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FINAL REPORT

Opening of the Session

1. The 136th Session of the Executive Committee of the Pan American Health Organization (PAHO) was held at Palacio San Martín in Buenos Aires, Argentina, from 20 to 24 June 2005. The session was attended by delegates of the following nine Members of the Executive Committee elected by the Directing Council: Argentina, Barbados, Canada, Costa Rica, Cuba, Dominica, Paraguay, United States of America, and Venezuela. The following other Member States, and Observer States were also represented: Brazil, Chile, France, Jamaica, Mexico, Nicaragua, Panama, Peru, and Spain. In addition, the World Health Organization, four other United Nations and intergovernmental organizations, and six nongovernmental organizations were represented.

2. Dr. William Steiger (United States of America, President of the Executive Committee) opened the session and welcomed the participants, expressing thanks to the Government of Argentina for hosting the session.

3. Dr. Ginés González García (Argentina) said that it was an honor and a privilege for Argentina to host the session. He felt that it was important for PAHO occasionally to hold sessions of its Governing Bodies outside Headquarters in order to foster greater integration and unity among the Member States and promote the pan-Americanism for which the Organization stood. His Government would do its utmost to make the delegates feel welcome and to ensure a fruitful outcome to the session.

4. Dr. Mirta Roses (Director, Pan American Sanitary Bureau) added her welcome to the participants. She agreed that it was desirable sometimes to hold meetings of the Governing Bodies outside Washington, D.C., as doing so made the work of the Organization more visible in Member States and might also facilitate wider participation, particularly by nongovernmental organizations. She noted that the Committee had before it a very full agenda. It would be considering topics of great importance for the future activities of the Organization, including the program and budget for the 2006-2007 biennium, various decisions emanating from the Fifty-eighth World Health Assembly, the report of the Working Group on PAHO in the 21st Century, and several issues relating to achievement of the Millennium Development Goals (MDGs). She was confident that the Committee's deliberations would make a valuable contribution to progress towards the Goals and to the advancement of public health, which, as had now been widely acknowledged, was an important factor in development in general.

Procedural Matters

Officers

5. The following Members elected to office at the Committee's 135th Session continued to serve in their respective capacities at the 136th Session:

President: United States of America (Dr. William Steiger)

Vice President: Argentina (Dr. Carlos Vizzotti)

Rapporteur: Barbados (Dr. Joy St. John)

6. The Director served as Secretary ex officio, and Dr. Joxel García, Deputy Director of the Pan American Sanitary Bureau (PASB), served as Technical Secretary.

Adoption of the Agenda and Program of Meetings (Documents CE136/1, Rev. 2, and CE136/WP/1, Rev. 1)

7. In accordance with Rule 9 of its Rules of Procedure, the Committee adopted the provisional agenda prepared by the Secretariat. The Committee also adopted a program of meetings (Decision CE136(D1)).

Representation of the Executive Committee at the 46th Directing Council, 57th Session of the Regional Committee of WHO for the Americas (Document CE136/3)

8. In accordance with Rule 54 of its Rules of Procedure, the Executive Committee appointed the delegates of United States of America and Argentina, its President and Vice President, respectively, to represent the Committee at the 46th Directing Council. Costa Rica and Cuba were designated as alternate representatives for the United States and Argentina, respectively (Decision CE136(D2)).

Provisional Agenda of the 46th Directing Council, 57th Session of the Regional Committee of WHO for the Americas (Document CE136/4, Rev. 1)

9. The Technical Secretary presented the provisional agenda prepared by the Director in accordance with Article 14.B of the PAHO Constitution and Rule 7 of the Rules of Procedure of the Directing Council. The Committee discussed the possibility of adding an item on disabilities proposed by Panama; however, in view of the large number of items already on the agenda and the amount of time that would likely be devoted to consideration of the proposed program budget for 2006-2007, the Committee concluded that it would be preferable to defer consideration of the subject of disabilities until 2006.

It could thus be discussed first by the Subcommittee on Planning and Programming and then the Executive Committee before being examined by the 47th Directing Council.

10. The Committee also discussed the possibility of deferring consideration of Item 4.16, “Progress Report on the Program of Work for the Area of Family and Community Health,” but the Director explained that the item had been included on the agenda pursuant to Resolution CD44.R12, adopted by the 44th Directing Council in 2003, which mandated the presentation of a progress report on activities in the area of family and health.

11. Alluding to Item 4.8, “Regional Declaration on the New Orientations for Primary Health Care,” the Delegate of the United States of America said that she was not familiar with the topic and asked for clarification of the nature of the item. The Director explained that the inclusion of the item on the agenda of the 46th Directing Council was the result of a two-year process that had originated with the 44th Directing Council’s discussion of primary health care in 2003. As delegates might recall, that year had marked the 25th anniversary of the International Conference on Primary Health Care and the Declaration of Alma-Ata. A set of roundtable discussions on primary health care had been held during the 44th Directing Council, and one of the recommendations that had emerged from those discussions had been that a regional declaration on primary health care should be drawn up, reaffirming the commitment to the primary health care approach and pointing the way forward in the light of current realities in the Region. A working group had been formed to draft the declaration and provide guidance to countries and to the Organization on how to reorient the Region’s health systems and services, following the principles of primary health care. The draft declaration had been presented to delegates for comment during an informal midday briefing held during the present session of the Executive Committee and would be presented again at a regional consultation on the renewal of primary health care, scheduled for 26–29 July 2005 in Montevideo, Uruguay. The final version of the declaration would then be presented formally to Member States for review and adoption during the 46th Directing Council in September.

12. The Committee approved the provisional agenda without change (Resolution CE136.R12).

Committee Matters

Report of the 39th Session of the Subcommittee on Planning and Programming (Document CE136/6)

13. The Honorable John Junor (Jamaica, President of the Subcommittee on Planning and Programming) reported on the Subcommittee's 39th Session, which had taken place from 16 to 18 March 2004. The Session had been attended by representatives of the following Members of the Subcommittee elected by the Executive Committee or designated by the Director: Argentina, Barbados, Canada, Cuba, Jamaica, and United States of America. Representatives of Mexico and Brazil had attended in an observer capacity.

14. The Subcommittee had elected Jamaica to serve as President for the 39th Session. Argentina had been elected Vice President and Canada had been elected Rapporteur. The Subcommittee had discussed the following items: Special Report on PAHO's Support to the Region Affected by the Tsunami; Progress Report on the Pan American Sanitary Bureau Institutional Change; Update on the Implementation of the External Auditor's Special Report of September 2004; Strategy for the Future of the Pan American Centers; Technical Cooperation in Health among Countries in the Americas; Proposed Program Budget of the Pan American Health Organization for the Financial Period 2006-2007; Report of the Working Group on PAHO in the 21st Century; PAHO/WHO Country-focused Cooperation and National Health Development; Update on the Goal of Providing Antiretroviral Therapy Established in the Declaration of Nuevo León, adopted at the Special Summit of the Americas; Strengthening of National Programs for Organ Donations and Transplants. Additionally, under "Other Matters," the Subcommittee had heard updates on the revision of the International Health Regulations and on preparations for the 14th Inter-American Meeting, at the Ministerial Level, on Health and Agriculture (RIMSAs).

15. As most of those topics were also to be discussed by the Executive Committee at the 136th Session, he would report on the Subcommittee's comments on each one at the time that it was taken up by the Committee. However, two of the items discussed by the Subcommittee did not appear on the Executive Committee's agenda: the report on the support provided by PAHO and countries of the Americas for the region affected by the tsunami of December 2004 and the item on strengthening of national programs for organ donations and transplants.

16. Under the first of those items, the Subcommittee had examined the lessons learned from the response to the tsunami and had underscored the need to strengthen disaster planning and preparedness in the countries of the Region in order to equip them to deal with a disaster of similar magnitude. The Subcommittee had also highlighted the

need to balance offers of assistance with the actual needs of the afflicted country or region and to provide accurate information so that the public understood what kind of help was really needed.

17. In relation to the second item, strengthening of national programs for organ donations and transplants, the Subcommittee had endorsed a strategy proposed by the Secretariat to enable PAHO to support countries in the area of organ donations and transplants, relying on expertise that existed in Member States. It had also encouraged the Organization to focus on building the necessary capacity at country level for the implementation of World Health Assembly Resolution WHA57.18, adopted in 2004, on human organ and tissue transplantation. The Subcommittee had recommended that the item not be brought forward to the Executive Committee during the 136th Session, but had asked the Secretariat to report to the Governing Bodies at some future date on the progress of its activities with regard to organ donations and transplants.

18. A fuller account of the Subcommittee's deliberations on those two items and on all of the items examined by the Subcommittee could be found in the final report of the 39th Session (Document SPP39/FR).

19. The President noted that both the Subcommittee on Planning and Programming and the Subcommittee on Women, Health, and Development had discussed the possibility of reviewing their respective roles and functions and the frequency of their meetings. He proposed that those governance issues should be discussed when the Committee examined the report of the Working Group on PAHO in the 21st Century. The Committee agreed with that proposal, took note of the report, and thanked the Subcommittee for its work.

Subcommittee on Women, Health, and Development (Documents CE136/7 and CE136/8)

20. Two presentations were given under this item. First, Dr. Roberto Dullak Peña (Paraguay, President of the Subcommittee on Women, Health, and Development) reported on the 21st Session of the Subcommittee on Women, Health, and Development. Then, Dr. Carissa Etienne (Assistant Director, PASB) presented PAHO's proposed gender equity policy.

Report on the 21st Session of the Subcommittee on Women, Health, and Development

21. Dr. Dullak Peña reported that the 21st Session of the Subcommittee on Women, Health, and Development had been held on 14 and 15 March 2005. The Session had been attended by representatives of the following Members of the Subcommittee elected by the Executive Committee or designated by the Director: Cuba, Dominica, Honduras,

Paraguay, and United States of America. Representatives of Argentina and Canada had attended as observers. Representatives of a number of other intergovernmental organizations and one nongovernmental organization had also taken part in the session. Paraguay had been elected to serve as President of the Subcommittee; the United States of America had been elected Vice President and Dominica had been elected Rapporteur.

22. The Subcommittee had discussed four agenda items relating to mainstreaming of gender and promotion of gender equality in the work of PAHO. The first of those items had been a report on the technical cooperation activities of the Secretariat in the area of gender, health, and development. Dr. Elsa Gómez, Regional Advisor on Women, Health, and Development, had outlined the changes that had taken place in the former Program on Women, Health, and Development, which in 2004 had become the Gender, Health, and Ethnicity Unit. That change reflected a change in focus from women and women's health to the broader issues of gender and gender equality; the addition of the dimension of ethnicity to the Unit's work reflected the Director's prioritization of excluded groups who were suffering from the greatest health inequities. The Subcommittee had then heard a report on progress towards gender equity in PAHO's human resources, including information on the sex distribution of the PAHO workforce and the Secretariat's efforts to recruit a larger proportion of women to professional posts. Next, the Subcommittee had examined a report on gender mainstreaming in a specific area of PAHO technical cooperation: national health accounts. Finally, the Subcommittee had considered a proposal for a PAHO gender equality policy. That policy, revised to incorporate the Subcommittee's views and suggestions, was contained in Document CE136/8, which was currently before the Executive Committee.

23. In addition to those four agenda items, two panel discussions had been held during the Subcommittee's 21st Session. The first had concerned institutional experiences and lessons learned in formulating and implementing gender equality policies. Presentations had been given by panelists representing two Member States and four international organizations, who had described the experiences of their respective countries or institutions in mainstreaming gender. The second panel discussion had focused on the achievement of Development Goal 3 of the United Nations Millennium Declaration: Gender Equality and Empowerment of Women. Presentations had been given by representatives of four United Nations agencies and one nongovernmental organization. All the panelists had noted that a major shortcoming of the Millennium Development Goals was their failure to include any goals, targets, or indicators relating specifically to sexual and reproductive health and rights or to gender-based violence. However, they had also pointed out that the Goals afforded an opportunity to reinforce and build on the progress towards gender equality achieved over the years as a result of other international mandates.

24. Summaries of the two sets of panel presentations and of the main points that had emerged from the Subcommittee's discussion of them could be found in the final report of the 21st Session, which was contained in Document CE136/7. The Subcommittee's views and conclusions on all the items discussed were reflected in its recommendations to the Executive Committee and to the Director, which also appeared in Document CE136/7. The two principal outcomes of the session had been the Subcommittee's endorsement of the proposed PAHO gender equality policy and its decision to recommend the formation of a working group to review the Subcommittee's role, composition, and membership and the frequency of its meetings. The latter recommendation had arisen from a comment made by a Member, who had suggested that the Subcommittee's functions should be reexamined in the light of the substantial progress that had been made in mainstreaming gender, both in PAHO and in Member States.

25. The Subcommittee therefore recommended that the 36th Session of the Executive Committee form a working group to review the framework and terms of reference of the Subcommittee on Women, Health, and Development. The working group would then submit its recommendation to the 137th Session of the Committee, to be held in September 2005. It was proposed that the working group be composed of representatives of the Members of the Executive Committee that had participated in the 21st Session of the Subcommittee, as well as representatives from a sister agency in the international system, from the Gender, Ethnicity, and Health Unit, and from another technical unit within the Secretariat.

26. With regard to the proposed gender equality policy, the Subcommittee recommended that the Executive Committee approve the policy and present it to the Directing Council for its final approval through the passage of a resolution. The Subcommittee also requested that the Executive Committee endorse its recommendations to the Director regarding implementation of the gender equality policy and the attainment of the Millennium Development Goals.

Proposed PAHO Gender Equality Policy

27. Dr. Etienne summarized the proposed gender policy presented in Document CE136/8. The policy was modeled on the WHO gender policy and had been developed through a broad consultative process. It was being proposed in response to the pervasive presence of gender inequalities in health and reflected PAHO's commitment to the achievement of equity in its programs and in all the work of the Organization. The policy recognized that disparities in health between men and women were due not only to biological sex traits but also to the different positions and roles of men and women in society, which had a differential impact on health status and its determinants, access to

health resources and services, participation in decisions affecting health, and the distribution of responsibilities and compensations associated with health development.

28. The policy was guided by four main principles: gender equality, gender equity, empowerment, and gender mainstreaming. The overall goal of the policy was to contribute to the achievement of gender equality in health status and health development through research, policies, and programs which gave due attention to gender differences in health and its determinants, and to actively promote equality and equity between women and men. The policy's specific objectives and the components of the proposed gender mainstreaming strategy were set out in the document.

29. The Organization aimed to mainstream gender equality on three fronts: in all aspects of its technical cooperation work, in national health development policy frameworks, and in PAHO's organizational development and human resource policies. Doing so, and ensuring the sustainability of gender mainstreaming, would require a commitment at the highest levels that was demonstrated and widely and clearly communicated. Accordingly, the senior management of the Organization committed to transmit the policy to staff, monitor its application, and be accountable to the Governing Bodies for its implementation. In addition, managers would ensure that gender equality objectives were routinely included in institutional policies and programming and that specific resources were allocated for gender mainstreaming. Gender focal points would be designated throughout PAHO's technical and administrative areas, both at Headquarters and in selected field offices. Those focal points, in collaboration with the Gender, Health, and Ethnicity Unit, would provide general guidance and support for the process. The commitment to implementation would ensure that managers institutionalized mechanisms for building capacity among staff and allocated appropriate resources for that purpose. Managers would also ensure that all areas and units used data disaggregated by sex and other relevant variables and that they incorporated a gender perspective in their written materials. At country level, the PAHO/WHO Representative Offices – in collaboration with Headquarters, ministries of health, other sectors, NGOs, and civil society – would establish appropriately staffed and funded mechanisms to promote gender equality in health systems.

