

Financing and implementation of the Programme budget 2022–2023 and outlook on financing of the Programme budget 2024–2025

Report by the Director-General

SUMMARY POINTS

1. The following provides the Executive Board with a quick overview of the essential matters covered in this report.

- With the adoption of resolution WHA75.5 (2022), the total Programme budget 2022–2023 was revised to US\$ 6726 million.
- Since the last report,¹ available funding (not including projections) increased by US\$ 650 million for the total Programme budget, including close to US\$ 400 million for base programmes.
- Of all distributed funds, 57% have been allocated to the country level and a further 15% to the regional level. This already exceeds in absolute terms the amounts received by country and regional levels by 31 December 2021.
- Base programmes are projected to reach 96% financing. Voluntary contributions (specified and thematic) represent 62.2% of total financing for base programmes, including projections. The high level of earmarking of many of these contributions makes it challenging for the Organization to strategically allocate funding as needed. In addition, funds that arrive late in the biennium may not be fully implemented by the end of the biennium as a result of the timing of their receipt. Predictable, flexible and earlier arrival of funds would contribute to better planning, as well as better allocation to the three levels of the Organization and more timely implementation.
- The financing levels of the emergency operations and appeals and polio eradication segments exceed the initial approved amounts in the Programme budget. These two segments are event-driven and their actual funding needs substantially exceed the initial approved budget for the biennium hence they remain under-financed vis-à-vis the requirements.

¹ See document A76/18.

- Utilization¹ against the revised approved Programme budget reached 70% for base programmes and 57% for special programmes. Utilization against the approved Programme budget exceeds 100% for the two event-driven segments. When compared with the funds available, utilization is about 75% for three of the four budget segments of the Programme budget.

BACKGROUND

2. In May 2022, the Seventy-fifth World Health Assembly adopted resolution WHA75.5, which revised the approved base segment of the Programme budget 2022–2023, as adopted in resolution WHA74.3 (2021). Through resolution WHA75.5, the approved Programme budget totals US\$ 6726 million for the financial period 2022–2023, composed of a base programmes segment (US\$ 4968.4 million), a polio eradication segment (US\$ 558.3 million), a special programmes segment (namely, Special Programme of Research, Development and Research Training in Human Reproduction; the United Nations Development Programme/United Nations Children’s Fund/World Bank/WHO Special Programme for Research and Training in Tropical Diseases; and the Pandemic Influenza Preparedness Framework) (US\$ 199.3 million), and an emergency operations and appeals segment (US\$ 1000.0 million).

3. The emergency operations and appeals segment (US\$ 1000.0 million) is event-driven in nature, which means that its approved budget can be increased according to operational needs that occur during the biennium. In 2022 and 2023, WHO launched the WHO Global Health Emergency Appeal (GHEA),² which represented an updated estimate of needs for the segment. The overall established funding requirements contained in the appeal, amounted to US\$ 2.7 billion for 2022 and US\$ 2.5 billion for 2023.

4. The base programmes segment is to be financed by assessed contributions of US\$ 956.9 million and voluntary contributions of US\$ 4011.5 million. The polio eradication segment, the emergency operations and appeals segment and the special programmes segment are financed from voluntary contributions.

5. This report describes the overall status of the financing and utilization of the Programme budget 2022–2023 and the progress made as at 30 September 2023. More detailed information on budget levels, financing and budget implementation can be found on the WHO programme budget web portal.³ The Annex includes related tables and figures as referred to in this document.

OVERALL STATUS OF PROGRAMME BUDGET FINANCING AND UTILIZATION

6. Table 1 of the Annex summarizes financing and utilization data for the four segments of the Programme budget 2022–2023 as at 30 September 2023, including the latest projections of voluntary contributions.

¹ WHO defines utilization as a sum of encumbrances (raising committal documents) and expenditures (full payments). Throughout the biennium, WHO uses “utilization” to display the current implementation level and work in progress. By the end of the biennium, all committal documents must convert to expenditures to count toward current biennium implementation, making implementation equal to expenditures.

