from PASB, adjusted for the difference between the estimated and the actual for prior years.