30. As noted by Dr. Dullak Peña, the Subcommittee on Women, Health, and Development had endorsed the proposed gender equality policy. The Secretariat therefore requested that the Executive Committee review the policy and recommend its adoption by the Directing Council.

31. The Executive Committee welcomed the report of the Subcommittee and expressed support for the proposed gender equality policy. Members applauded, in particular, the policy's referencing of key international commitments to gender equality and its clear commitments to gender equality and women's empowerment as ends in

themselves. However, some delegates expressed concern that a paragraph concerning the resources and administrative and operational mechanisms for implementing the policy had been removed. The paragraph had been in the version of the document presented to the Subcommittee on Women, Health and Development, and the Subcommittee had agreed that no new policy could be adequately implemented without the commitment of both human and financial resources. Members acknowledged that Dr. Etienne had affirmed the Secretariat's commitment in her presentation, but they feared that the lack of an explicit written commitment would jeopardize the policy's implementation and sustainability.

32. Members also felt that the policy could be strengthened through more explicit reference throughout to women and men across the lifespan to ensure that gender equity issues, including sexual and reproductive health issues, among girls and boys and among older women and men were addressed. While the policy did call for the incorporation of a vision of diversity, it could be enhanced through explicit reference to various subpopulations and to issues of diversity arising from differences in socioeconomic status, education, ethnicity and culture, sexual orientation, ability, and geographic location. A particular focus should be placed on indigenous women.

33. It was suggested that the word "unfair" should be removed from a statement in the introduction to Document CE136/8 that indicated that PAHO's gender equality policy, as proposed in the document, was to work to eliminate unfair health disparities between men and women and advance towards the achievement of gender equality and women's empowerment goals. It was felt that the sentence should read, simply: "to eliminate health disparities between women and men," because the word "unfair" could be ambiguous.

34. Delegates highlighted a number of other issues which they felt should be addressed in the policy or in the resolution adopting it, including violence against women and penalization of those who perpetrated it, trafficking of women for sex and labor, wage and employment discrimination against women, the feminization of poverty, resource allocation and access to health resources for women, and the need for involvement of civil society in order to ensure the empowerment of women. A number of editorial changes and improvements were also proposed to the recommendations of the Subcommittee on Women, Health, and Development contained in Document CE136/7.

35. Attention was drawn to the need to educate and sensitize health care providers to gender differences that affected the doctor-patient relationship, and the Secretariat was asked to comment on how the policy might be given practical application in medical practice – specifically, what recommendations might be made to physicians regarding how they interacted with their male and female patients. Similarly, there was a need to sensitize pharmaceutical manufacturers and academic researchers to sex-related

differences in patients' responses to some drugs and to advocate for the inclusion of women in all clinical drug trials.

36. Dr. Etienne asked Members to submit their proposed changes in writing and to advise the Secretariat as to how, specifically, they wished to see them reflected in the language of the policy. She pointed out that PAHO had substantive programs dealing with most of the issues raised by delegates. In particular, the Gender, Health, and Ethnicity Unit had done significant, groundbreaking work in the area of violence against women. Regarding the question on sensitization of providers and researchers, she noted that networking was a major modality of work for PAHO in many areas, including the area of gender and health. PAHO did not have sufficient resources to get involved directly in activities such as pharmaceutical research, but it was working through networks and through civil society organizations to promote the involvement of women in clinical trials. The Organization was also working through various networks – for example, networks of medical schools and associations of health professionals – to raise awareness of gender differences.

37. The Director noted that the gender equality policy had been formulated in response to a mandate from the 20th Session of the Subcommittee on Women, Health, and Development, which had called for a policy to address three basic issues: mainstreaming of gender into the policies and programs of the Organization; sex-disaggregation of health data in order to provide evidence of gender discrimination and gender inequities; and the achievement of sex parity in the selection, recruitment, and promotion of staff and the elimination of gender barriers to the advancement of women in the Organization. The policy was meant to fill a void that existed in the Organization – namely, the absence of an explicit policy on gender equality – not to change or replace the activities that it was carrying out in areas such as gender-based violence.

38. She felt that it would be preferable to incorporate the various concerns raised by delegates into the resolution to be drafted for the Directing Council, rather than into the policy itself. Similarly, it would probably be more appropriate to include in the resolution the paragraph concerning specific operational arrangements for implementing the policy. The policy was intended to be a broad, long-term mandate. As such, should not include reference to specific operational arrangements, which were time-bound and changeable.

39. The Executive Committee adopted Resolution CE136.R2, recommending that the 46th Directing Council adopt the proposed gender equality policy.

Update on the Implementation of the Recommendations of the External Auditor's Special Report, September 2004 (Document CE136/24)

40. Dr. Heidi Jimenez (Area Manager, Legal Affairs, PAHO) reviewed the background to the External Auditor's Special Report, recalling that it had contained

recommendations focusing on five areas: ethical standards and codes of conduct, recruitment of employees and consultants, complaints procedures, management of external relationships, and information technology security. Document CE136/24 provided an update on the Secretariat's progress in the five areas identified by the External Auditor, plus two additional areas identified by the Executive Committee during its 135th Session: internal audit procedures and selection of an ombudsperson.

41. Most of the issues raised by the External Auditor were being addressed under the Standards for Accountability and Transparency Initiative, one of the 11 initiatives included in the Roadmap for Institutional Transformation launched by the Director in March 2005. A document on the initiative was distributed to the Committee during the session.

42. In the area of ethical standards and codes of conduct, the main accomplishments thus far were the development of a framework for ethical principles and a PAHO-specific code of conduct, based on the International Civil Service Commission Standards of Conduct for the International Civil Service. The Secretariat had also instituted WHO's Declaration of Interest Disclosure Program and was finalizing a PAHO-specific program. Additional documentation provided during the session identified staff required to file a declaration of interests disclosure form. All the foregoing activities were expected to be completed by the time the Directing Council met in September 2005. In regard to recruitment of employees and consultants, the Secretariat was in the process of implementing a more open and competitive process for the recruitment of temporary staff and consultants and was taking steps to develop a database or roster of temporary staff, as recommended by the External Auditor. It was expected that a fully functional and interactive roster would be in place by year's end.

43. As for complaints procedures, following a survey of other international organizations to determine how they dealt with complaints, the Secretariat was examining best practices with a view to establishing an appropriate complaints management system for the Organization. In the area of management of external relationships, draft guidelines on PAHO's collaboration with private enterprises had been developed; those guidelines were distributed to the Committee during the meeting. With respect to information technology (IT) security, an information security officer was being recruited. The functions of the individual selected for the post would be to educate staff on IT security issues, develop policies and guidelines for e-mail and security management, and monitor PAHO's network to prevent intrusion from unauthorized users.

44. With regard to internal audit procedures, under a 2004 agreement, WHO's Office of Internal Oversight Services provided internal audit services for PAHO. The Executive Committee would be hearing a report from the Internal Auditor during the 136th Session and would receive regular reports thereafter. Finally, as concerned recruitment of an

ombudsperson, the selection process for the post was expected to be completed by the end of August 2005. In the meantime, a highly qualified individual had been found to serve as temporary ombudsman.

45. In conclusion, Dr. Jimenez said that the Secretariat was committed to fully implementing the recommendations and looked forward to presenting a detailed assessment of its work in all the areas covered in the External Auditor's report during the 46th Directing Council.

46. The President, speaking as one of the representatives appointed by the Executive Committee to monitor implementation of the recommendations, said that the Committee could be satisfied with the progress made thus far in carrying out the recommendations. Thanks to the efforts of Dr. Jimenez and other Secretariat staff, an extraordinary amount of work had been accomplished in a very short time. Most of the actions recommended by the External Auditor would have been completed by the time the Directing Council met in September. Nevertheless, much remained to be done, particularly in the areas of recruitment of staff and complaints procedures and in educating staff and inculcating the new standards of conduct at all levels of the Organization. Obviously, the transformation could not be entirely completed by September, and the Executive Committee would therefore have an ongoing monitoring responsibility.

47. He pointed out that Member States also had responsibilities with respect to the implementation of the recommendations. One was ensuring that PAHO's legal office was sufficiently resourced, in terms of both budgetary and human resources. The staff dedicated to the process of implementing the recommendations was quite small, and any expertise that Member States could provide would be appreciated. His government, for example, was exploring the possibility of "lending" a lawyer to PAHO. In addition, once clear and transparent recruiting procedures were in place, Member States would need to cooperate by not putting pressure on the Organization to hire people for political reasons. Similarly, Members would have a responsibility to ensure that proper complaints procedures were followed and to adhere to the same ethical norms that they expected the Secretariat to follow.

48. The Executive Committee thanked Dr. Jimenez for her detailed and comprehensive report and commended the Secretariat on the progress made in implementing the recommendations. Members drew attention to the overlap between the recommendations of the External Auditor and those of the Working Group on PAHO in the 21st Century and stressed the need to link the processes of implementing the two sets of recommendations. The linkage between the External Auditor's recommendations and some of the issues raised by the Staff Association in its report (Document CE136/23) were also highlighted.

49. Concern was expressed by some delegates about a statement in the document that indicated that the actions taken in response to the External Auditor's recommendations had resulted from anonymous allegations. It was felt that such a statement might misleadingly imply that the Director's agenda was somehow being driven by anonymous sources, when, in fact, it was the result of mandates given by Member States. The same delegates emphasized their full confidence in and support for the Director.

50. On the subject of ethics, one delegate observed that there was a difference between honesty and transparency and that in order to ensure transparency, there had to be tools or instruments to substantiate honesty and to certify that the Organization's activities were being conducted properly. The same delegate felt that in dealing with matters of public ethics, institutions such as PAHO would always need an external oversight or monitoring body.

51. With regard to recruiting and hiring practices, Dr. Jimenez was asked to clarify the Secretariat's policy on rehiring of retirees. While it was recognized that retirees could be a valuable source of information and expertise, it was emphasized that, if they were rehired, it should be assured that they were really fulfilling a needed function. In addition, it was considered important to examine carefully whether retirees might have possible conflicts of interest once they had left the Organization. Dr. Jimenez was also asked to provide an estimated timeline for putting in place a complaints procedure and to give a deadline by which Member States should submit their comments on the draft guidelines for collaboration with private enterprises. Noting that her country had an alternative dispute resolution system which had proved effective in addressing ethical concerns, the Delegate of Costa Rica offered the support of attorneys who had been involved in developing the system.

52. Dr. Jimenez expressed gratitude to the Delegate of Costa Rica for her offer. In her view, developing a complaints procedure was the most complex and challenging aspect of implementing the External Auditor's recommendations. The Organization was studying the procedures used by various other international organizations, but had not yet identified an ideal model for PAHO. The Secretariat would spend the next two to three months compiling all the information that had been gathered and taking the initial steps towards creating a conflict management system. It was unlikely that a full final recommendation would be ready in time for presentation to the Directing Council in September, but the Secretariat would submit some preliminary recommendations and a basic structural approach to conflict management. The aim was to bring together all the separate and disparate bodies that currently existed within the Organization in a consolidated approach, including the Office of the Ombudsman, the Office of Internal Audit and Oversight, the Staff Association, the Legal Affairs Area, and the Human Resources Management Area, all working together as a team. Part of the Secretariat's recommendation would probably be to establish a conflict management entity that would

have a responsibility to report to the Executive Committee. It would be important for the Governing Bodies to bear in mind that any mechanism eventually put in place for handling complaints would have to be funded from the regular resources of the Organization.

53. Concerning rehiring of retirees, she noted that the practice was permitted under the Organization's Staff Rules and Regulations; however, the Secretariat was reviewing the policies of other organizations on the matter and was considering introducing some changes – for example, limiting the period of time for which retired staff could be rehired and placing a requirement on the amount of time that must elapse between their retirement and their rehiring. The Secretariat did not want to lose the option of rehiring retirees, who possessed a wealth of information and expertise, but at the same time it recognized the importance of making room for younger staff with fresh ideas. The issue of rehiring of retirees would be dealt with under the Roadmap initiative on human resources.

54. With regard to the deadline for submission of comments on the draft guidelines for collaboration with private enterprises, she said that the Secretariat would need to receive comments by 31 July 2005 in order to allow sufficient time to revise the document before the Directing Council. She stressed, however, that the guidelines were by no means final. She had circulated them simply to give the Committee an idea of the Secretariat's current thinking on the subject.

55. Concluding the discussion on the item, the President announced that the External Auditor would present a one-year update on the recommendations during the 46th Directing Council.

56. The Committee did not adopt a resolution specifically on this item; however, in its Resolution CE136.R3, it recommended that the Directing Council adopt a resolution thanking the President and past President of the Executive Committee for their work in monitoring the Secretariat's implementation of the recommendations of the Special Report of the External Auditor and requesting the Director to complete the implementation of the recommendations, particularly those focusing on complaints management systems and human resources.

Report of the Working Group on PAHO in the 21st Century (Document CE136/5)

57. The report of the Working Group on PAHO in the 21st Century was presented by Mr. Sebastián Tobar (Argentina) on behalf of the Honorable Jerome Walcott (Barbados, President of the Working Group on PAHO in the 21st Century), who was unable to attend the 136th Session of the Committee. Mr. Tobar reviewed the background and composition of the Working Group, noting that in addition to Argentina, Barbados, Costa

Rica, Cuba, and Peru – the Members of the Group appointed by the Executive Committee – several other countries had taken an active part in the Group's work, notably Antigua and Barbuda, Bahamas, Brazil, Canada, Chile, Dominica, France, Mexico, Netherlands Antilles, Nicaragua, and United States of America. WHO and other institutions had also been involved. The PAHO Secretariat had provided support for the activities of the Working Group.

58. The Working Group had held six meetings, in the course of which it had identified the main public health challenges in the Region and the role that international cooperation agencies, in particular PAHO, should play in addressing them. Documents had been prepared by Members and other participating countries and by the Secretariat on the strategic challenges related to ten areas: the differential impact of health problems in countries of the Region; poverty and social exclusion; political and governmental factors; changes arising from globalization; natural disasters and the quality of the physical environment; science, technology, research, and information; health systems and universal access to health services; human resources; financial resources; and international cooperation in health. The Group's main conclusions with regard to those challenges were summarized in its report (Document CE136/5).

59. Based on its analysis of the present and future public health challenges, the Working Group had formulated a set of recommendations relating to PAHO's work and actions to be taken by the Organization in the following areas: public health goods; science, technology, research, and strategic supplies; development of strategic alliances and partnerships and the role of PAHO; technical cooperation modalities in health; governance; and human resources. The recommendations and suggested actions in each area were also presented in the report of the Working Group.

60. The Executive Committee thanked the Working Group for its report and commended it on its work. The Committee also thanked the Secretariat for the support it had provided to the Group. Members felt that the Working Group had fulfilled its mandate admirably, producing a solid report that identified the areas that would be critical to the Organization's future and a sound set of recommendations for practical actions that would enable PAHO to function more effectively in the new global context. Several of the delegates who had taken part in the activities of the Working Group commented on the breadth and depth of its deliberations, but regretted that there had not been greater participation by other Member States, which would have further enriched the process. It was suggested that, in order to encourage maximum input by all Member States prior to the Directing Council, countries should once again be invited to submit their comments on the recommendations of the Working Group by a deadline to be established by the Executive Committee.

61. The Committee emphasized that the report and recommendations of the Working Group should inform both the process of institutional change currently under way and the Organization's strategic planning for the future. In relation to the latter, Members opined that, in order to maximize PAHO's alignment and synergy with WHO, the next strategic plan should cover the same period as the Eleventh General Program of Work. Members also stressed the need to tie together all the various sets of recommendations arising from the reports of the External Auditor and the Internal Oversight Services, as well as the Working Group on PAHO in the 21st Century, and link them to the institutional change process within the Secretariat and to the biennial program budget for 2006-2007, in order to recommend a clear course of action for the Directing Council in September. To make it easier to visualize those linkages, the President agreed to produce a matrix showing the recommendations made on the subjects covered in the various reports.