² Available at <https://www.who.int/publications/m/item/who-global-health-emergency-appeal-2022> and <https://www.who.int/publications/i/item/WHO-WHE-EXR-2023.1> (accessed 7 December 2023).

³ WHO programme budget portal [webpage] Geneva: World Health Organization; 2022 (<https://open.who.int>, accessed 7 December 2023).

7. The level of financing is not even across the four budget segments and for two of them does not represent their full needs. The special programmes segment presents the lowest level of financing, at 84% with projections. The base programmes segment presents 93% overall financing and 96% with projections (Table 1). The emergency operations and appeals and polio eradication segments present financing levels exceeding their initial approved amount and their budgets have been increased to match their operational needs.

8. Projections, estimated at US\$ 0.3 billion, account towards financing the Programme budget 2022–2023. It must be noted, however, that as the biennium closes on 31 December 2023, it is expected that some of the financing – including the projections that have yet to arrive will be carried forward to the next biennium, depending on the terms of the underlying agreements, to be used for the implementation of the approved Programme budget 2024–2025.

9. The Secretariat continues to focus on improving the timeliness and flexibility of resource allocation across the three levels of the Organization (Figure 1). Of the US\$ 8.8 billion of available funds already distributed,¹ 57% (US\$ 5.0 billion) are at the country level and 72% (US\$ 6.3 billion) at the regional and country levels. This already exceeds in absolute terms the amounts received during the entire biennium 2020–2021 at country and regional levels (US\$ 4.4 billion and US\$ 1.0 billion, respectively).²

BASE PROGRAMMES OF THE PROGRAMME BUDGET 2022–2023: FINANCING AND UTILIZATION AS AT 30 SEPTEMBER 2023

10. The revised Programme budget 2022–2023 approved in resolution WHA75.5 only affected the base budget segment, which increased by 14% (to US\$ 5.0 billion) as a result. Despite this increase, the base programmes segment has already achieved a level of financing of 93% as at 30 September 2023 and 96% when accounting for projections of voluntary contributions (Table 1), which exceeds the budget for the base programmes segment originally approved in resolution WHA74.3 (US\$ 4.3 billion).

11. Voluntary contributions (specified and thematic) represent 62.2% of total financing for base programmes (including projections) as at 30 September 2023. A large proportion of the funding received for base programmes is highly earmarked, limiting the Secretariat's ability to strategically reallocate funds to address the uneven distribution of funds among strategic priorities (Figure 2) or potential pockets of poverty (Table 2).

12. Table 2 provides detail on the levels of financing, utilization and expenditure, by strategic priority and outcome. Strategic priority 1 (One billion more people benefiting from universal health coverage) presents the highest level of financing of all strategic priorities, at 111% of its approved level, while strategic priorities 2 (One billion more people better protected from health emergencies) and 3 (One billion more people enjoying better health and well-being) present financing levels of 71% and 78%, respectively, with low projections for additional biennial funding, especially under strategic priority 2, which is the least financed of the three strategic priorities.

¹ The difference between total financing and funds available is explained by undistributed funds.

² Please refer to the results report of the Programme budget 2020–2021 (<https://www.who.int/about/accountability/results/who-results-report-2020-2021/budget-implementation>, accessed 18 October 2023).

13. Uneven levels of financing are also present within some outcomes across the seven major offices (see Figure 3,¹ also known as the “heat map”). For example, full or close to full financing for outcome 2.2 (Epidemics and pandemics prevented) did not translate into consistently adequate financing across all major offices. However, while the heat map offers insight into the availability and allocation of resources, there are additional factors to consider when analysing it.

