

# 17.1 Proposed PB22-23

## Contents

- [In focus](#)
- [Background](#)
- [PHM Comment](#)
- [Notes of discussion](#)

## In focus

The Secretariat advises:

Proposed Programme Budget 2022–2023: Building Forward Better

“Using input provided by the regional committees, the draft Proposed programme budget 2022–2023 will be submitted for consideration by the Board (in [EB148/25](#))”.

Sustainable financing

“In response to comments made during the discussions at the thirty-second meeting of the Programme, Budget and Administration Committee of the Executive Board, and in Committee B of the Seventy-third World Health Assembly (resumed), the Director-General will submit a report ([EB148/26](#)) to enable the Board to discuss the subject of sustainable funding accompanied by a draft decision ([EB148/26 Add.1](#))”.

See report of [PBAC33 in EB148/5 \(18/1/21\)](#) for further comment on PB22-23 and the paper on Sustainable Financing

## Background

[Previous discussions of the Programme Budget](#)

[Budget and Finance Portal](#)

## PHM Comment (draft, work in progress)

### **Proposed Programme Budget 2022-2023: Building Forward Better ([EB148/25](#))**

The Draft Proposed Programme Budget 2022–2023: Building Forward Better is the first WHO budget written during a global pandemic. The document proposes a 5% increase in the overall

budget, a 19% increase in the base segment of the budget and an extension of two years to the General Program of Work (GPW). Additionally, the Director General's report on sustainable financing (EB148/26) outlines a *process* for determining sustainable financing of WHO. This PHM Comment provides critical reflections on these two documents, and offers a set of recommendations for the Secretariat.

#### A 5% increase in spending is paltry

Given the scale of the Covid-19 response, and the pressures on the Organisation detailed in the Director General's update on the financing of the 2020-21 budget (EB148/27) one would expect dramatic calls from Dr Tedros for significant increases in funding from Member States in addition to the loosening of the tied contributions.

Not so. Astonishingly, the 2022-23 budget is just 5% higher than the 2020-21 budget (US\$6131 vs US\$5840). It is hard to comprehend how a chronically under-funded Organisation *currently coordinating a global health crisis that has already claimed two million lives* could even partially fulfil its mandate with just an additional US\$290m.

Clearly Dr Tedros has sounded out the big players and has been advised to contain his ambition.

#### A 19% increase in the base budget?

Another headline figure of the proposed budget is the 19% increase in funding for the base segment - from US\$3769m for 2020-21 to US\$4477m for 2022-23 (i.e. an extra US\$709m). The main increases in cost result from lessons learned from Covid-19 (US\$274m), pressure to deliver on WHO's 13th GPW (US\$200m), developing a digital health strategy (US\$147m), the need to strengthen country capacity (US\$143m) and a reassessment of the cost of the Polio transition (US\$90m).

19% sounds a lot but recall that PBAC's estimate for WHO's 13th GPW in 2018 anticipated that the 2022-23 base budget would be US\$4254m. Compared to that figure, the Secretariat's proposed figure of US\$4477 represents - again - a meagre 5% increase (US\$223m).

It should be emphasised that one of the justifications for increasing the base budget is the additional cost of 'getting back on track' to deliver the 13<sup>th</sup> GPW. This will require *extending* the period of the 13<sup>th</sup> GPW (2019-23) from four to six years (2019-25). In other words, the 5% increase in the base budget (based on PBAC's 2018 estimate) is required to stretch across an *additional* two years of activity.

#### A working group on sustainable financing: Kicking the can down the road.

A working group on sustainable financing composed of MS from each region has been proposed by Dr Tedros to answer four basic questions: why, what, how much and by whom should WHO receive sustainable financing? Whilst it is hard to understand why such an initiative

has not been proposed until now, it is also frustrating to read that the working group would not be expected to report until 2022, with a decision not formalised until 2023. In other words, WHO cannot expect any additional assessed contributions from its MS for at least two and a half years, and more likely longer. Given the urgency of sustainable financing for the Organisation, the protracted process of securing that financing is a clear example of kicking a can down the road.

### Who will pay?

MS have already sought clarification from the Secretariat about how the 19% increase in the base budget will affect their assessed contributions. There is also an apparent contradiction between the proposed increase and the emphasis on flexible funding outlined in the sustainability report. That contradiction was not lost on PBAC, whose report (EB145/5) asks: “How could that increase be sustainably funded, given that the proposed increase would further amplify WHO’s reliance on voluntary contributions?”

Another area of concern is the proposal described in the budget report to attract additional funding via the WHO Foundation. We learn in the budget that the Foundation:

*“aims to attract contributions from high net worth individuals and the private sector in order to supplement the Organization’s resource mobilization efforts, especially for chronically underfunded areas of work and programmes”.*

This proposal also appears to contradict the aim of sustainably financing the budget, specifically the aim of reducing the Organisation’s dependence on a small number of wealthy donors. The goal of the Foundation is to raise US\$1 billion over a three-year period, of which 70% would be directed towards financing the program budget. Beyond a few words of description, the process is opaque and raises many questions and concerns: which “high net worth” individuals does the Secretariat have in mind? Could we see an increased role for wealthy foundations such as the Bill and Melinda Gates Foundation in core areas of WHO’s work?

### Financing polio

The 2022-23 proposed budget accounts for both the polio eradication budget segment and also the polio transition element of the base budget. Tracking the funding is becoming increasingly difficult, a point conceded by Dr Tedros in his budget report. On the one hand, the budget segment for polio eradication has decreased by 48% (US\$418m) in the 2022-23 budget as public health elements of polio eradication programmes are being “mainstreamed” into other areas of the base budget. At the same time, the polio transition budget base segment has increased by 40% (US\$90m) to US\$318m.

## Notes of discussion