62. While the Committee found that the Working Group's report and recommendations identified the major issues and challenges facing the Organization, delegates felt that some areas needed further emphasis or expansion. Drawing attention to the recommendations concerning technical cooperation modalities in health, the Delegate of Costa Rica, whose government had contributed the document on that subject for the Working Group, emphasized that PAHO, as an organization specializing in public health, should not rely solely on traditional indicators, such as gross domestic product, infant mortality, or life expectancy at birth, in order to classify countries or measure their level of well-being; it should also look at the performance of their health systems. In addition, given the known inequalities and inequities within and among countries in the Region, indicator data should always be disaggregated by geographic area in order to reveal areas of particular need. The Delegate of Jamaica felt that greater stress should be laid on two areas that, in his view, constituted the major health challenges for PAHO and its Members in the future: mainstreaming health in the development process and addressing the social determinants of health. In relation to the former, while some progress had been made, the health sector had still not been entirely successful in conveying the critical importance of health for development to policy-makers and colleagues in other sectors. That should be a central focus of PAHO's work in the coming years. Another critical area of work was behavior development and change, particularly developing healthy behaviors in children in order to produce citizens who understood the need to act responsibly with regard to diet and physical activity, sexual practices, and other actions that had a decisive impact on their risk of contracting or developing certain diseases.

63. With regard to the governance issues raised by the Working Group and by the Subcommittee on Planning and Programming and the Subcommittee on Women, Health, and Development, it was proposed that a working group should be established to study the functions and terms of reference of the two Subcommittees and make recommendations to the next session of the Executive Committee. It was also suggested that the working group should examine all of the Organization's governance processes in

order to ensure that they were functioning optimally. In particular, it was suggested that the process for the election of the Director should be scrutinized with an eye to making it more transparent. Members emphasized that the working group should have a clear mandate and terms of reference and that the expected outcomes of its work should also be clearly stated.

64. The Director pointed out that there were certain issues relating to the rules of procedure of the Governing Bodies that needed to be addressed, notably the procedure for consideration of resolutions. She proposed that the working group should also examine those issues.

65. Dr. Bernard Kean (Director, Department of Governance, WHO) noted that the WHO Executive Board had recently undertaken a similar review of its working methods. The process had been complicated and lengthy, partly because an attempt had been made to carry out all the desired reforms at once. Based on that experience, he would suggest that the Executive Committee clearly identify the tasks to be undertaken and set a timetable for their completion. It could then give the Secretariat a clear mandate for action. He also noted that the PAHO in the 21st Century process had both served as a model and yielded a great deal of valuable input for the process of developing WHO's Eleventh General Program of Work.

66. At the Director's request, Dr. Daniel López Acuña (Director of Program Management, PAHO) explained the timetables for consideration by the Governing Bodies of the various matters under discussion. Regarding the proposed working group on governance issues, any recommendations made by such a group would have to be approved by the Directing Council in 2006. Accordingly, the group would formulate its recommendations and submit them to the 138th Session of the Executive Committee in June 2006. The Committee would then forward the recommendations to the 47th Directing Council for final approval in September 2006. As for the strategic plan for the next period, the Secretariat would be submitting a methodological proposal for formulation of the plan to the 40th Session of the Subcommittee on Planning and Programming in March 2006. That proposal would reflect any decision taken by the 46th Directing Council with regard to the period to be covered by the plan. As Members were aware, the Organization now operated on a five-year planning cycle, but the Directing Council might decide that the next strategic plan should extend until 2015 in order to cover the same period as the WHO Eleventh General Program of Work. The methodological proposal would then be examined by the Governing Bodies in 2006. The following year, a draft strategic plan would be submitted to the SPP in March and to the Executive Committee in June. It would then go to the 27th Pan American Sanitary Conference for approval in September 2007.

67. The Director said that, if the Executive Committee wished, the Secretariat could put together a draft proposal concerning the Organization's long-, medium-, and short-term planning processes and harmonization of PAHO's planning cycles with those of WHO. A document on the subject could be presented to the Committee's 137th Session.

68. The Executive Committee adopted Decision CE136(D3), requesting the Secretariat to prepare and present to the Committee's 137th Session a proposal on streamlining various governance mechanisms of the Organization. The Committee agreed that a working group would then be formed to study the proposal prepared by the Secretariat and submit recommendations thereon for consideration by the 138th Session of the Executive Committee and the 47th Directing Council. Argentina, Costa Rica, and Cuba expressed interest in being members of that group. It was agreed that terms of reference for the working group on governance would be drafted and distributed prior to the Committee's 137th Session. It was also agreed that those terms of reference would be accompanied by documentation on the review of the WHO Executive Board's working methods, which Members felt would provide useful background for the group's work.

69. The Committee also adopted Resolution CE136.R3, recommending that the Directing Council adopt a resolution requesting the Director, *inter alia*, to take into account the findings of the report and recommendations of the Working Group on PAHO in the 21st Century, the institutional changes within the Pan American Sanitary Bureau, and the recommendations of the Special Report of the External Auditor, when preparing the next Strategic Plan for the work of the Pan American Sanitary Bureau. In addition, the Committee asked the Director to prepare a proposal on the Organization's planning cycles for its consideration at the 137th Session.

70. The Committee set 20 July 2005 as the deadline for submission of comments on the recommendations of the Working Group. It was agreed that the President would write to Member States, informing them of the Committee's deliberations on this item and encouraging them to submit comments. It was further agreed that the Director would, through the PAHO/WHO Representatives, urge Member States to take advantage of this final opportunity to comment on the conclusions and recommendations of the Working Group.

***Report of the Award Committee of the PAHO Award for Administration, 2005
(Documents CE136/9 and CEe136/9, Add. I)***

71. Dr. Roberto Dullak Peña (Paraguay) reported that the Award Committee of the PAHO Award for Administration, 2005, consisting of the representatives of Canada, Dominica, and Paraguay had met on 22 June 2005. After careful examination of the documentation on the candidates nominated by Member States, the Committee had decided to confer the award on Dr. Francisco Rojas Ochoa, of Cuba, for his outstanding

contribution to the development of the administration of health programs and services in his country and in several other countries of the Region of the Americas and, particularly, for his outstanding contribution to the training of various generations of public health leaders and professionals.

72. The Committee adopted Resolution CE136.R11, endorsing the decision of the Award Committee.

Report of the Standing Committee on Nongovernmental Organizations in Official Relations with PAHO (Documents CE136/10 and CE136/10, Add. I)

73. Ms. Virginia Gidi (United States of America) reported that the Standing Committee on Nongovernmental Organizations (NGOs), composed of the representatives of Barbados, Costa Rica, and United States of America, had considered one application submitted to it by the Director in accordance with the *Principles Governing Relations between the Pan American Health Organization and Nongovernmental Organizations*. After reviewing the background paper prepared by the Secretariat on the organization in question, the Medical Confederation of Latin America and the Caribbean (*Confederación Médica Latinoamericana y del Caribe – CONFEMEL*), the Standing Committee had decided to recommend to the Executive Committee that it admit CONFEMEL into official relations with PAHO for a period of two years, with the understanding that the actions established in the agreement with the organization would be reviewed at the meeting of the Standing Committee on NGOs in 2007.

74. The Standing Committee had also examined documentation on the following eight NGOs whose status as organizations in official relations with PAHO was due for review: American Society of Microbiology (ASM), Inter-American Association of Sanitary and Environmental Engineering (AIDIS), International Diabetes Federation (IDF), Latin American and Caribbean Association of Public Health Education (*Asociación Latinoamericana y del Caribe de Educación en Salud Pública – ALAESP*), Latin American Federation of the Pharmaceutical Industry (FIFARMA), March of Dimes, United States Pharmacopeia (USP), and World Association of Sexology (WAS).

75. After a brief presentation by the respective NGOs and comments from the PAHO Secretariat, and in light of the written information provided on collaborative activities between each of the NGOs and PAHO, the Standing Committee had decided to recommend to the Executive Committee that it authorize continuation of official relations with all eight organizations for a period of four years.

76. The Committee endorsed the recommendations of the Standing Committee, adopting Resolution CE136.R1.

Program Policy Matters

Proposed Program Budget of the Pan American Health Organization for the Financial Period 2006-2007 (Official Document 317, Documents CE136/INF/1, CE136/INF/2, CE136/INF/4, CE136/INF/5, CE136/INF/6)

77. Dr. Karen Sealey (Area Manager, Planning, Program Budget, and Project Support, PAHO) introduced the program budget proposal for 2006-2007 contained in *Official Document 317*, noting that the 2006-2007 biennium was a very important one for the Organization, as it was the last biennium for achieving the objectives of the Strategic Plan and the Managerial Strategy for 2003-2007. It was also the first biennium in which the new Regional Program Budget Policy would be implemented.

78. She began by reviewing the steps in the 2006-2007 budget development process, which had begun in November 2003, and then provided an overview of the context and environment in which the proposal had been developed and the principles and strategic direction that had guided its formulation. Environmental factors that had influenced the process included increased demands and expectations from Member States and partners, associated with the growing recognition of health as a global and regional security issue and as a crucial contributor to poverty reduction and national development and with the greater demand for services from PAHO to enable countries to take best advantage of the increased availability of funding from new partners such as the Global Fund to Fight AIDS, Tuberculosis, and Malaria. Contextual factors included mandatory cost increases of \$11.2 million¹ for posts funded under the regular budget and a rise in the WHO share of the combined PAHO/WHO budget, which, however, was smaller than had been anticipated and was not sufficient to reverse the impact of Resolution WHA51.31 or offset the increase in post costs, nor was it enough to cover the cost of PAHO's work to support the global priorities and initiatives of WHO. The Secretariat, aware of the constraints in the fiscal environment, had continually sought to increase managerial efficiency and effectiveness through a variety of measures, including the elimination of 34 posts, streamlining of operations, and reduction of administrative and operating costs.

79. Among the main principles that had guided the development of the program budget were results-based planning and management and a one-program-budget approach. While the Secretariat had been presenting expected results for a long time, in the proposal for 2006-2007 it had significantly furthered the use of results, linking all the expected results at the unit level within the Secretariat to regionwide expected results, which in turn were linked to WHO's global expected results. In the one-program-budget approach, the Secretariat was presenting, for the first time, a budget that identified the

¹ Unless otherwise indicated, all monetary figures in this report are expressed in United States dollars.

total funding needs, regardless of funding source. In the past, budget proposals had reflected only expected regular budget funds and committed extrabudgetary funds from other sources. The 2006-2007 proposal estimated the totality of funds needed to achieve the expected results, including areas that were currently unfunded. Other principles behind the development of the program and budget, all of them linked to elements in the Managerial Strategy, were: learning from experience, priority-setting by Member States, and equity and decentralization.

80. The framework for technical cooperation that the Director had introduced in the Managerial Strategy had provided the strategic direction for the development and review of program budget proposals by the various units. That framework called for units to formulate their programs in such a way that they clearly identified and addressed the unfinished agenda of health problems in the Region, particularly those related to achievement of the health-related goals of the Millennium Declaration. It also called for protecting past achievements and facing new challenges, such as emerging infectious diseases. Another major influence in the development of the program budget had been the Regional Program Budget Policy approved in 2004. As Members would recall, the policy had increased the overall country allocation, based on the needs of individual countries, and had provided for a variable portion to be allocated by the Director, based on criteria approved by the Subcommittee on Programming and Planning at its 39th Session in March 2005. The policy had also created a subregional allocation, formalizing and intensifying PAHO's support for the health agenda of the various subregional integration processes.

81. All of the foregoing had been borne in mind in formulating the program budget proposal currently before the Committee, which reflected scenario C presented in Document CE136/INF/4. The program budget comprised 38 areas of work, which were congruent with WHO's 36 areas of work, except that one, Core Presence in Countries, had been split into three parts, reflecting the Region's advanced status with regard to cooperation at country level. The total proposed budget for 2006-2007 was \$272.5 million, which was a 5% increase over the 2004-2005 budget of \$259,530,000. That figure had been arrived at by adding to the 2004-2005 figure the mandatory post-related cost increase of \$11,240,000, plus a minimal non-post increase of \$1,730,000. However, despite the reduction of 34 posts and the increase of 5% in the total budget, the level of non-post funding in 2006-2007 would be critically low, accounting for scarcely 37.5% of the regular budget. The WHO share of the proposed regular budget would amount to \$77,786,000, making the PAHO share \$194,732,000. The PAHO portion would be funded by \$180,232,000 in assessed contributions – a 4% increase with respect to 2004-2005 – and \$14,500,000 in miscellaneous income. In order to achieve the expected results set out in *Official Document 317*, a total of \$538,044,000 would be needed; hence, \$265,544,000 would have to come from voluntary contributions. The Secretariat felt that it would be feasible to raise that amount, as it expected to receive a larger proportion of

voluntary contributions from WHO than in the past and it planned to be very aggressive in mobilizing additional needed resources.

82. The Honorable John Junor (Representative of the Subcommittee on Planning and Programming) said that the Subcommittee had examined an earlier version of the program budget proposal in March. Members had applauded the closer alignment of PAHO's program and budget with those of WHO and the emphasis on transparency and results-based management and budgeting. The increased emphasis on work at the subregional level, and the allocation for that purpose, had also been welcomed. While it had been recognized that Member States were placing increasing demands on the Organization and that inflation and rising staff costs increased PAHO's operating costs, some delegates had questioned the need for an increase in the PAHO portion of the regular budget, especially in light of the expected increase in the WHO allocation for the Region. It had been pointed out that it would be difficult for countries to accept an increase of 3.1% in their PAHO assessments – the increase proposed by the Secretariat at the time – when WHO was also asking for a substantial rise in assessed contributions. The need for budget discipline and careful priority-setting had been underscored, as had the need to continue striving to increase the cost-effectiveness of PAHO's work.

83. The Subcommittee had requested that the next version of the budget proposal include more detailed information on the measures being taken to enhance efficiency within the Organization and clarification of how priorities were being set. The Subcommittee had also asked that the next version of the proposal present several scenarios and show the program impact of each of those scenarios – one scenario being the level of increase proposed in the budget document presented in March, including the 3.1% rise in assessments; another scenario being an increase only in the WHO portion, but zero nominal growth in the PAHO portion of the budget; and a third scenario being maintenance of the total regular budget at the 2004-2005 level.

84. The Executive Committee's discussion of the program budget comprised two parts: a general discussion of the overall proposal, followed by a more detailed examination of the program budget by appropriation section. During the initial discussion, the Committee recognized the hard work that had gone into preparing the program budget and expressed appreciation to the Secretariat for the proposal itself and for the accompanying information documents, although the absence of the performance assessment for the 2002-2003 biennium (Document CE136/INF/3) was noted and regretted. Members voiced support for the principles underlying the development of the proposal, in particular results-based programming and budgeting and the integrated one-budget approach. The alignment with WHO's global priorities and areas of work was also applauded, as was the Secretariat's effort to reflect in the program budget proposal the recommendations and activities emanating from all the various change processes under way within PAHO.

85. The Committee thanked the Secretariat for preparing the document containing the various scenarios (Document CE136/INF/4), as requested by the SPP, but pointed out that it only partially responded to what the Subcommittee had asked for. It did not include a zero-nominal-growth scenario, which had been one of the options specifically requested by the Subcommittee. Moreover, while the document did provide budget figures for the various scenarios, it did not include a qualitative analysis of the programmatic impact of each one. Member States needed that kind of analysis in order to make informed decisions about the budget and, in particular, about the request for a rise in assessed contributions. If delegates were to be able to justify the request for an increase in their countries' assessments, they needed to understand the rationale for the increase. That was considered especially important in the case of countries whose allocations would go down under the new Regional Program Budget Policy.