- The heat map is based on the approved budget by outcome, as per the Programme budget 2022–2023 as revised by resolution WHA75.5. This affected in particular outcomes under strategic priority 2, which received 67% of the budget increase and are historically the least financed.
- 77% of the total budget revision (US\$ 464 million) was for activities at the regional and country levels. This makes it more difficult to achieve full financing immediately, given the increased denominator (approved budget).
- As at 30 September 2023, every major office received more funding in absolute terms than over the same period in the previous biennium (Annex, Figure 4).
- The final distribution of flexible funds across the three levels of the Organization is very dynamic and decentralized depending on regional or country priorities and the availability of other sources of funds (see Table 3 for the most current allocation within each major office).

14. In preparation for next biennium, the Secretariat is enhancing its resource allocation mechanisms to improve the linkage between financing levels and the prioritization made by country offices. It is expected that this will have a positive effect in highly prioritized outcomes that present lower levels of financing.

15. The Organization acknowledges all the generous partners that contribute to the work of WHO (Figure 5). The top 10 contributors remained the same in 2020–2021 and 2022–2023 and as at 30 September 2023 they contributed US\$ 2.6 billion to the base segment, which represents 56% of current financing and exceeds by US\$ 300 million the amount received in 2020–2021.

16. As the end of the biennium approaches, there is stronger focus on utilization and expenditure levels across the Organization (Table 2). Overall utilization of the base segment reached 70% of the approved Programme budget and 75% of available funding, while expenditures reached 64% of the approved Programme budget. Some highlights are set out below.

- The strategic priorities and outcomes that are better financed present better levels of utilization and expenditure overall with respect to the approved Programme budget. More predictable and earlier arrival of funds allows for better planning and implementation, as well as better allocation to the three levels of the Organization.
- The difference between utilization and expenditures is not large. This means that the Secretariat is close to converting all commitments into expenditures in preparation for the closure of the Programme budget 2022–2023.
- At 70% utilization of the approved Programme budget, utilization is 21 percentage points higher than the level reported in May 2023 (49%). While that is lower than the level of

¹ Small differences between Table 2 and the last column of the heat map are explained by undistributed funds.

88% expected for this period in the biennium, a collective effort on the part of the entire Secretariat at its three levels is directed towards implementing the totality of the budget as captured by the four segments and not only the base segment. As at 30 September 2023, US\$ 6.8 billion has been utilized (Table 1).

- Based on current rate of expenditure, the projected biennial implementation will reach 83% for the base programmes segment. The Secretariat must accelerate Programme budget implementation in order to achieve maximum implementation of the currently available funds in the base segment (US\$ 1.2 billion has yet to be implemented).
- It is to be noted, however, that the Organization's available funding for base programmes increased by US\$ 400 million between March and September 2023. Some of this funding might not be spent in the current biennium, but carried forward to the next biennium in accordance with the terms set through donor agreements.

FINANCING OUTLOOK OF THE PROGRAMME BUDGET 2024–2025

17. As at 30 September 2023, the projected available financing¹ for the Programme budget 2024–2025 is estimated at US\$ 3.5 billion (Annex, Figure 6 and Table 4). Of this, US\$ 2.4 billion is projected for the base segment (about US\$ 400 million more than projected amount in March 2023).² This represents 49% of the base segment of the approved Programme budget 2024–2025, and an improvement compared with the levels for the budget 2022–2023 available as at in September 2021. Voluntary contributions constitute over 50% of total projected funding.

18. The Secretariat continues its strategic engagement with partners to inform them about WHO funding needs, including for WHO's normative and standard-setting work, as well as the requirements of WHO's work in countries. The proposed investment round for WHO, is expected to mitigate a number of the challenges described in this report.

ACTION BY THE EXECUTIVE BOARD

19. The Executive Board is invited to note the report and, in the light of ongoing discussions, to reflect on the following question:

- Does this shortened report respond to the expectations of Member States both in content and level of detail, as well as linkages to other resources?

¹ Projected available financing includes assessed contributions to be received, programme support costs that have been earned during previous bienniums, instalments of voluntary contributions that span different bienniums, and voluntary contributions that are currently under negotiation that have been included in WHO's system.

² See document A76/18, Table 4.

