

17.2 Financing and implementation of PB20-21

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In focus

The Secretariat advises (in the annotated agenda):

The Director-General will submit a report ([EB148/27](#)) on the financing and implementation of the [Programme budget 2020–2021](#), which the Board will be invited to note.

Background

[Previous discussions of PB](#)

[Programme Budget Portal](#)

PHM Comment (draft, work in progress)

EB148/27 provides a report from the Director General (DG) updating the Board on the financing and implementation of the Programme budget 2020-21 which was approved in May 2019 at WHA72 (resolution WHA72.1). The total budget approved was US\$ 5840.4m, comprising four segments:

- Base programme segment - US\$3768.7m (comprising US\$ 956.9m in ACs and US\$ 2811.8m in VCs).
- Polio eradication - US\$863m;
- Emergency operations and appeals - US\$ 1000m;
- Special programme - US\$208.7m;

The report describes progress made in financing and implementing the budget during the first three quarters of its first year (i.e up to 30th Sept 2020).

PHM has provided [a separate Comment](#) on the WHO's Covid-19 response (EB148/16). EB148/27 provides further indications of the effect that Covid-19 has had, and is having, on WHO financing.

Unequal progress in funding WHO's budget segments

It is not surprising that the DG begins his update with segment three of the budget (emergency operations and appeals), flagging that US\$ 3000m has been allocated for this segment (i.e 3x the approved budget).

However, not all of the segments have received the level of funding we would expect to see at this point in the funding cycle. Projections for the base segment (95%), for example, are lower for 2020-21 compared to the same time in the 2018-19 budget financing cycle (101% - see [EB144/43](#)). Excluding projections, available funding is also slightly lower this time around (84%) for the base segment compared to 2018-19 (89%). While the DG notes that, in absolute terms, more money is available for the base segment than was available for 2018-19, it is of concern that WHO has less funds available mid-way in the biennium, and less projected funds to meet its obligations through 2021.

PHM seeks reassurance that despite the pressures on finances from the pandemic, WHO will ensure that all its programmes are fully financed.

The DG also provides an update for the Board on polio eradication (see [PHM Comment](#) on EB148/22) and the polio transition (see [PHM Comment](#) on EB148/23). The polio segment has received *the least* funding so far (67%) because polio staff and assets have been deployed to assist in the Covid response. The DG seeks to reassure the Board that projections for this segment are expected to be higher than the budgeted amount.

A significant difference in funding across WHO's four strategic priorities

The DG reports that there is a "significant difference" in funding across WHO's four strategic priorities (from T2):

1. One billion more people benefiting from universal health coverage (95% of approved budget is funded)
2. One billion more people better protected from health emergencies (46% of approved budget is funded)
3. One billion more people enjoying better health and well-being (53% funded)
4. More effective and efficient WHO providing better support to countries (54% funded)

Perversely, the health emergencies priority area is under-funded because of Covid-19. As the report explains: "*the implementation of the base budget is delayed due to the large-scale emergency operations in response to the COVID-19 pandemic, as reflected in the emergency operations and appeals segment*". This is of particular concern because, as the report notes, The number of non-Covid-19 emergencies WHO is having to deal with is 3x what it was in 2018-19 (which in itself is drawing resources from base programmes).

PHM also seeks reassurance that despite the pressures on finances from the pandemic, WHO will ensure that additional funding is directed towards meeting its strategic priorities - particularly non-Covid-19 emergencies..

Regional offices' requesting unprecedented levels of financial assistance

All of WHO's Regional Offices are demanding additional finances far beyond what was budgeted. The report warns: *"As a result of the COVID-19 pandemic response, all major offices show unprecedented levels of emergency operations, appeals financing and utilization, significantly exceeding the amounts estimated under the approved budget"*.

The demand is astonishing - 896% for The Americas; 689% for Western Pacific; 310% for Geneva HQ.

The Covid-19 effect

Covid-19 is clearly having a significant impact on WHO, drawing staff and assets away from base programmes, including strategic priority areas such as emergencies. Despite reassuring words from the DG that implementation remains strong (but is slowing down), the update concludes that the level of financing *"is still not sufficient to ensure equitable financing of all outcomes, major offices and strategic priorities"*.

PHM urges the DG to seek additional funds from WHO's member states to meet the huge demand for additional funds from Regional Offices, and also to ensure that all budget segments and strategic priorities are fully funded.

Notes of discussion