86. With regard to the proposed increase in assessments, Members expressed surprise that the percentage had risen from 3.1% to 4% since the March session of the SPP and asked the Secretariat to provide an explanation for the higher figure. It was pointed out that all countries had seen increases in their assessed contributions over the previous two biennia. The rationale for those increases had been primarily the loss of resources from WHO resulting from the application of Resolution WHA51.31. However, as the WHO portion of the PAHO/WHO budget would increase in 2006-2007, it was difficult to understand the need for another increase in assessed contributions to PAHO.

87. Members acknowledged that PAHO was facing financial constraints but pointed out that their governments were under intense scrutiny as to how public funds were spent. Noting that one of the information documents alluded to the need to "do more with less," one delegate suggested that it might be time to face the hard truth that PAHO had to do "less with less." That would mean setting clear priorities and making difficult choices. It was suggested that, before asking Member States to accept an increase in their assessments, PAHO should undertake a prioritization exercise, indicating where funds would be spent and where programs would not be supported due to lack of funds, and thus making clear what the implications of the various budget scenarios would be. The exercise should explain, for example, the reasons for the weighting of the various appropriation sections and answer simple questions such as why such a relatively small proportion of the regular budget was being allotted to noncommunicable diseases and reduction of risk factors when chronic disease management was a growing concern for all countries of the Region.

88. Noting that voluntary contributions would account for almost half of the total budget and that such contributions often came with provisos attached, delegates expressed concern as to whether PAHO would be able to allocate those contributions as needed to the various program areas. It was pointed out that neither the program budget

proposal nor Document CE136/INF/5 contained much information on how voluntary contributions would be applied in line with the Organization's strategic priorities, and it was suggested that the information presented in CE136/INF/5 should be integrated into the budget document itself.

89. Members made a number of specific suggestions for improving the format and content of the budget document. In particular, it was suggested that PAHO should present its program budget in a style more similar to that of WHO, which provided more qualitative analysis of the implications of the budget for the Organization's programming. In addition, Members asked that the next version of the document include the budget history chart that had been presented in previous program budget proposals, as that information was useful for understanding trends in PAHO funding. It was also suggested that the explanation of the criteria for application of the variable portion of the country allocations provided in Document CE136/INF/1 should be incorporated into the program budget document. Additional suggestions and requests by Members appear below in paragraph 90.

90. None of the delegates who spoke during the initial, general discussion of the budget was prepared to endorse the program budget proposal as presented in *Official Document 317*. It was pointed out that both that document and the accompanying information documents had been made available only shortly before the opening of the Executive Committee's session and that Members had not had sufficient time to have them reviewed by experts in their respective governments. In order to allow additional time for consultation and discussion on the budget prior to the 46th Directing Council, it was proposed that a special one-day session, open to all Member States, should be held during July. It was also proposed that the Secretariat should create a special page on the PAHO website for Members to submit written comments and questions on the budget.

91. During the second part of the budget discussion, delegates asked numerous questions about specific programmatic activities and budget allocations, which were answered by various members of the Secretariat. Members also made a number of requests for information to be included in the revised budget document to be presented to the Directing Council, and some Members indicated that they would be submitting additional requests to the Secretariat in writing. In particular, the Secretariat was asked to provide:

- a table showing areas of work by regular budget allocation and voluntary contributions for 2004-2005 and 2006-2007.
- a table showing areas of work by functional level for 2004-2005 and 2006-2007.

- a matrix showing the contributions of the various areas of work to behavior development and change for disease prevention.
- a table showing the kinds of staff in the country offices and their respective areas of expertise.
- a breakdown of the costs and increased staffing needs associated specifically with implementation of the External Auditor's recommendations.
- information on the budget for the Roadmap for Institutional Transformation, with a breakdown of the amount needed for each of the transformation initiatives.

92. Dr. Sealey said that the Secretariat would make every attempt to provide the requested tables and matrices. It would also provide a zero-nominal-growth scenario and an analysis of the impact of the various budget scenarios on the Organization's work. Regarding the format of the program budget, she noted that it followed the format of the WHO budget document very closely in terms of the area-of-work statements, the identification of issues and challenges, expected results, and other features. However, the Secretariat would revise the introductory section with a view to providing the sort of information that decision-makers at national level would need to understand and justify the proposal, both programmatically and from a budget standpoint.

93. Responding to the questions concerning the proposed increase in quota contributions, the Director explained that the proposal submitted to the SPP had been based on the expectation of a 9% increase in the WHO portion of the budget, but the 58th World Health Assembly had approved only a 4% increase. As a result, the Secretariat had had to ask for a larger increase in assessments, both to compensate for the smaller WHO share and to maintain a more reasonable balance between the non-post component of the budget and the post component, which, even with the proposed increase, would account for over 62% of the regular budget in 2006-2007. Regarding the prioritization exercise requested by the Committee, she said that at the end of June 2005, the Secretariat would be undertaking a strategic direction and competency review of each unit in order to determine what resources were available to respond to the units' respective mandates. After that review was completed, the Secretariat would have to select some operations to cut. At that point, she would be in a position to provide the information on prioritization that the Committee was seeking. In the meantime, she emphasized, the Secretariat was trying very hard, through a combination of various creative approaches (decentralization of units, redefinition of some functions, merging of units so as to eliminate some chief or coordinator posts, etc.), to realize greater efficiencies in order to continue addressing the priorities established by the Governing Bodies.

94. The Executive Committee requested that the Secretariat organize a one-day session for further discussion on the budget, to be held in Washington, D.C., no later than 22 July 2005. The Committee asked the Director to invite all Member States to take part in the session and to arrange for videoconferencing to facilitate remote participation by countries that might elect not to send a representative to Washington. In addition, the Committee asked the Secretariat to create a special section on the PAHO website for Members to submit comments and questions on the budget proposal. The Committee agreed that the comment period would open on 24 June 2005 and close on 15 July 2005.

Technical Cooperation Among Countries in the Region (Document CE136/11)

95. Dr. Mariela Licha Salomón (Coordinator, Country Support Unit, PAHO) presented the document prepared by the Secretariat on this item, noting that it was a progress report on the strategy set out in a 1998 document entitled *Technical Cooperation among Countries: Pan Americanism in the 21st Century*. The present document outlined the main outcomes of the 181 projects analyzed, the principal one being enhanced capacity at the national level to deal with particular problems. It also summarized the lessons learned and, in its current version, reflected the Secretariat's efforts to incorporate all the comments made by the Subcommittee on Planning and Programming in March.

96. The concept of technical cooperation among countries (TCC) derived from the Buenos Aires Plan of Action, which in turn had resulted from the United Nations Conference on Technical Cooperation among Developing Countries, held in 1978. PAHO had a long tradition of supporting cooperation among countries, and with the introduction of the strategy for institutional change in 2004 the Organization had renewed its commitment to TCC. Approximately 1% of the Secretariat's resources had been directed towards TCC.

97. As the data in the document showed, the previous three biennia had seen a sustained increase in the number of TCC projects presented. All of PAHO's Member States had participated in at least one TCC project. Of the projects supported between 1998 and 2003, 28% had included at least one of the priority countries identified under the Organization's Strategic Plan for 2003-2007. There was a clear predominance of projects that took place between neighboring countries or among countries of the same subregion. TCC projects were also a particularly frequent in border areas, which were often the poorest and most neglected parts of countries.

98. The 181 projects approved in the past three biennia fell under five areas of work, although about a fifth of them straddled two or more areas. The areas were: intersectoral action and sustainable development (25%), health information and technology (16%), universal access to health services (23%), disease control and risk management (23%),

and family and community health (13%). The greatest increase had been seen in the area of intersectoral action and sustainable development, with the number of projects approved more than doubling over the three biennia. The increase seemed to reflect a need to intensify partnership between the health sector and other sectors and stakeholders, as well as augmenting social participation. A major challenge for the Secretariat and the countries was to increase the number of projects falling within the area of family and community health, which related to several of the Millennium Development Goals and targeted many of the problems of the priority countries.

99. By the 2002-2003 biennium, the proportion of projects presenting a final report had risen to 50%. In the current biennium, most projects were still ongoing, which meant that it was not yet known how many final reports would be forthcoming, but she was pleased to report that all of them (by comparison with 50% in the prior biennium) would have an evaluation component.

100. Recalling that one of the recommendations of the SPP had been to give more information on the results of TCC projects, she stressed that the primary result had been enhanced national technical capacity to deal with given problems, based on an interdisciplinary approach. Other important results had been the systematization of experiences and publication of documents and scientific papers; the development of standards, formulation of policies and national programs; and the adaptation of models, methodologies or technologies. However, there had also been a number of positive results that had been less clearly anticipated: sensitization of authorities; strengthening of inter-country dialogue; generation of new projects and resource mobilization, enhancement of links and exchanges between central, regional, or local entities; and strengthening of networking within and among countries as a means for technology transfer.

101. The Executive Committee welcomed the new version of the document. Members felt that the additional information provided on the history and concept of TCC had greatly improved it. However, there was still a need for more details. The missing information included the total amount of funds allocated to each country, and in particular any amounts left unspent and how the unspent funds were being used or reallocated. Regular reporting of that information should be provided during Governing Body meetings, enabling any country that was planning a project to know immediately what other countries had funds still available. Similarly, a suggestion made during the March session of the SPP was reiterated: that a directory might be produced showing all possible projects from the offering side, so that countries on the recipient side would know what was potentially available.

102. It was suggested that the TCC portion of the PAHO website, in addition to final reports, should also include guideline documents and sample TCC proposals, together

with any other relevant information that would be useful to countries wishing to initiate the proposal process. While it was true that the PAHO/WHO Representative Offices were involved in guiding the countries through the stages of the process, easy access for the countries to such information would be of great value to all. It was suggested that an explanation should be added to the document of how the decisions were made on endorsement of TCC funds and approval of projects. It was clear that there was a process of negotiation between two governments, with the PWRs acting as interlocutors, but how the process actually worked remained something of a mystery.

103. Concern was expressed about the low number of projects shown as currently in progress, a number that would need to be doubled in order to reach the level of the preceding biennium. The Secretariat was asked if it could provide a rationale for why that number was so low so late in the year. Clarification was sought of whether, as it appeared, there had been a reduction in the amount allocated for TCC projects in the 2006-2007 program budget. There was also concern about the slowness of the approval process, with some TCC projects taking a year or more from submission to approval, and long periods of time elapsing without a response, even a negative one. Delegates asked whether there was anything that countries could do, for their part, to speed up the process.

104. Several Members thought that there were still too few final reports produced by countries on their TCC projects, and suggested that the Secretariat should insist that if a final report was not forthcoming, countries' subsequent TCC projects would not be considered for approval until the report had been submitted.

105. One delegation objected to the description of the TCC process as "politically motivated," pointing out that the role of PAHO was to assist Member States to achieve the highest possible level of health, not to engage in politically motivated processes.

106. Members recalled that the SPP had asked for provision of transparent standards for the allocation of TCC projects. It was suggested that the Secretariat seemed to think that since the seed funds for TCC projects accounted for only 1% of the regular budget, there was not a need for the Secretariat to circulate those standards, but that was a contradiction of the good governance practices and management standards that the Secretariat was obliged to follow. The Secretariat was requested to circulate the standards before the 46th Directing Council.

107. The Director pointed out that all of the information concerning TCC projects was incorporated in the biennial program budget, and was totally transparent. In addition, a manual was available for use in planning TCC projects. She sought clarification on behalf of the Secretariat as to what additional information Member States were looking for.

108. One delegate recalled that what the SPP had asked for was information on the criteria by which TCC projects were evaluated by the Secretariat with a view to making decisions on resource allocation. The SPP had also asked for the common objectives critical to each and every TCC project, the evaluation process and objective analyses applied to the feasibility of each project, the monitoring and evaluation component used during project implementation to determine whether the project was on track or not, and information on how funds not fully used by a project were reabsorbed and reallocated by the Secretariat. That lack of transparency was causing frustration in the Executive Committee members because it made it difficult for them to track whether or not TCC projects were having an impact.

109. The Director confirmed that all projects went through the project review process. Although the TCC funds served as relatively minor amounts of seed money, with the greater portion of the resources coming from the countries themselves, the review process was the same as for multimillion-dollar projects. That process was explained, she added, in the TCC manual available on the website.

110. Dr. López Acuña explained that the TCC funds were part and parcel of the biennial program budget approved by Member States. For the current and the upcoming biennia, the budget contained an area of work called Technical Cooperation among Countries, which was where the Secretariat reflected the results that it was hoped to achieve in terms of TCC projects. TCC resources did not represent a separate fund or budget item for independent allocation; they were part and parcel of country allocations. When the Secretariat engaged in budget discussions for the coming biennium with each of the countries, one of the items for discussion was the amount within the country allocation to be earmarked for TCC.

111. Several delegates stressed that TCC projects had been very useful to their countries as a methodology of support and assistance, particularly among countries that shared a border and common problems of disease control, environmental health, and so forth. The Delegate of Canada, from the donor side, also praised the concept of TCC, explaining that all of Canada's PAHO country allocation was spent on TCC projects with other countries, rather than being spent in Canada.

112. Dr. Licha Salomón reiterated that the manual for TCC projects, which would largely satisfy the request concerning additional information, was on the PAHO website, as was the list of all projects approved, identifying the countries involved and the subject of the projects. Some of the final reports of the projects were also available on the website, and more would be available once they had been reviewed and edited. With respect to the suggestion of publishing all of the capacities for technical cooperation that each of the countries had to offer for cooperation with other countries, she suggested that

PAHO was already largely responding to that request by publishing the list of projects and the final reports. As for the allocation of resources, she said that there would be no obstacle to adding a table on the website, which could periodically be updated not only with the budgetary ceiling for TCC for each country but also with the actual level of allocation.

113. In response to the question about evaluation, she explained that TCC projects were always reviewed by the technical units, to ensure that each individual project was in line with the PAHO's policies in that area. Projects were never submitted for the Director's approval without the approval of the technical units, the ministries of health of both countries and the PWRs in both countries. Securing all of those endorsements was one of the steps that slowed down the approval process.

114. With regard to the questions about process, she stressed that it was in the nature of TCC that the Secretariat had a facilitating rather than an active role. It was the countries' own experts who implemented the projects and who evaluated it. PAHO's technical experts in the country offices tracked the process and made it clear that the evaluation requirement had to be satisfied, but the product of the evaluative activity was the responsibility of the participating countries. She confirmed that it was the Secretariat's policy that a country not providing a final report would not see its subsequent TCC applications approved.

115. The Director said that various factors accounted for the drop in the amount allocated to TCC in the 2006-2007 budget proposal. On the one hand, the Organization's non-post budget had gone down, because it had been necessary to increase the post portion in the current biennium. The second factor was that up to the 2004-2005 budget there had been a fairly large TCC component in the form of a common fund for the Caribbean countries. The third factor was that, with the new Regional Program Budget Policy, many countries had decided to earmark nothing from their country allocation for TCC.

116. She also wished to clarify the statement in the document regarding TCC as a component of countries' foreign policy and of international cooperation between countries. As defined in the policy of 1998, TCC was one of the components of foreign policy of a country. It was in that sense that the phrase "politically motivated" had been used. A country's decision as to the countries with which it was going to cooperate was influenced by that country's foreign policy. For example, some countries sharing a border did not cooperate, owing to long-standing conflicts, often over their common border. Even if politicians met and signed a bilateral cooperation agreement, the topics identified for joint work in health were not necessarily included in TCC projects. Or, alternatively, the topics that had been identified for health-related TCC projects did not necessarily match the commitments made by representatives of the ministry of foreign affairs. While

some countries did have specific bilateral cooperation funds within their departments of foreign affairs, there was room for improvement in the linkage and coordination among the various bodies responsible for international matters in the ministries of health, on the one hand, and in the ministry of foreign affairs, on the other.