ANNEX

FINANCING AND IMPLEMENTATION OF THE PROGRAMME BUDGET 2022–2023

Table 1. Programme budget 2022–2023 (original and revised) and its financing, including projections and utilization, by segment, as of 30 September 2023 (US\$ millions)

Segment	Approved Programme budget 2022–2023	Approved revised Programme budget 2022–2023	Financing	Financing as % of approved revised budget	Financing including projections	Financing including projections as % of approved revised budget	Utilization	Utilization as % of approved revised budget	Utilization as % of available financing
Base programmes	4 364.0	4 968.4	4 632.4	93%	4 746.1	96%	3 482.0	70%	75%
Polio eradication	558.3	558.3	1 246.1	223%	1 373.4	246%	937.6	168%	75%
Special programmes	199.3	199.3	166.9	84%	167.1	84%	113.8	57%	68%
Emergency operations and appeals	1 000.0 ^a	1 000.0	2 968.7	297%	3 028.7	303%	2 286.9	229%	77%
Total	6 121.6	6 726.1	9 014.1	134%	9 315.2	138%	6 820.3	101%	76%

^a In 2022 and 2023, WHO launched the WHO Global Health Emergency Appeal (GHEA), with overall established funding requirements of US\$ 2.7 billion for 2022 and US\$ 2.5 billion for 2023.

Table 2. Base segment of the revised Programme budget 2022–2023 and its financing, including projections, expenditure and utilization, by outcome, as at 30 September 2023 (US\$ millions or %)

Strategic priority/outcome	Approved revised Programme budget 2022–2023	Financing	Financing as % of approved revised budget	Financing including projections	Financing including projections as % of approved revised budget	Utilization	Utilization as % of approved revised budget	Expenditure	Expenditure as % of approved revised budget	Utilization as % of available financing
1. One billion more people benefiting from universal health coverage										
1.1. Improved access to quality essential health services	1 491.1	1 704.1	114%	1 753.4	118%	1 248.7	84%	1 121.4	75%	73%
1.2. Reduced number of people suffering financial hardships	113.9	73.5	64%	73.5	64%	59.4	52%	55.1	48%	81%
1.3. Improved access to essential medicines, vaccines, diagnostics and devices for primary health care	324.5	350.1	108%	366.1	113%	224.5	69%	207.2	64%	64%
Undistributed		9.4		9.4						
Subtotal 1	1 929.6	2 137.1	111%	2 202.4	114%	1 532.6	79%	1 383.6	72%	72%
2. One billion more people better protected from health emergencies										
2.1. Countries prepared for health emergencies	431.8	239.5	55%	239.6	55%	197.3	46%	184.0	43%	82%
2.2. Epidemics and pandemics prevented	311.7	306.1	98%	307.4	99%	226.6	73%	208.5	67%	74%
2.3. Health emergencies rapidly detected and responded to	507.0	334.3	66%	334.8	66%	271.1	53%	244.4	48%	81%
Undistributed		2.2		2.8						
Subtotal 2	1 250.5	882.1	71%	884.5	71%	695.0	56%	636.9	51%	79%

Strategic priority/outcome	Approved revised Programme budget 2022–2023	Financing	Financing as % of approved revised budget	Financing including projections	Financing including projections as % of approved revised budget	Utilization	Utilization as % of approved revised budget	Expenditure	Expenditure as % of approved revised budget	Utilization as % of available financing
3. One billion more people enjoying better health and well-being										
3.1. Safe and equitable societies through addressing health determinants	108.6	104.9	97%	105.7	97%	78.6	72%	72.9	67%	75%
3.2. Supportive and empowering societies through addressing health risk factors	171.5	137.6	80%	138.5	81%	105.8	62%	97.0	57%	77%
3.3. Healthy environments to promote health and sustainable societies	175.2	113.8	65%	120.5	69%	86.9	50%	79.4	45%	76%
Undistributed		0.04		0.04						
Subtotal 3	455.2	356.3	78%	364.7	80%	271.4	60%	249.4	55%	76%
4. More effective and efficient WHO providing better support to countries										
4.1. Strengthened country capacity in data and innovation	402.0	245.8	61%	254.3	64%	201.3	50%	186.1	46%	82%
4.2. Strengthened leadership governance and advocacy for health	532.4	507.8	95%	508.1	95%	427.9	80%	413.2	77%	84%
4.3. Financial human and administrative resources managed in an efficient effective results-oriented and transparent manner	398.7	402.8	101%	403.3	101%	353.9	89%	328.7	82%	88%
Subtotal 4	1 333.1	1 156.3	87%	1 165.7	87%	983.1	74%	927.9	70%	85%
Undistributed		100.7		128.7						
Total	4 968.4	4 632.4	93%	4 746.1	96%	3 482.0	70%	3 197.9	64%	75%

