



World Health  
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# Preparation of the proposed programme budget 2016–2017





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## **Preparation of the proposed programme budget 2016–2017**

This document contains a report, prepared by WHO headquarters, for consideration by the regional committees, on the preparation of the Proposed programme budget 2016–2017 in the light of lessons learned from the operational planning for the programme budget 2014–2015.

# Preparation of the Proposed programme budget 2016–2017

## Context

1. The Twelfth General Programme of Work, 2014–2019 and the Programme budget 2014–2015 constituted a first step in the continuing process of implementing programmatic and managerial reforms at WHO. The Twelfth General Programme of Work establishes the leadership priorities, categories of work and expected results for the Organization. The Programme budget 2014–2015 further elaborates this by identifying the outputs to be achieved and delineating the roles, functions and deliverables of each level of the Organization.

2. Despite marking a significant step forward, the Programme budget 2014–2015 is a transitional budget. Further improvements are needed. Two areas in particular need to be addressed in the development process for the Proposed programme budget 2016–2017: (a) bottom-up planning based on country priorities; and (b) a standardized approach to costing outputs. Dealing with these two points represents a paradigm shift in terms of the planning and budgeting of the Organization.

3. The present document provides an update on interim measures taken to improve these areas of weakness during the operational planning of the Programme budget 2014–2015; it also gives an outline of issues requiring further attention in the preparation of the Proposed programme budget 2016–2017.

## Operational planning for the Programme budget 2014–2015

4. Since the approval by the Health Assembly in May of the Programme budget 2014–2015,<sup>1</sup> a coordinated operational planning process has been initiated to ensure that all three levels of the Organization are aligned to produce the results and deliverables outlined in the Programme budget 2014–2015.

5. The first step has been to align operational planning for the biennium 2014–2015 with country priorities. To this end, each region has launched a process of country consultations in order to identify a focused set of priority areas for WHO technical cooperation. These priority areas, including specific results and deliverables, are informed by the leadership priorities and expected results outlined in the Twelfth General Programme of Work and the Programme budget 2014–2015, as well as by the national health policy, strategies and investment priorities.

6. The priorities for WHO technical cooperation indicated by countries are being consolidated and discussed through the global category and programme networks to ensure coherence across all levels of the Organization and alignment with the priorities and results outlined in the Twelfth General Programme of Work and the Programme budget 2014–2015. Based on requests received for technical cooperation, as well as the identification of global and regional priority work, each budget centre develops its individual workplans together with its resource requirements in terms of staffing and activities.

7. Following an Organization-wide review, the draft workplans and resource requirements will be summarized and presented at the November meeting of the financing dialogue; an analysis will also be provided of the income available for the Programme budget 2014–2015 together with any financing gaps.

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<sup>1</sup> See resolution WHA66.2.

## **Lessons learnt**

8. During the current operational planning process, progress has been made in tackling the issues identified. However, a number of lessons have been learnt that should inform the development process of the Proposed programme budget 2016–2017.

(i) The “country priorities” are mentioned in several instances, but are not consistently defined; nor has a common approach to identifying them been adopted across the Organization. In many cases, the WHO country cooperation strategies lack the necessary detail for defining the biennial work programme. In addition, they are not always up-to-date and are not necessarily consistent with current national health priorities.

(ii) The lack of a comprehensive and common approach to country prioritization often means that scarce resources are spread too thinly, and are allocated without strategic focus. WHO’s cooperation with countries often involves the provision of small grants to health ministries. In many cases, clear deliverables and tangible results are not well articulated. Accountability and financial management systems tend to be less than optimal.

(iii) Even when the country prioritization process is conducted effectively, the priorities for technical cooperation are often not in line with the budget allocations as approved in the programme budget. This occurs because the detailed consultations at country level are undertaken after the approval of the budget.

(iv) The country prioritization process takes place in parallel with planning at regional offices and headquarters and does not sufficiently influence the prioritization of regional and global deliverables such as norms, standards and guidelines, which should ideally be informed by the country needs.

(v) The Organization does employ some forms of standard costing – in particular in relation to staff costs – but the lack of a standardized approach to the planning and costing of outputs and deliverables across all levels means that it is difficult to compare and assess their costs across the three levels of the Organization.

(vi) The current budgeting system separates technical delivery costs from those associated with administration and management. As a result, administration and management costs are seen as either “divorced from” or “additional to” the costs for technical delivery and their nature is not well understood. The standardized costing of outputs and deliverables should include both the costs directly attributable to the outputs and those that contribute indirectly, such as programme coordination, administrative, building, security, leadership and governance costs.

## **Timeline and sequencing**

9. The issues identified above need to be addressed in the process for developing the Proposed programme budget 2016–2017. In particular, the consultations with countries to identify a focused set of priority areas for WHO technical cooperation based on leadership priorities and expected results outlined in the Twelfth General Programme of Work – as well as on the national health policy, strategies and investment priorities – need to take place at beginning of the process rather than towards the end as is currently the case. This would require a number of steps to be taken before the regional committees in 2014:

- (i) the organization of country consultations to identify priority areas for technical cooperation, including specific results and deliverables;
- (ii) the review of country technical cooperation priorities together with the identification of regional and global results and deliverables, which are themselves informed by priorities for country technical cooperation as well as by global and regional needs; and
- (iii) the completion of budget development, based on a standardized approach to costing outputs and deliverables.

10. The result of this process would be the draft Proposed programme budget 2016–2017, which would be presented at the regional committees in 2014.

11. The regional committees are invited to share experiences of the operational planning process for the Programme budget 2014–2015, and to comment on the issues raised in this paper. Based on the regional committees' comments, a more detailed description of the process for development of the Proposed programme budget 2016–2017 will be presented to the Executive Board at its 134th session in January 2014.

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