117. Finally, she noted that great efforts, and a great deal of money, had been expended in the past by the United Nations Development Program (UNDP) and other bodies on trying to match up needs and capacities. The efforts had never given useful results: the inventories of needs and capacities had become obsolete, the relevant personnel had moved on, and so on. What PAHO was attempting to do through the Area of Knowledge Management was to use a more modern, online, methodology to build a network of relationships and achieve a greater effect.

118. The Executive Committee took note of the report on technical cooperation among countries but did not consider it necessary to adopt a resolution on the subject.

Strategy for the Future of the Pan American Centers (Documents CE136/12, CE136/INF/8, and CE136/INF/8, Add. I, Rev. 1)

119. Dr. Carissa F. Etienne (Assistant Director, PASB) introduced the document on this item, noting that it had been prepared pursuant to Resolution CSP20.R31, which had called on the Director to undertake regular evaluations of the centers and report thereon to the Governing Bodies. The document was intended to provide an update on several technical, managerial, and administrative aspects pertaining to the operations of the Pan American centers, in the general context of the technical cooperation needs identified by the countries, the available national institutional capacity, and the urgent need to make the best possible use of resources. It also presented information on changes being introduced at the Pan American Center for Sanitary Engineering and Environmental Sciences (CEPIS) and the Latin American Center for Perinatology and Human Development (CLAP) and presented a proposal for the disestablishment of the Pan American Institute for Food Protection and Zoonoses (INPPAZ) and the institutional reorganization of its functions.

120. The Pan American centers were an important instrument of PAHO technical cooperation. The rationale for their existence was to compensate for individual countries' low capacity for research and scarcity of qualified human resources and to provide a critical mass of expertise to be available for capacity-building to every country in the Region. Over the preceding 50 years, PAHO's Governing Bodies had approved the establishment of 12 centers and the closing of four of them. There were currently eight centers located in seven countries. In addition, PAHO worked with 204 WHO collaborating centers located in the Region.

121. The document outlined the various issues that were common to all centers, namely: relevance of technical cooperation, governance, relationship with the host country, human resources issues, and financial resources. As was evident from the financial reports of the Director and the reports of the External Auditor, financial sustainability had long been the greatest challenge for the centers, which had essentially five sources of income: the PAHO regular budget, direct country quota contributions, grants (extrabudgetary funds), sales of products and services, and assessed contributions from host countries and legal partner institutions. The document provided information on the amounts received from all those sources in 2004 and 2005.

122. Turning to the specific case of CEPIS, she recalled that the findings of the last evaluation of the Center, conducted in 2002, had concluded that it was a valuable source of technical cooperation which should be preserved, but that its present role and functions should be adapted in order to make it more proactive and enable it to work more through networks of institutions in order to multiply the effect of its technical cooperation. Pursuant to that evaluation and based on the Managerial Strategy for the Work of the Pan American Sanitary Bureau in the Period 2003-2007, the Area of Sustainable Development and Environmental Health was currently being restructured to decentralize to CEPIS regional technical cooperation related to drinking water, sewerage services, and refuse and solid waste management. Management of those programming lines from CEPIS would facilitate the concentration of human and financial resources to boost the efficiency and effectiveness of PAHO technical cooperation in those areas, with CEPIS retaining its identity as a Pan American center.

123. As concerned CLAP, with a view to optimizing the available resources, the Area of Family and Community Health was currently in the process of restructuring to decentralize to CLAP headquarters the regional technical cooperation aimed at boosting capacity to improve national epidemiological surveillance systems and to reduce reproductive risks and maternal perinatal mortality. Management of those programming lines from CLAP would permit the concentration of human and financial resources to improve the efficiency and effectiveness of PAHO technical cooperation in those areas, with CLAP retaining its identity as a Pan American center.

124. As for INPPAZ, she noted that it was the only PAHO or WHO center specializing in food safety. INPPAZ also acted as the Secretariat ex officio of the Pan American Commission for Food Safety (COPAIA), an advisory organ of the Inter-American Meeting, at the Ministerial Level, on Health and Agriculture (RIMSA), created in 2000. However, from the outset, INPPAZ had had a small operating budget, which had been shrinking since 2001. Since its creation it had had difficulty in obtaining in a timely manner the counterpart funds from the host country needed to finance operating expenses. Given the urgent need to make the best possible use of the available human, institutional, and financial resources in the Region, it was proposed that the Executive

Committee consider the following course of action for the future of PAHO's activities in the area of food safety: (a) disestablish INPPAZ as a Pan American Center; create a network of associated national centers, coordinated by PAHO's Veterinary Public Health Unit, to support implementation of the PAHO/WHO Plan of Action for Technical Cooperation in Food Safety, 2006–2007; merge the team for technical cooperation in food safety with the team working on zoonoses and foot-and-mouth disease, taking advantage of the current PANAFTOSA infrastructure in Rio de Janeiro, Brazil; and mobilize additional resources to strengthen technical cooperation in the different subregions.

125. Dr. Etienne concluded by noting that the Secretariat planned to present proposals on several other Pan American centers during the Committee's 138th Session in June 2006, including the two located in the Caribbean: the Caribbean Epidemiology Center (CAREC) and the Caribbean Food and Nutrition Center (CFNI).

126. The Honorable John Junor (Representative of the Subcommittee on Planning and Programming) reported that the Subcommittee had expressed appreciation for the efforts of the Director and the Secretariat to keep the Pan American centers functioning in an environment very different from the one that had existed at the time they were created. However, given the advances that had occurred in communications and technology, Members had felt that the time had come to examine individually which of the centers still had a useful role to play, based on an honest and open analysis of each one from a financial and programmatic point of view. Delegates had considered that the fundamental criterion for maintaining a regional or subregional center in existence should be whether or not it was providing something that could not be provided by national institutions in individual countries. At the same time, it had been pointed out that, at least in the Caribbean subregion, the centers were regarded as critical instruments of technical cooperation between the countries. They were considered essential for health development in the subregion, having the function of complementing and supporting national efforts and of achieving economies of scale.

127. The Subcommittee had stressed that the activities of the Pan American centers should not duplicate the efforts of PAHO's regional programs, appropriating scarce resources. A major concern had been that PAHO funds were being used to support work at PANAFTOSA, whose primary activity was not related to human health. It had been suggested that the Organization should revisit the possibility of having parts of PANAFTOSA's work funded by the Food and Agriculture Organization (FAO) of the United Nations or other agricultural organizations.

128. Noting that the document prepared for the SPP had alluded to a list of criteria for evaluating the centers, the Subcommittee had inquired whether those criteria included "relevance to the health situation in the Region," and had asked that the full list of criteria

be included in the document to be submitted to the 136th Session of the Executive Committee in order to guide its discussion of the item.

129. Speaking as the Delegate of Jamaica, Mr. Junor reported that the Caribbean Caucus of Ministers had recently reviewed an assessment of four centers in the Caribbean, including CAREC and CFNI. They had concluded that the PAHO centers performed a very useful role, but had felt that three issues should be examined: (1) the core mandates of the centers, with an eye to ensuring that they were in line with the needs of the Caribbean Community (CARICOM); (2) financing mechanisms that would depend less on quota contributions by member countries; and (3) governance mechanisms. In relation to the latter, the ministers had felt that the two centers should remain affiliated with PAHO because the capacity did not presently exist within CARICOM to assume full responsibility for their operation. Noting that the Caribbean Environment and Health Institute (CEHI) relied on the expertise of CEPIS, he inquired how the Center's reorganization might affect its relationship with CEHI.

130. The President suggested that the matter of the Pan American centers should be examined in three segments. The first step was to seek any clarification needed concerning the actions the Secretariat had already taken with regard to CEPIS and CLAP, which did not require a decision from the Executive Committee. The second part did require a decision: namely whether or not to approve the recommendation of the Secretariat to disestablish INPPAZ. The third step would be to make a decision on what to do about the personnel and facilities currently at INPPAZ, in the event that it was decided to disestablish it.

131. Many delegates, and the observer from the Inter-American Association of Sanitary and Environmental Engineering (AIDIS), expressed appreciation for the past work of CEPIS and CLAP and looked forward to its enhancement as a result of the decentralization outlined by the Secretariat in the document. Delegates pointed out that some of the centers' functions – those relating to drinking water and sanitation, for example – were now being provided within countries, either by governments or through private, public, or mixed bodies. Thus there might well be a need for the operation of the Pan American centers to change, too, in response. Delegates stressed that the main concern had to be to choose the way forward that represented the best option for the health of the peoples of the Region. Above all, however, the health achievements already secured had to be safeguarded. There was a need to move on to new challenges, but not at the cost of losing what had already been accomplished. It was also pointed out that there was scope for interrelating the work of the Pan American centers more with that of the WHO collaborating centers, thus achieving operational synergies.

132. Dr. Etienne recalled that whereas the Governing Bodies had recommended that PAHO not duplicate regional programs, to some extent CEPIS and CLAP had been

repeating some of the functions of PAHO Headquarters. However, in no sense was PAHO proposing to disestablish those two centers. Rather, what the Secretariat was doing was locating the guidance functions for certain health services in one place instead of two. That would enhance efficiency and cost-effectiveness, and at the same time would permit the elimination of some posts which formerly had been duplicative. While units were being decentralized to the centers, they would maintain their organizational relationship with the technical area to which they belonged, and in fact that relationship was likely to become stronger. The overriding goal was to maximize the beneficial impact of the technical cooperation that PAHO and its centers provided to the countries of the Region. The function statements of the centers had been revised, the realignment process had been completed, and it was estimated that the decentralization to CEPIS and CLAP would realize budget savings of \$1.5 million. In response to the concern raised by the Delegate of Jamaica, she expressed confidence that there would be no diminution in the support provided by CEPIS to CEHI.

133. The Director suggested that, in an environment of diminishing resources, some of the centers had been encouraged to look for other sources of income, and in so doing might have gone beyond their core mandate, starting to be driven by their financial constraints rather than by public health priorities. What was being done now was to concentrate the mandate of the centers in some very specific areas that were crucial to the attainment of the Millennium Declaration goals, such as water and sanitation, or maternal and reproductive health.

134. The discussion then turned to the future of INPPAZ. Some delegates were in favor of disestablishing the center, while others thought that they could not give approval to such a move until they had understood the Secretariat's ideas on how the entire area of food safety in the Region was to be handled in the future. Delegates inquired whether the complete study on the implications of closing a Pan American center, as mandated by resolution CSP20.R31, had been carried out.

135. Several Members expressed the view that, while the financial difficulties of INPPAZ were a factor to be taken into account, the fundamental criterion for deciding on the closure of a Pan American center should not be financial, but should be based on examination, firstly, of whether the functions it provided were still of relevance to the health needs of the Region, and, secondly, of whether those functions could perhaps be provided by a national center instead. It was also pointed out that if the latter were the case, it would mean that national capacity had increased over the years during which the center had been operating, which was a cause for satisfaction, not regret.

136. One Member expressed concern that the high profile of food safety would be lost if the visibility of INPPAZ as an advocate for it was removed. INPPAZ had also been a facilitator of international scientific collaboration in the Region. As a way of maintaining

both of those important functions, he wondered whether an INPPAZ office could be set up within PANAFTOSA. It was suggested that some of the food safety functions of INPPAZ, at least for Central America, could be transferred to INCAP.

137. With regard to PANAFTOSA, the Delegate of Canada, while recognizing that the Center did excellent and very necessary work, questioned once again whether that work should be funded solely by PAHO and suggested that the Organization should consider the possibility of requesting other bodies, such as the FAO, to bear part of the costs.

138. The Delegate of Argentina said that that despite advances in national capacities, which had much improved the situation, new challenges in food safety were arising and rendering necessary the continued existence of a regional center such as INPPAZ. As an alternative to the relocation of the function to PANAFTOSA, the Government of Argentina proposed that PAHO should maintain a specialized food safety unit in Argentina. Such a unit could be located in the National Food Institute, under the Ministry of Health and the Environment. It would be staffed by the PAHO-financed international experts already on the staff of INPPAZ, with the Ministry providing the premises and all administrative support. The unit would function as a multilateral and multisectoral project to strengthen systems of food safety throughout the Region.

139. Several delegations requested that a detailed document be produced, elucidating the human resources and financial aspects of the various options for the future of INPPAZ, including the one just put forward by Argentina.² One delegate expressed the view that the fundamental issue was an operational decision by PAHO that delivery of technical cooperation in food safety would no longer be done through INPPAZ. The Secretariat was simply seeking a mandate from the Committee to carry out that decision. While it was proper for the Committee to be concerned in broad terms that the personnel of INPPAZ should be fairly treated and its facilities properly disposed of, deciding such operational details was not a function of the Committee, whose role was to provide guidance on policies, strategies, and priorities.

140. The President said that there were two basic issues before the Committee: first, the legal status of INPPAZ as a Pan American center and, second, the question of what to do with the functions, personnel, facilities, and services of INPPAZ should it be disestablished. He invited the Committee to consider only the issue of whether to authorize the Secretariat to proceed with the disestablishment of INPPAZ as a Pan

² A document explaining the rationale for disestablishing INPPAZ was produced and circulated during the 136th Session (Document CE136/INF/8, Add. I, Rev. 1). That document indicated that the PAHO Secretariat would support the initiative of the Government of Argentina to develop a national center of excellence in food safety, with international participation and support, within the current *Instituto Nacional de Alimentos* (National Food Institute).

American center. A proposal regarding the second issue could then be considered by the Governing Bodies at a later date.

141. Dr. Etienne confirmed that PAHO had carried out the requisite study on INPPAZ in terms of its competencies, resources, and technical cooperation program. That had been the basis for arriving at the decision to recommend the course of action outlined in Document CE136/12. She clarified that PAHO was not suspending or stopping the functions of INPPAZ. Rather, it was making recommendations as to how it could continue, and improve, the food safety program. The proposal was simply to relocate the team – which would continue to exist and continue to carry out its work – in a different place.

142. The Director observed that there seemed to be some confusion about PAHO's work in the area of food safety. Not all of the resources of the Organization to do with food safety were at INPPAZ. There were posts dedicated to the area at both country and subregional level. The Organization worked with many different bodies in the area of food safety, not just INPPAZ. What the Secretariat was proposing was not a cessation of the food safety program, but a reformulation that would entail locating a multidisciplinary team or nucleus in an office that was available in the premises occupied by PANAFTOSA. The proposal was not to expand the role of PANAFTOSA or to give it responsibility for food safety – it was merely to locate the food safety function in the same place. The food safety team could then make use of the statistical, epidemiological, information, and communications systems already in place there.

143. Food safety would remain a priority for PAHO. The program budget proposal for 2006-2007 contained an area of work entitled Food Safety, with a budgetary allocation of \$6.8 million for implementation of the regional Plan of Action for Technical Cooperation in Food Safety 2006-2007, which charted the way forward for the Organization's work in the area of food safety and which had been endorsed by Member States at the COPAIA and RIMSA meetings in April 2005.

144. PAHO had been negotiating with Argentina for a year on how to redefine cooperation in the area of food safety without the existence of INPPAZ as a Pan American center. INPPAZ had an accumulated deficit of \$2 million, which was growing by the day, and it was not correct to use the resources of the Organization to cover it. All the requisite legal proceedings were covered in the original bilateral agreement by which INPPAZ had been established, but the Secretariat needed approval from the Governing Bodies before it could proceed to disestablish the Institute as a Pan American center.

145. Regarding the second of the issues identified by the President, the Committee was, of course, free to make decisions regarding details of how the Organization's food safety activities were to be carried out. However, that had not traditionally been one of its

functions. Normally, the Governing Bodies gave the Secretariat broad goals and mandates, and allocated the budget to enable it to carry them out, but left it to the Secretariat to decide how to execute the approved program. It had never been a function of the Governing Bodies to dictate in what location or under what institutional arrangements a program was to be carried out.