Figure 1. Programme budget 2022–2023: Funds available, by type of fund and level, as at 30 September 2023 (US\$ million)

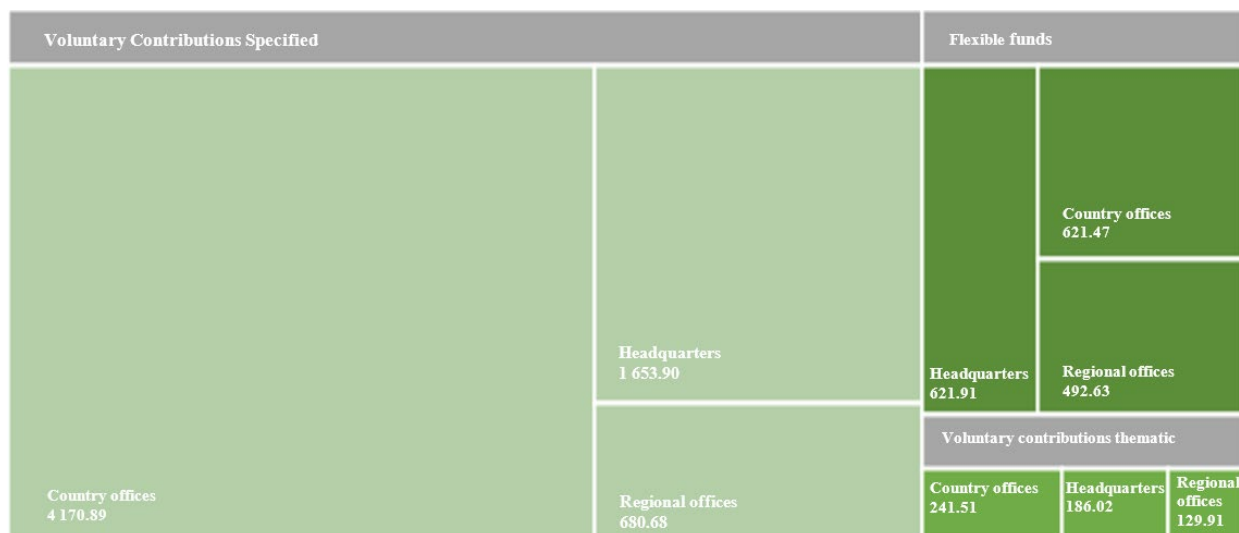


Figure 2. Base programmes: Funds available by type of fund as percentage of total available funds, by strategic priority, as at 30 September 2023

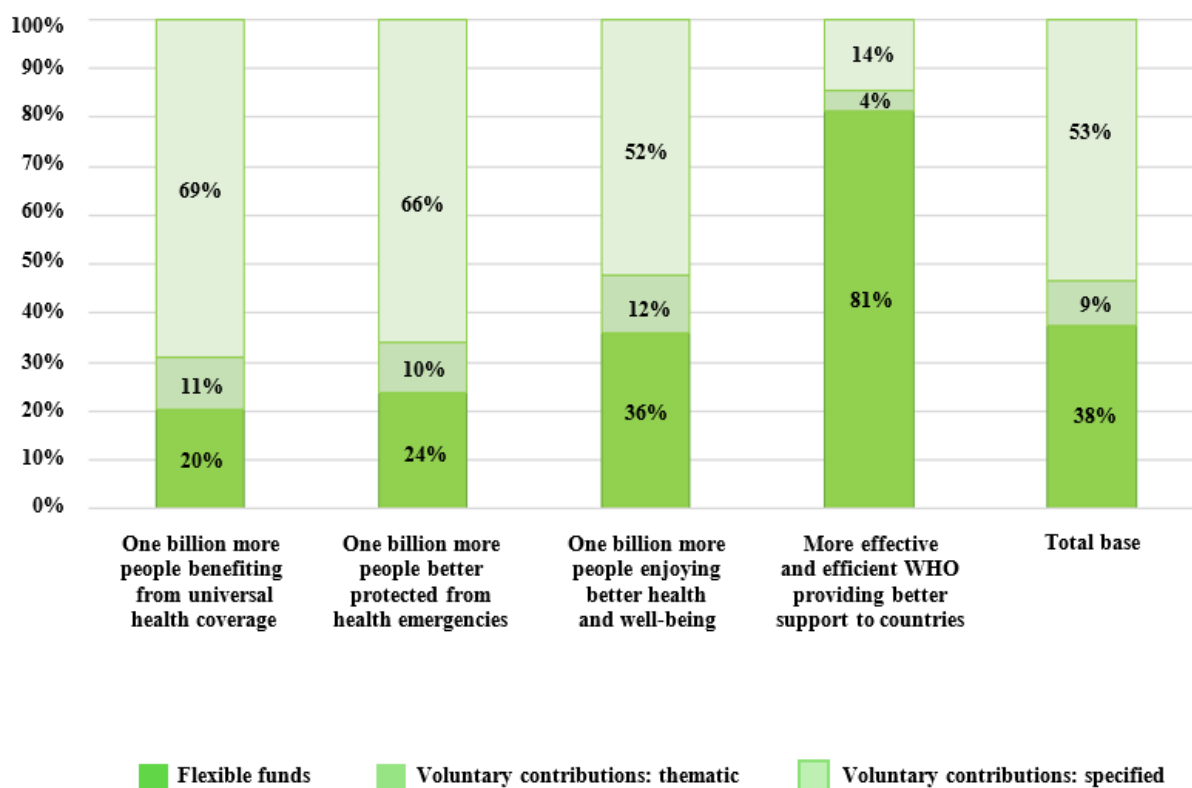


Figure 3. Programme budget 2022–2023 financing (base segment), by major office and outcome, as at 30 September 2023

Global outcomes	Africa	The Americas	South-East Asia	Europe	Eastern Mediterranean	Western Pacific	Headquarters	Total
	Percent							
1.1	103	74	101	118	108	99	166	117
1.2	29	61	59	106	33	47	123	64
1.3	61	55	81	70	106	68	166	112
2.1	62	41	48	74	34	44	74	55
2.2	173	29	61	68	43	23	90	98
2.3	57	31	60	52	87	40	77	66
3.1	41	104	94	73	98	61	190	97
3.2	34	46	79	141	66	64	141	81
3.3	36	35	74	63	50	83	95	68
4.1	63	69	66	65	22	44	81	63
4.2	64	99	80	101	92	103	120	95
4.3	106	88	108	110	102	114	96	101
Grand total as at 30 September 2023	83	61	88	95	74	75	119	92

Figure 4. Evolution of Programme budget financing (base segment), by major office, as at 30 September