146. Having considered the assurances given by the Director on the safeguarding of the food safety function in the Region and having reviewed Document CE136/INF/8, Add. I, Rev. 1, on the rationale for disestablishing INPPAZ, the Committee adopted Resolution CE136.R8, taking note of the new arrangements regarding CEPIS and CLAP and requesting the Director to disestablish the Pan American Institute for Food Protection and Zoonoses (INPPAZ). The Committee also asked the Director to report to the 46th Directing Council on the planning for reorganization and streamlining of technical cooperation activities in food safety during the coming biennium.

Report on the 14th Inter-American Meeting, at the Ministerial Level, on Health and Agriculture (Document CE136/13)

147. Dr. Albino Belotto (Chief, Veterinary Public Health Unit, PAHO) reported on the 14th Inter-American Meeting, at the Ministerial Level, on Health and Agriculture (RIMSA 14), noting that a full account of the proceedings appeared in the final report of the meeting contained in Document CE136/13. The final report also included summaries of the reports and recommendations of two specialized meetings held immediately prior to the opening of RIMSA 14: the 10th Meeting of the Hemispheric Committee for the Eradication of Foot-and-Mouth Disease (COHEFA) and the 4th Meeting of the Pan American Commission for Food Safety (COPAIA).

148. RIMSA 14 had taken place in Mexico City on 21–22 April 2005. It had been the largest such gathering ever held, drawing a total of 330 participants. Participation by the private sector, in particular, had been unprecedented. Twenty-two ministers of health or agriculture from countries of the Region had attended. Participants had also come from other regions, including, for the first time, a Regional Director from another Region of WHO, the Western Pacific. The President of Mexico, the Honorable Vicente Fox, had addressed the inaugural session.

149. The overall theme of RIMSA 14 had been the promotion of synergy between the health and agriculture sectors and the optimum use of resources to serve the peoples of the Americas and accelerate the development process, especially local development. Dr. Julio Frenk, Secretary of Health of Mexico, had spoken during the first session, focusing on the 25 years since the Declaration of Alma-Ata and the emergence of the primary health care strategy. He had emphasized the need for intersectoral collaboration in order to achieve the objectives of the strategy. Dr. Shigeru Omi, WHO Regional Director for

the Western Pacific, had described the recent experience of the Asian countries with outbreaks of severe acute respiratory syndrome (SARS) and avian influenza, also emphasizing the need for the health and agriculture sectors to work together to establish mechanisms for prevention and early detection of such diseases. Numerous other speakers during the meeting's four plenary sessions and three panel discussions had also stressed the need for and benefits of collaboration between the two sectors.

150. RIMSA 14 had adopted eight resolutions and one recommendation, which appeared in the final report of the meeting. Members had endorsed, *inter alia*, a plan of action for the eradication of foot-and-mouth disease and a plan of action for the Pan American Foot-and-Mouth Disease Center (PANAFTOSA) during the period 2006-2007, a plan of action on food safety, and a recommendation calling for the preparation of a plan of action for the elimination of human rabies.

151. Dr. Belotto concluded his presentation with several general reflections on RIMSA. In his view, from a technical standpoint, the meetings had been very successful in promoting greater dialogue and coordination between the health and agriculture sectors, not only at the regional level, but, more importantly, at the country level. They had also generated a number of initiatives that had yielded very positive results. One notable example was the work in the Region on food safety. The Americas was the only region that had a forum such as RIMSA. It was thus serving as an example of effective intersectoral collaboration for the rest of the world, an example that was much admired, judging from the comments made by the participants from Europe, Asia, and Africa during the meeting.

152. The Executive Committee agreed that RIMSA was an excellent forum for the promotion of coordination between the health and agriculture sectors and a model for building relationships with other sectors. Members stressed the crucial need for such intersectoral collaboration and for joint planning to address the threat of avian influenza and to deal with a potential outbreak. The importance of synergy between the health and agriculture sectors in matters of food safety was also underscored.

153. The Delegate of Argentina, speaking as President of the 4th Meeting of COPAIA, drew attention to several points that had been emphasized by participants in both the RIMSA and the COPAIA meetings in relation to food safety, in particular its crucial importance for the food production and tourism industries, which were major sources of income for many countries in the Region. Participants had also stressed the need for adequate resources, not only to ensure the interventions needed all along the food production chain, but also to provide training to those involved in food production and handling. The need to develop harmonized food safety standards and practices across countries had also been highlighted. In addition, participants had felt that the public

should play a greater role in all aspects of ensuring food safety and that consumers should not be involved only at the end of the production process.

154. The Delegate of the United States agreed that RIMSA provided a useful venue for discussing the intersection between health and agriculture and expressed thanks to Mexico for hosting the meeting and for the hospitality shown to participants. Her delegation felt, however, that holding the meeting away from PAHO Headquarters had created a number of logistic problems, notably with translation and distribution of documents. Her delegation had also been disappointed at the lack of time allotted for general discussion of the panel presentations, the lack of time available to delegates to review draft resolutions, the overuse of resolutions as a form of reporting the meeting's deliberations, and the introduction of topics outside the agenda for which participants had had little or no background documentation. The United States believed that future RIMSAs should be divided into two parts: a business meeting, in which matters requiring action by Member States would be considered, and a discussion portion, which would feature panel presentations and discussion of two or three topics of general interest. Only the items in the business portion of the meeting should produce resolutions, and then only if a resolution was warranted. The content and conclusions of the panel discussions should be summarized in the report of the meeting, not in a resolution, as a resolution would inappropriately suggest a mandate for the Organization.

155. Finally, the United States had been dismayed by RIMSA's approval of a recommendation concerning the International Health Regulations (IHR) and had formally dissociated itself from that recommendation. Such action had been inappropriate and had had a disruptive effect on the IHR negotiations, particularly as the recommendation concerned text that had already been discussed and agreed by the Member States of WHO. She asked the Secretariat to provide the Executive Committee with a legal opinion as to the status of the recommendation and an explanation as to why it had not provided adequate advice to RIMSA participants on the legality of the instrument.

156. The Delegate of Canada said that his delegation strongly endorsed operative paragraph 3 of Resolution RIMSA14.R4, which urged the international organizations responsible for animal and human health to ensure the coordination of their mandates and the pooling of resources. Noting that Canada had expressed concern on several prior occasions about PAHO's financing for PANAFTOSA, which was not primarily concerned with human health, he asked to what extent the Secretariat was actively exploring the possibility of cost-sharing for the Center's activities with organizations whose focus was more on animal health, such as the World Organization for Animal Health (formerly Office International des Epizooties – OIE), the Inter-American Institute for Cooperation on Agriculture (IICA), and the Food and Agriculture Organization (FAO) of the United Nations.

157. The Representative of IICA emphasized his organization's willingness to continue strengthening its institutional linkages and coordination with PAHO in pursuit of common objectives. He added that IICA had welcomed the focus of RIMSA 14 on rural health and development, noting that the inability of the agricultural production system to produce safe and healthful foods perpetuated poverty and ill health in a vicious cycle that had to be broken. Alluding to the earlier discussion of the report of the Subcommittee on Women, Health, and Development, he said that IICA viewed women in the rural environment as one of the key strategic forces for advancing rural development.

158. In reply to the questions on PANAFTOSA, Dr. Belotto pointed out that one third of the Center's operating costs were covered by the Government of Brazil, the host country, through its Ministry of Agriculture. In addition, over the years, there had been a trend towards shifting greater financial responsibility to the private sector – which was the primary beneficiary of the Center's activities – with a corresponding drop in the proportion of financing coming from the PAHO regular budget. That trend was expected to continue. For example, the plan for the eradication of foot-and-mouth disease endorsed by RIMSA 14 would be financed almost entirely by the private sector. He emphasized that, although the Center had been primarily concerned with foot-and-mouth disease, its work through the years had yielded numerous benefits for human health, in particular the development of methodologies for epidemiological surveillance, training, and closer coordination between the veterinary and public health communities. As the Committee had noted, that coordination was essential to address new and emerging zoonotic threats to public health. Moreover, at the recommendation of a panel of specialists convened by former PAHO Director Sir George Alleyne, PANAFTOSA had expanded its range of activities and was now focusing more on zoonoses of public health importance.

159. Regarding collaboration with other organizations, PAHO had cooperation agreements or strategic partnerships with almost all the agricultural organizations working in the Region. For example, with the FAO, the Organization served as the technical secretariat for the Inter-American Network of Food Analysis Laboratories. And as the Representative of IICA had indicated, the two organizations had joint activities in a number of areas, including training, risk analysis, and food safety. Still, PAHO recognized that there was room for further improvement in interagency coordination, especially with respect to financing and cost-sharing.

160. Responding to the comments of the United States, he acknowledged that holding meetings outside of PAHO Headquarters sometimes created logistic problems, but pointed out that it also had many advantages. Meetings held elsewhere in the Region tended to attract a larger number and a broader spectrum of participants, for example. Regarding the problems with availability of documents, he explained that some speakers had simply not submitted their papers or had submitted them very late, making it difficult or impossible for the Secretariat to supply translations or circulate the documents in

advance. As for the suggestions concerning the format of the meeting, the Secretariat was aware that changes were needed and was studying various options. The idea of splitting the meeting into two parts had great merit, he thought. It might be a means of making the panel discussion portion of the meeting less formal and allowing more time for discussion and exchange among all participants.

161. The Director observed that RIMSA had evolved in two different directions at the same time. On the one hand, it had increasingly become a forum for dialogue among a wide range of stakeholders in the health and agriculture sectors. On the other hand, within PAHO, it had increasingly come to be viewed and treated as a quasi-Governing Body. However, RIMSA was not, nor had it ever been intended to be, a Governing Body. Consequently, the Secretariat had limited ability to impose deadlines for the submission of documents – particularly as the authors of many of the documents were ministers of health or agriculture, not PAHO staff – or to control what happened during the meetings. In the case of the recommendation concerning the International Health Regulations, she agreed that it had been ill-timed and inappropriate and said that, at her request, the Director General of the OIE had issued a written apology to both WHO and PAHO for raising the issue outside the formal IHR negotiation process.

162. As Dr. Belotto had mentioned, the Secretariat was exploring ways of making RIMSA more open and participatory, with a separation between the technical discussions and the ministerial segment, which, she agreed, was the only part of the meeting that should lead to recommendations and resolutions for subsequent consideration by the Governing Bodies of PAHO. She would welcome additional input from Members on how best to accomplish that.

163. Echoing Dr. Belotto's comments on the work of PANAFTOSA, she emphasized that the effort to eradicate foot-and-mouth disease, apart from its economic benefits for many countries of the Region, had provided a stimulus for the development of surveillance systems, refinement of surveillance and laboratory techniques, and numerous other public health benefits. Moreover, it had paved the way and served to mobilize resources for efforts to address other zoonotic diseases, such as brucellosis and bovine tuberculosis.

164. Replying to the comments concerning planning for a potential avian influenza outbreak, the Assistant Director reported that PAHO had held an interprogrammatic meeting with WHO officials on the subject in April 2005. As an outcome of that meeting, the Secretariat was preparing a contingency plan to ensure its own and Member States' preparedness to respond to an outbreak. A draft of the plan was expected to be ready by July. The Director added that the Secretariat planned to offer a technical information briefing on avian influenza during the 46th Directing Council and that the draft plan

would be submitted to the Executive Committee immediately thereafter, at its 137th session.

165. Dr. Jimenez (Area Manager, Legal Affairs, PAHO) responded to the request for a legal opinion on the status of the RIMSA recommendation on the International Health Regulations. She explained that a recommendation from any body other than a PAHO Governing Body was just that: a recommendation. It had no mandatory power. The Executive Committee was free to consider and take any decision that it wished on such a recommendation.

166. The Executive Committee took no action on this item.

Update on the Process of Institutional Change Within The Pan American Sanitary Bureau (Document CE136/14)

167. The Director introduced this item. She began by pointing out that two parallel processes of change were occurring within the Organization: the long-term, country-led “PAHO in the 21st Century” process and the process of institutional change being carried out in the Secretariat, aimed at equipping the Secretariat to implement the Strategic Plan for the period 2003-2007 and respond to the expectations of Member States. The two processes were linked in that the institutional change process was also intended to prepare the Secretariat to respond to the recommendations of the Working Group on PAHO in the 21st Century, which were expected in September.

168. The process of institutional change in the Secretariat comprised three interconnected components: developmental actions, transformational initiatives, and development of internal networks. The developmental actions were aimed at strengthening institutional capacity, improving managerial abilities, streamlining and modernizing processes and procedures, and, in general, enhancing PAHO’s effectiveness in the evolving public health environment. The Secretariat had used a number of different mechanisms to identify needed organizational changes, including the Working Group on PAHO in the 21st Century; dialogue with the Governing Bodies; interaction with WHO and other agencies in the United Nations system; and internal working groups, consultations, and surveys. Significant progress had been made in several key areas, notably country-focused technical cooperation, outreach and partnerships, efficiency and resource maximization, transparency and governance, and policies and procedures. Document CE136/14 summarized the activities undertaken in each of those areas.

169. As concerned the transformational initiatives, the Secretariat had developed a Roadmap for Institutional Transformation for the period 2005-2007, consisting of 11 initiatives which it considered essential in order to achieve the desired objectives and in order to ensure the genuine involvement of staff in the transformation. That involvement

was crucial in order to foster the necessary feeling of staff ownership of the change process. The 11 initiatives were intended to enhance the work of the Secretariat and enable it to respond better to the needs of Member States. Some of the initiatives addressed specific issues and requests, such as the recommendations of the External Auditor. Others concerned areas in which the work of the Organization needed to be strengthened, such as internal and external communication. Eight of the transformation initiatives would necessitate the mobilization of extrabudgetary resources. That was particularly true of the external communication initiative, which would require marketing studies and other activities that were beyond the Secretariat's capacity. Others, however, would utilize resources already programmed for the routine activities of the Secretariat.

170. Peer networks formed the third component of the transformation process. Such networks were considered key mechanisms for promoting real participation by all members of the Organization in the change process, including the Member States, staff, and partners. They included not only internal networks of PAHO staff at various levels, but also other networks in which PAHO was involved, such as the interministerial meetings of ministers of health in the Region; the Summit Implementation Review Group, which was responsible for follow-up on the mandates of the Summits of the Americas; and the groups of regional directors of WHO and the wider United Nations system.

171. It was through the harmonious interaction of the three components, in the Secretariat's view, that it would be possible to bring about meaningful institutional change in the short term, using the Organization's own resources. PAHO, unlike other agencies in the United Nations system, had not had any additional resources for its transformation process. It had relied on the realization of economies and on the additional effort of staff, who had committed to carry out the activities required for the transformation initiatives over and above their normal functions.

172. The Executive Committee applauded the Secretariat's efforts to enhance its effectiveness, efficiency, accountability, and transparency, and voiced support for the five corporate objectives for the change process identified in Document CE136/14. Members welcomed the revisions to the document since its presentation to the SPP, but expressed disappointment that it still did not include much detail on the Roadmap for Institutional Transformation. It was hoped that a document on the Roadmap would be made available to member countries for review prior to the Directing Council. Delegates emphasized that that document should indicate how the Secretariat proposed to measure whether the objectives of the various initiatives had been achieved and should provide baselines against which progress could be assessed.

173. Members also felt that the document needed to show more clearly the links between the institutional change process and the Strategic Plan for 2003-2007, since one

of the main purposes of the change process under way was to endow the Secretariat with the organizational characteristics it needed to carry out the Strategic Plan. The latter identified the issues and challenges on which Member States wished the Secretariat to focus during the period 2003-2007, but it was difficult to see clear links between the activities described in the document and those issues and challenges. Furthermore, the document did not lay out the way forward in a clear and succinct manner, nor did it really show what the outcomes of the whole process would be and how they would advance public health goals in the Region or further the interests of Member States. The Secretariat was encouraged to revise the document for the Directing Council with a view to improving its readability and transparency. Specifically, the Secretariat was asked to include in the next version a table that linked the objectives of the institutional change process directly to the Strategic Plan.

174. The Committee also drew attention, again, to the need to link the various change processes under way, both to one another and to the Organization's program budget and its strategic planning for the next period. Members suggested that it might be useful to have further information on the budget for the institutional transformation itself, with a breakdown of the amount required for each of the roadmap initiatives.

175. The Director asked that delegates submit their comments and suggestions in writing to assist her in preparing the document to be presented to the Directing Council in September. At that time, she would be reporting on the mid-term progress in implementing the Strategic Plan. She believed that that report would help clarify the convergence between the Plan and the activities that the Secretariat had undertaken in the previous two years. She pointed out, however, that some of those activities responded to events that had arisen after the Strategic Plan was approved. One was the adoption, in 2003, of the Regional Program Budget Policy, which had completely changed the way in which the Secretariat was approaching the implementation of the Strategic Plan. It had also radically changed the approach to programming and budgeting, as was evident from the program budget proposal for 2006-2007.

176. Another event had been the investigation of the External Auditor, which had spawned a whole new work agenda that had had to be incorporated into the change process already under way. That work had also generated unforeseen expenses, which the Secretariat had had to cover with internal resources. Similarly, the activities of the Working Group on PAHO in the 21st Century had had to be financed out of Organization's regular budget, as no special resources had been provided to cover the costs associated with the Group's work. Accordingly, a great deal of the Secretariat's managerial work since 2003 had been oriented towards seeking economies and savings in order to respond to those new mandates without paralyzing the Organization or interrupting its work in pursuit of important public health objectives, such as maintaining the eradication of poliomyelitis, eliminating measles, and working to ensure that all

countries of the Region would achieve the health-related goals of the Millennium Declaration. She was very pleased to be able to say that that managerial effort had largely succeeded.

177. Pursuant to the discussion of this item, the Executive Committee adopted Resolution CE136.R3, which, as noted elsewhere, also contains provisions relating to the reports on the recommendations of the Working Group on PAHO in the 21st Century, the recommendations of the External Auditor, and the activities of the Internal Oversight Services.

Progress Report on the Global Safe Blood Initiative and Plan of Action for 2005-2010 (Document CE136/15)

178. Dr. José Ramiro Cruz-López (Regional Advisor on Laboratory and Blood Services, PAHO) gave a progress report on the blood safety initiative in the Region and outlined the plan of action for 2005-2010. He began by summarizing the resolutions that had dealt with the issue of safe blood in the past, pointing out that Document CE136/15 had been prepared in April 2005, before the World Health Assembly had adopted resolution WHA58.13 on the principles governing the safety and availability of blood. He then reviewed the expected results of the Regional Plan of Action for 2000-2004 and summarized the results that had actually been achieved, noting that despite improvements in the coverage of testing for transfusion-transmitted infection (TTI) markers, the goal of universal screening of donated blood in the Americas had not been attained. As of 2003, the proportion of units screened ranged from 99.93% for HIV to 88.09% for *T. cruzi*. Only 19 countries and territories screened all units of blood collected for all required markers.

179. With regard to external evaluation of performance, in the four-year period, 16 of the 19 Latin American countries had established national external evaluation programs, modeled on the Regional Program for External Evaluation of Performance developed by PAHO. The proportion of blood banks participating in those programs had risen from 24% in 2000 to 53% in 2003, which was still well short of the goal of 100%. As concerned voluntary blood donation, the blood supply from voluntary, non-remunerated donors had increased from 15% of the units collected in Latin America and the Caribbean in 2000 to 36% in 2003. But only ten countries had achieved the goal of 50%.

180. With respect to the risk of TTIs, in 2003 the estimated risk of receiving a transfusion contaminated by either HIV, hepatitis B virus (HBV), or hepatitis C virus (HCV) was 1:41,858. The risk for *T. cruzi* was 1:3,340, which was extremely high. A PAHO-supported study of 3,501 multitransfused patients in nine countries had found that 2% were positive for HIV, 14% for HBV, and 24% for HCV. Among hemophiliacs, the rate of HCV infection was 63%.

181. Hence, while progress had been made, further work was clearly needed in order to ensure a safe blood supply in the Region. Effort was also needed to increase the availability of blood, which varied tremendously among countries in the Region, from a low of 0.76 blood donations per 1,000 population to 53 per 1,000 in Cuba.

182. PAHO had convened the First Pan American Conference on Blood Safety in February 2003 to assess the achievements of the past and plan the way forward. The Conference had been held at PAHO Headquarters and had been attended by directors of national blood programs and blood banks from Latin America and the Caribbean, technical partners, and PAHO country staff. The Conference had laid out a new plan of action for 2004-2010, the aim of which was to contribute to the reduction of mortality and to the improvement of patient care in Latin America and the Caribbean, by making safe blood for transfusion available in a timely manner for all patients who needed it.

183. The plan had five specific objectives: (1) assure appropriate collection and preparation of blood components in sufficient quantities to treat patients who need blood transfusions; (2) assure timely access to blood components by patients who need blood transfusions; (3) assure the highest level of safety of blood products to avoid transmission of infectious diseases and other adverse effects associated with transfusions; (4) promote the appropriate clinical use of blood; (5) improve the efficiency of the national resources. A set of strategies for achieving those objectives and indicators for monitoring progress had also been formulated. The strategies and indicators were described in Document CE136/15.

184. The estimated budget for the regional blood initiative was \$5.74 million for the period 2005-2010. Of that amount, PAHO had already received a grant from the Government of Spain in the amount of 226,000 euros and a grant from the United States President's Emergency Plan for Aids Relief (PEPFAR), for Haiti, of approximately \$200,000 per year for the five-year period. Negotiations were under way for additional donor funding.

185. In the discussion that followed, Members expressed support for the plan of action, considering that it comprised all the elements necessary to achieve a safe and sufficient blood supply. Support was also expressed for the adoption of a resolution to promote the plan's implementation. The Delegate of Canada said that his delegation had a number of comments and suggestions on the document and the plan of action, which it would submit in writing. In particular, Canada felt that some of the proposed indicators should be clarified and worded more specifically to avoid misinterpretation and that some additional indicators might be useful to measure progress in the development of national blood network systems. The Delegate of Cuba proposed that observance of World Blood Donor Day by 100% of the countries of the Americas should be added as an indicator. In

addition, he suggested that the name of the day should be changed to World Voluntary Blood Donor Day, in order to promote voluntary donation.

186. Several delegates described the system in their country for the handling of blood donation, and the legal provisions governing it. Some drew attention to the areas where they already complied with, or fell short of, the targets set forth in the regional plan, and, in the latter case, described the plans made by the government to deal with such shortcomings. It was pointed out that in some countries health professionals tended to view blood not as a public health good but as a commodity with high economic value. That view was an incentive to the purchase and sale of blood and a disincentive to voluntary donation. PAHO support was needed to bring about a change in such attitudes and instill a culture of unpaid blood donation.

187. PAHO was also encouraged to assist countries in developing needs assessments for achieving a national blood network system. It was also recommended that the Organization should focus on assisting Member States in the operationalization of the networks for national blood systems, leaving it to the ministries of health to focus on the management aspects of the systems. Another useful role identified for PAHO was serving as a clearinghouse for best practices, shared data, information on safety and availability, and so on.

188. With reference to the statistics on variation of HIV seropositivity among paid and unpaid donors presented by Dr. Cruz-López, the Delegate of Jamaica asked whether the data had been corrected for population prevalence. He also pointed out that there were cultural obstacles to voluntary blood donation, noting that in his country the population had a great fear of needles, which made it difficult to promote voluntary donation. Another delegate, while agreeing that voluntary, altruistic blood donation was preferable, said that his country did allow replacement and paid donation, under strict controls and with mandatory testing for infectious diseases.

189. Dr. Cruz-López thanked the delegates for their contributions. He suggested that one cultural change that had to be promoted in the Region was the idea that blood banks were in fact factories manufacturing an essential medical supply, to which very robust rules on guarantee and quality had to apply.

190. Part of the role of a national blood system was to provide a needs assessment. PAHO was currently assessing an instrument for determining national needs for blood, an experiment in which Argentina and Honduras were participating. Once it was known how many units of blood were likely to be required, and thus how many donors needed to be recruited, the next step was to identify the low-risk populations from which the donors should preferably be drawn. PAHO was assisting in the analysis and identification of such low-risk populations. It was certainly true, as the Delegate of Jamaica had said, that

many myths and fears surrounded the idea of blood donation, but the effort had to be invested in demonstrating their falsity and moving from a culture of replacement donation to one of voluntary donation. Above all, it was essential to inculcate in donors a feeling that they were making an important contribution to the health of others.

191. Responding to the question on the calculation of seropositivity with respect to the various markers, he explained that countries returned to PAHO a standardized form which recorded how many potential donors had approached the national blood system, how many had been rejected, how many turned away temporarily, how much blood had been collected, and how much of it had proved to be positive for the various markers. The calculation was then made on the basis of those data, drawing the distinction between the countries with a rate of voluntary donation above or below 50%.

192. In summary, he said that if the Region succeeded in changing the culture of its blood system and enhanced its promotion of voluntary donation and appropriate use of blood, many of the problems mentioned by the Committee would automatically be resolved.

193. The Committee adopted Resolution CE136.R6 on this item.

Malaria and the Millennium Development Goals (Document CE136/16)

194. Dr. Keith Carter (Epidemiologist, Area of Disease Prevention and Control, PAHO) gave an overview of the history of the fight against malaria and described the current situation in the Americas. Malaria transmission had occurred throughout the Region during the early years of the twentieth century, with malaria being one of the prevalent infectious diseases that had triggered a resolution of the Second International Conference of American States in January 1902, which recommended that “a General Convention of Representatives of the Health Organizations of the different American Republics” be convened. That convention had been the predecessor of the Pan American Health Organization. Early efforts had focused on eradicating the disease by eliminating the mosquito vector, and by 1948 great success had been achieved, with transmission having been interrupted in some areas, using DDT. In 1992 the Global Malaria Control Strategy had brought a shift of focus from eradication to control. The Roll Back Malaria Initiative, launched in 1998, had set the goal of halving the malaria burden by 2010. The United Nations Millennium Declaration adopted two years later also included reduction of malaria as one of the development goals to be achieved by 2015. Those global objectives provided the framework for malaria control efforts in the Americas.

195. At present, 303 million of the Region’s 859 million inhabitants were living in areas at ecological risk of malaria transmission. That figure included 226 million in low- or extremely- low-risk areas, 45 million in moderate-risk, and 32 million in high-risk

areas. Since the introduction of Roll Back Malaria in 1998, there had been a 30% reduction in cases overall, although the decrease in the moderate- and high-risk areas had been only 12%. There had also been a 73% decrease in malaria-attributed deaths, with ten countries seeing a decrease greater than 50%. However, five countries had had decreases of less than 50%, while six had suffered increases (Colombia, Ecuador, French Guiana, Panama, Suriname, and Venezuela). Moreover, underreporting was likely due to weaknesses in health services.

196. The current malaria-related challenges in the Region included protecting the achievements already made and, especially, preventing re-emergence of transmission where it had been interrupted. Special effort was needed to address the ongoing challenges in the five countries with case reductions lower than 50% and the six with case increases, while also tackling emerging or re-emerging challenges, such as confirmed drug resistance in *Plasmodium falciparum* and possibly also in *P. vivax*, ensuring adherence to treatment in *P. vivax* cases, improving prevention of transmission in endemic areas, and reducing the disparity and inequality of results, especially in the highly endemic areas of some countries.

197. Other challenges to malaria control included high variance in ecological conditions and diagnosis- and treatment-related issues, such as the need to expand laboratory networks, drug-resistance, the high cost of combination therapy, and treatment availability and compliance. Other factors related either to the health systems (inaccessibility of interventions to poorer and itinerant population groups, restructuring of delivery and financing services resulting from decentralization and health sector reform) or to technical and management capacity issues (loss of malaria-trained personnel, effective utilization of available finances) or to communication and coordination efforts (deficiencies in systematic information flow and knowledge-sharing, resulting in a lack of information among vulnerable population groups).

198. In order to make the Millennium Development Goals a reality, there was a need to strengthen surveillance systems and rapid response capacity in countries where transmission had been interrupted and to intensify and expand the Global Malaria Control Strategy and Roll Back Malaria Initiative in all endemic countries. It would also be necessary to strengthen program infrastructure and to improve coordination of subregional actions and technical cooperation.

199. While a resolution on malaria had been adopted at the recent World Health Assembly, it focused primarily on the situation in Africa. The Executive Committee was invited to consider the adoption of a complementary resolution that would deal more specifically with the malaria challenges in the Americas and would reinforce the Region's commitment to combat malaria in order to achieve the goals of the Roll Back Malaria Initiative and the Millennium Declaration. Dr. Carter concluded his presentation

with an appeal to countries to continue reporting malaria statistics to the Secretariat on a regular basis, because without those data it would be impossible to have a reliable assessment of the malaria situation in the Region.

200. The Executive Committee expressed broad support for the idea that work on malaria prevention and control needed to be multisectoral. Members emphasized the need for involvement of the entities responsible for water and waste disposal, in order to eliminate mosquito breeding sites, and of the education sector, in order to educate the public, especially children, about malaria prevention. The involvement of the agricultural sector was also considered necessary, particularly in light of WHO's encouragement to countries to grow *Artemisia annua* to increase the availability of artemisinin and combat high prices for artemisinin-based drugs. Additionally, delegates underscored the need for broad community participation, without which there could be no hope of controlling and eventually eliminating malaria.

201. The need for fixed-dose artemisinin-based combination therapies was stressed. It was recognized that the drugs were costly, but they were considered essential, especially to treat drug-resistant strains of *Plasmodium*. Fixed-dose combinations offered the prospect of simplifying regimens, improving patient compliance, facilitating the implementation of international programs, and preventing the development of drug resistance. However, Members drew attention to the need for the Secretariat and Member States to discuss the regulatory and quality-control issues surrounding the formulation of fixed-dose combination drug products. Delegates highlighted the serious problem of counterfeit medicines, particularly in the context of the transition to combination therapies, pointing out that what appeared to be drug resistance might, in some cases, simply be the result of patients having been given drugs that lacked any active ingredient. Support in testing of rapid diagnostics and studying their effectiveness in situations where laboratory support was not feasible was identified as another important technical cooperation role for PAHO.

202. The Committee underscored the need for continued vigilance in countries that had been certified as being malaria-free in order to protect them from reintroduction of the disease. It was also emphasized that health professionals in those countries needed to receive training to prepare them to recognize and deal with any imported cases.

203. Attention was drawn to the link between poverty and malaria and to the contribution that effective malaria control could make to economic development and political stability in endemic countries. Support was expressed for PAHO's promotion of synergies with related health programs and engagement of the private sector, which had to be a key partner in public health efforts for the control of malaria and other communicable diseases.

204. Several delegates stressed that their most serious areas of malaria prevalence were in the regions of frontiers with other countries. Various reasons for that phenomenon were suggested, namely: the relative poverty of many border areas, their remoteness from health services, and the fact that they were the areas in which the disease was often initially introduced by immigrants from endemic countries. It was suggested that PAHO should undertake further analysis of malaria occurring in frontier regions with a view to developing effective control strategies tailored specifically to conditions in such areas.

205. In some countries, prevalence of malaria appeared to be impacted by climate change. It was suggested that the data available on precipitation and temperature in countries' worst areas of malaria prevalence should be studied to determine what effect, if any, changes in those aspects were having. There was also a need to study the rapidity with which mosquitoes adapted to changing conditions in their environment.