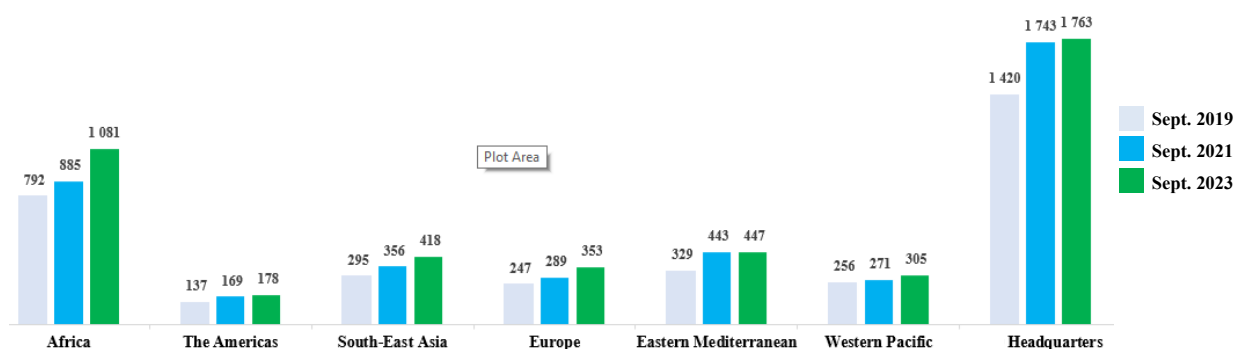


Table 3. Distribution of flexible funds across technical outcomes, by major office, as at 30 September 2023

Global outcomes	Africa	The Americas	South-East Asia	Europe	Eastern Mediterranean	Western Pacific	Headquarters	Total
	Percent							
1.1	35	41	47	45	31	46	35	38
1.2	3	2	3	1	2	4	4	3
1.3	3	10	11	6	4	6	13	8
2.1	11	9	4	16	13	11	3	8
2.2	6	7	2	5	5	2	2	4
2.3	21	4	5	10	24	8	5	11
3.1	4	4	5	4	3	5	6	5
3.2	2	8	9	5	4	8	6	6
3.3	3	4	4	1	3	6	6	4
4.1	12	11	10	6	11	6	20	13
Total	100	100	100	100	100	100	100	100

Figure 5. Top contributors to the base programmes budget segment: 2020–2021 versus 2022–2023

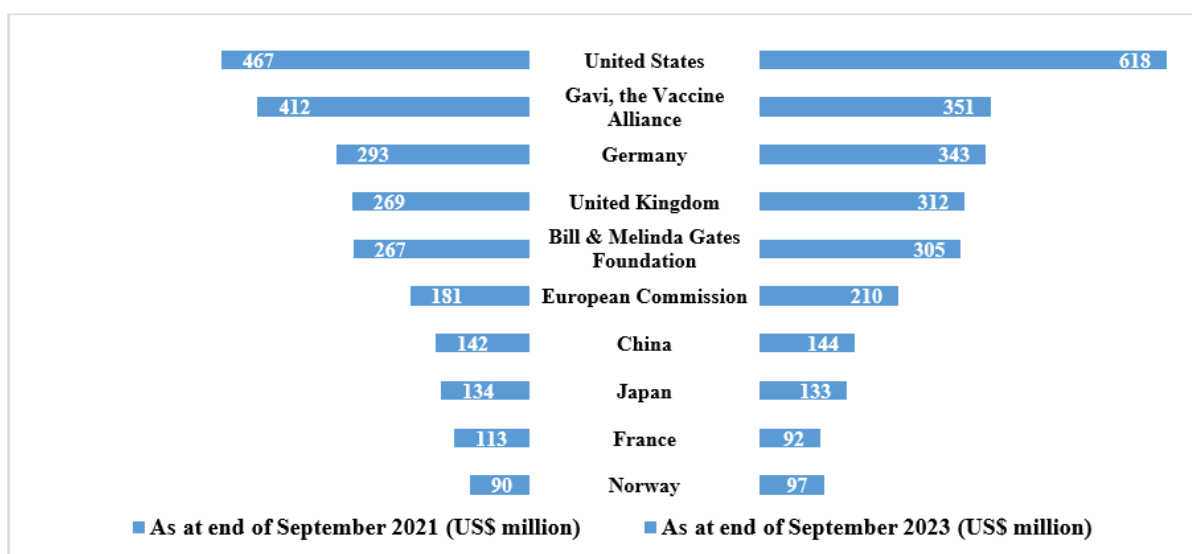


Figure 6. Level of projected biennium financing for the base segment of the Programme budget: September 2023 versus September 2021

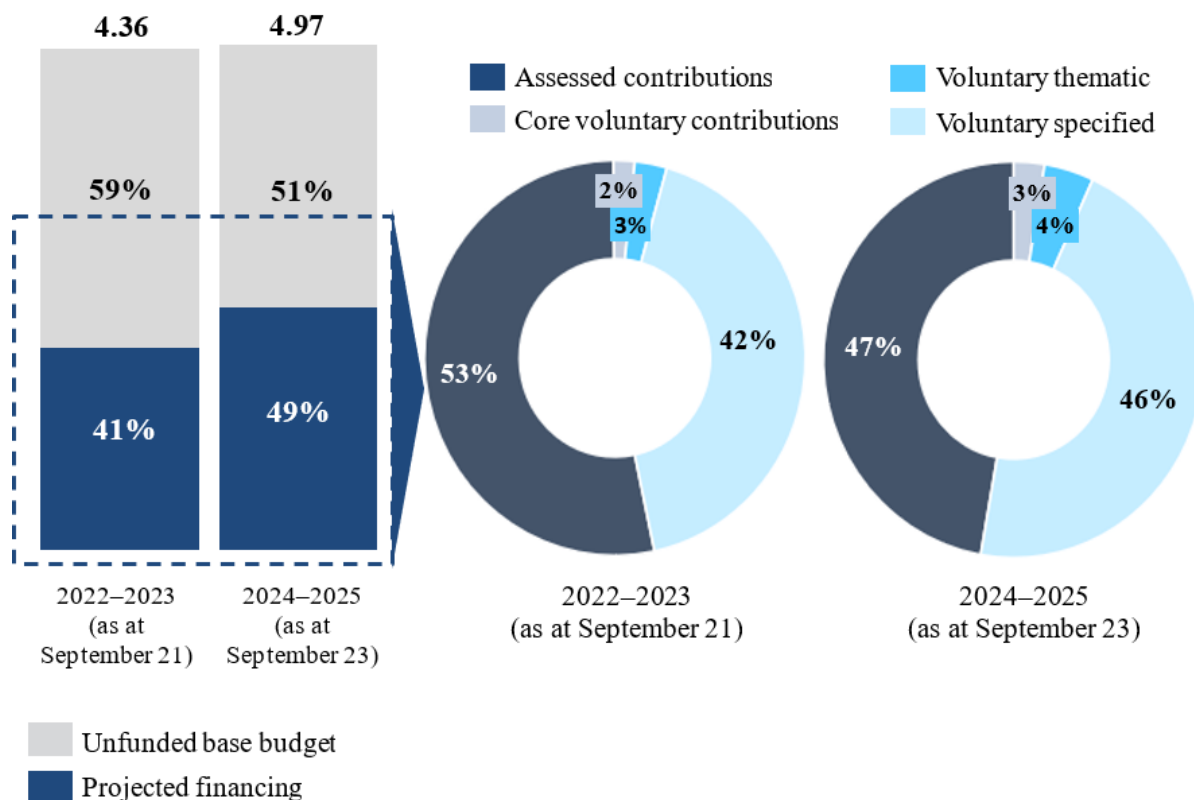


Table 4. Projected financing for the Programme budget 2024–2025 by segment as at 30 September 2023

Budget segment	Programme budget 2024–2025	AC	VC	Total	Gap (US\$)	Gap (%)
Base	4 968	1 146	1 281	2 427	2 542	51%
Emergency response and appeals	1 000	0	402	402	598	60%
Polio eradication	694	0	657	657	38	5%
Special programmes	172	3	46	49	123	71%
Total Programme budget	6 835	1 148	2 386	3 534	3 300	48%

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