206. Some delegates also referred to the efforts being made to prevent and control dengue. In some countries malaria and dengue control were pursued in parallel, while in others, the approaches were separate. It was suggested that in some countries the concentration on malaria had diverted attention from dengue, leading to an increase in that disease in recent years.

207. Although the document was generally praised, especially for its useful statistics on malaria mortality and morbidity in the Americas, it was felt that the table showing past achievements and new challenges was confusing. It was not clear whether it represented overall malaria control efforts by all stakeholders in the Region or only those by the PAHO Secretariat. In addition, some of the items under "New Challenges" were recommendations for Member States to consider while others were actual challenges currently faced by Member States. While the document emphasized the need for innovative interventions in vector control methods, delegates felt that such innovations needed to be coupled with established methods such as impregnated mosquito nets and indoor residual insecticide spray.

208. The Secretariat was encouraged to review the provisions of World Health Assembly Resolution WHA58.2 in order to assist Member States in implementing their obligations under it. Members emphasized that any resolution adopted by the Governing Bodies of PAHO should complement that resolution and serve to further the efforts under way within WHO as a whole.

209. Dr. Carter agreed that the issue of malaria in border regions was a very important one. For many countries, PAHO already had the information on where in their frontier areas outbreaks were concentrated. A particular issue was that cases imported by immigrants might not necessarily be responsive to the treatment normally given for malaria in the country of destination. Additionally, in some countries health systems were not very well developed in border communities, and as a result the response to an

outbreak might be slow in coming. There was a need for enhanced vigilance in the area of drug resistance, in particular, so as not to allow reintroduction into malaria-free countries. He agreed, too, on the importance of the climate change issue, pointing out that in Central America, for example, the main area of transmission in the past had been around cotton plantations on the Pacific, but as a result of changing climatic conditions, it had moved to banana plantations on the Atlantic coast.

210. He assured the Committee that PAHO was advocating an intersectoral approach to malaria, involving environmental, education, and health authorities. Acknowledging that community involvement was also crucial, he cited the case of Mexico, whose cases of malaria had gone down from 44,000 a few years ago to 4,000 the previous year, due largely to a massive community effort to find the vector and destroy it.

211. As for the suggestion that countries be encouraged to grow *Artemisia annua*, he noted that some countries in Africa had already begun cultivating the plant. Some countries in the Region might consider following suit, as doing so would indeed help to remedy the shortages of artemisinin-based drugs.

212. The Committee adopted Resolution CE136.R5 on this item. Operative paragraph 2(h) was added by the Committee at the suggestion of the United States of America, which raised the issue of eligibility for Global Fund grants during the discussion of the item on access to care for people living with HIV/AIDS (see paragraph 265 below).

Regional Strategy for the Control of Tuberculosis for 2005-2015 (Documents CE136/17 and CE136/17, Corrig.)

213. Dr. Mirta del Granado (Regional Advisor in Tuberculosis, PAHO) summarized the main elements of the regional strategic plan for tuberculosis control presented in Document CE136/17. She began with a series of statistics on the estimated disease burden of tuberculosis (TB), both globally and in the Americas, drawing attention to the heterogeneous pattern of the disease in the Region. She also pointed out that statistics on reported cases indicated a lower incidence than actually existed because the disease was underdiagnosed and underreported. She then went on to highlight the principal accomplishments in combating tuberculosis in the Region up to 2003.

214. The main achievement had been expansion of the application of the internationally recommended tuberculosis control strategy, DOTS, or directly observed treatment, short-course, and the implementation of the expanded DOTS framework known as DOTS-Plus. Additionally, the network of national tuberculosis laboratories had been strengthened, surveillance had been enhanced, and there had been greater mobilization of resources and participation by partners. As an average for the Region, DOTS coverage had reached 78%, but there were still individual countries, Brazil in

particular, with coverage below 50%. The successful treatment rate in 2002 had been 81%, but there had still been a case-fatality rate of 5%, primarily in the countries with a high prevalence of HIV co-infection, and also in the developed countries, where tuberculosis tends to attack the older population. Additionally, there had been an unsuccessful treatment rate of 14%, primarily from countries that were experiencing difficulties in implementing the DOTS strategy.

215. As a result of the successful implementation of DOTS, the incidence of all forms of tuberculosis in the Region had shown a steady downward trend for the past ten years. Consequently, the Region was very close to meeting the tuberculosis control targets established under World Health Assembly Resolution WHA44.8 and under the Millennium Development Goals. However, the progress achieved as of 2003 had occurred mainly in high- and medium-income countries with successful long-standing programs. Fully achieving the TB-related targets would mean focusing efforts on the poorer countries and those with a high burden and incidence of tuberculosis.

216. To that end, PAHO, together with the heads of national tuberculosis programs, had drawn up a regional strategic plan, which employed a differentiated approach, stratifying countries according to their estimated incidence and DOTS coverage. The countries of the Region had been divided into four groups: countries with incidence below 25 per 100,000 population and high DOTS coverage (>90%); countries with incidence of 25 to 50 per 100,000 and high DOTS coverage; countries with high incidence (>50 per 100,000), but also with high DOTS coverage; and countries with high incidence but limited DOTS coverage ($\leq 70\%$).

217. The regional strategic plan was aimed at protecting the successes achieved thus far in expanding the DOTS strategy and ensuring an uninterrupted supply of TB drugs in all the countries; expanding the DOTS strategy in countries and population groups with low coverage; strengthening development of human resources and increasing epidemiological and operations research; and addressing new challenges such as multidrug resistant tuberculosis and TB-HIV co-infection. The plan's general objective and specific objectives were laid out in Document CE136/17. Each of the objectives had an associated strategic line of work, also described in the document. The main outcomes of the Regional Plan were expected to be a strengthening of health systems, especially at the primary care level, including strengthening of laboratory networks, referral and counter-referral systems, drugs management, and epidemiological surveillance systems; improvement of care and access to care, not just for tuberculosis but for other diseases as well; and enhanced disease prevention and health promotion for both tuberculosis patients and their communities.

218. The Executive Committee was asked to confirm tuberculosis control as a priority in health policies, comment on the regional strategic plan, and express its views on the

possibility of drawing up national strategic plans that were consistent with the regional plan.

219. The Committee was pleased to note that the Region was well on the way to reaching the targets and indicators both of Resolution WHA44.8 and of the Millennium Declaration. The Committee commended PAHO's efforts thus far, noting that its organization of joint purchases of anti-tuberculosis drugs had reduced the cost to the individual countries tenfold. Members agreed that more emphasis should be placed on the needs of low-income countries and those in which the rates of detection and treatment were not yet close to the targets. There was also a need to place emphasis on the fight against poverty, since the prevalence and incidence of tuberculosis was highest among poor populations.

220. Recalling the Committee's discussion on the budget, which indicated a slight increase in resources for tuberculosis in the regular budget, as well as an increase in resources from other sources, Members sought clarification of the figures in Document CE136/17, which indicated that regular budget resources might be cut by 45% in the 2006-2007 biennium. It was suggested that a decision on whether the Committee should endorse tuberculosis as a priority for PAHO should be postponed until the Organization had indicated what its priorities were under the various budget scenarios. The Secretariat was asked to clarify whether the phrase "confirm tuberculosis control as a priority in health policies," referred to Member States or to PAHO or to both.

221. It was suggested that one of the strategic lines of work should be promotion of research into new drugs to enable progress against multidrug-resistant tuberculosis. More information was sought in general on the issues surrounding multidrug-resistant tuberculosis in the Americas.

222. Attention was drawn to the need for national "Stop-TB" committees to enjoy the support of their respective governments, as an expression of the latter's political will. Similarly, there was a need for the Organization to support Member States in the development of tuberculosis control projects to be presented to possible donors.

223. The Delegate of the United States said that technical experts in his government had identified a number of editorial changes which they felt would improve the document. He would provide those suggestions to the Secretariat in writing for its use in revising the document for the Directing Council. He noted that while the document rightly emphasized the need for accessibility of services and medicines, equal emphasis needed to be placed on improving access to a universal standard of care, including accurate diagnosis, quality treatment, appropriate medicines, recording and reporting standards, and outcome assessments. He also pointed out that the World Health Assembly had recently adopted a strong public health resolution on tuberculosis, and

urged the Secretariat to ensure that any resolution proposed by PAHO on this item was well aligned with and furthered the goals of resolution WHA58.14.

224. Dr. Del Granado said that it was hoped that tuberculosis control would be a priority both for the countries and for PAHO. Dr. López Acuña added that in the introduction to the PAHO/WHO consolidated budget, as well as in the overall WHO budget, a clear priority had been assigned to the attainment of the health-related goals of the Millennium Declaration, of which tuberculosis was one. In the budget exercise to be carried out in the following month, it would be ensured that such priorities would be safeguarded in the event either of a reduction in income or a cost increase beyond what had been estimated. Hence, tuberculosis would remain a priority in any scenario. He also explained that the 45% decrease referred to in Document CE136/17 referred to a tentative figure given to all units for initial planning purposes, but the final outcome was the figure in the program budget document. The discrepancy in the numbers would be reconciled prior to the Directing Council.

225. Dr. Del Granado stressed the importance of the DOTS strategy to the regional strategic plan. Those countries that had implemented it successfully were the ones closest to meeting the targets under resolution WHA44.8 and the Millennium Development Goals. Consequently, PAHO considered it essential to strengthen DOTS in the countries where it was still inadequate, and where there had been problems to date in implementing it, and in particular in the poorer countries. There was also a need to strengthen DOTS in Brazil, which accounted for 35% of all of the cases in the Region and had only limited DOTS coverage. Part of the successful implementation in such countries would entail putting the right human resources in place. A special adviser had been appointed for Brazil, and one would also be appointed for Peru, which accounted for 15%–18% of the reported cases in the Region.

226. In response to the request for more information on the strategy for multidrug-resistant tuberculosis, she explained that the strategic plan would be putting forward a new type of surveillance, involving studies of resistance in new patients. A further aspect of the multidrug resistance issue was that of preventive measures, in order not to allow for the emergence of new forms of resistance.

227. With regard to the question of access, PAHO was working along all possible lines. to achieve this, including incorporation of all health providers of health in the Public-Private Mix Initiative. It was striving to provide access to DOTS, through communities, for the more marginalized populations. That very week, international standards had been discussed by the Stop TB group in Geneva, and such standards were going to be applied in all ministries of health and scientific associations, making possible both timely diagnosis and quality treatment.

228. She explained that the regional plan did not cover research into new drugs, which was handled by a special group at global level. Intensive work was being pursued by universities and scientific institutions in the testing of new vaccines and drugs, and there were indications that a new vaccine might be available by around 2010. Therefore the regional plan needed to be sufficiently flexible to allow for incorporation of this new weapon in the fight against tuberculosis.

229. She assured the Executive Committee that all aspects of the regional plan were in line with the recent World Health Assembly resolution and also with the WHO global plan.

230. The Committee adopted Resolution CE136.R7 on this item.

Country-Focused Cooperation and National Health Development (Document CE136/18)

231. Dr. Pedro Brito (Area Manager, Strategic Health Development, PAHO) introduced this item, noting that the document had been prepared jointly by his area and by the Country Support Unit. He presented an overview of PAHO's approach to country-focused cooperation and its use of the country cooperation strategy (CCS), the methodological instrument for operationalizing the country-focused approach in order to accelerate national health development (NHD), which was the ultimate objective of country-focused cooperation. He explained that one of the most important issues for PAHO and WHO at present was how to achieve maximum efficiency and impact in technical cooperation with countries. With that objective in mind, WHO had developed the country cooperation strategy (CCS) instrument as part of its Country Focus Initiative. PAHO was adapting the CCS to the characteristics of the Region with a view to applying it as the medium-term strategic orientation of country-focused technical cooperation in each country.

232. The key condition for ensuring effectiveness in technical cooperation was specificity. International cooperation in health needed to be based on a systematic study of the NHD process and the policies and plans of each country. The CCS provided an instrument for assuring that specificity. It was both a methodology for assessing the current level of national health development and an instrument for programming technical cooperation in the medium term. Application of the CCS led to the construction of a medium-range vision (4-6 years) for the action of the Organization with each Member State, providing a strategic framework for the joint effort. The goal was to fashion an integrated cooperation proposal that, consistent with the concept and objectives of national health development, made possible the development of a single strategy and a single program budget for the country. The CCS approach also enabled PAHO to align its technical cooperation with that of other development partners.

233. The first outcome of applying the CCS in a given country would be an agreement between the country and the Organization that would constitute the medium-term strategic framework for technical cooperation, and would provide the basis for a plan for capacity-building in the country office, making it possible to match and adapt its personnel profile to the technical cooperation requirements in the country, and at the same time unifying all technical cooperation resource needs into a single budget. It also made it possible to define the infrastructure needed, particularly in the area of information and communication, and to generate a framework for the mobilization of resources and the establishment of strategic partnerships with the key actors involved in cooperation in the country.

234. The CCS provided a space for social dialogue between the national health authorities and various other actors, and constituted an essentially evidence-based exercise, intersectoral in nature. Experience thus far had demonstrated that on the policy level the application of the CCS strengthened dialogue between the ministry of health and other actors and also helped to bolster the normative and regulatory functions of the ministry. At the same time, it encouraged coordination between the international cooperation bodies working in the country, permitting greater effectiveness and efficiency in the establishment of common goals and agendas.

235. Recalling that the SPP had asked for details on the practical application of the CCS, he explained that the CCS process had four fundamental stages: preparation and coordination with national authorities; prospective and participatory strategic analysis of national health development; concerted definition of the strategy and content of PAHO's technical cooperation; and identification of political, technical, and administrative implications. He listed the countries of the Region in which it had been applied, describing the timetable and summarizing the results. Currently, 15 CCS exercises were under way, although at different stages of advancement. The Country Support Unit was studying the lessons learned, and five more exercises would be undertaken in 2006.

236. Dr. Barry Wint (Representative of the Subcommittee on Planning and Programming) reported that the Subcommittee had expressed solid support for the country cooperation strategy as a method for defining a national health agenda based on needs and priorities identified by the country itself. Members had noted that the use of the country-focused approach would more closely align PAHO's work with WHO's Country Focus Initiative and with the approaches being employed by other international development organizations. With regard to the document presented to the Subcommittee on the item, as Dr. Brito had noted, the Subcommittee had felt that it would be more useful to Member States if the next version were to provide more concrete information about how the country cooperation strategy methodology was actually being applied. It had been pointed out that participating in such an exercise would imply an outlay of

resources for a country, at least in terms of time and personnel, and that it would therefore be important for countries to understand the cost-benefit of taking part in the exercise and the minimum investment required. The Subcommittee had suggested that PAHO should consider creating a special section on its website where it could post summaries of the country cooperation strategies, as such information would be useful to other Member States and might facilitate potential technical collaboration.

237. Welcoming the new version of the document, the Executive Committee was particularly pleased at the inclusion of gender among the determinants of health identified in the document, of up-to-date information on the process of the CCS exercise, including its various stages, and of a chart showing the main components of the resulting agenda for the countries that had already undertaken the process. The Committee sought further information about the amount of \$27 million allocated in the budget document to the CCS exercise, noting that it was a significant amount of money, and also that it differed from the figures provided for operation of the country offices. The Committee also asked for a cost estimate for the various components of the CCS exercise, including both monetary and human resource costs. Members reiterated the suggestion that PAHO should mount a webpage dedicated to CCS, which could provide regular updates on the process and outcomes.

238. The Executive Committee sought greater clarity on the real difference between the CCS process and what the PAHO/WHO Representative Offices were already doing. The two seemed rather similar, and it was hoped that the Secretariat could provide a clearer explanation of the value-added of the CCS over the PWR process or of how it changed that process. While expressing general support for the overall goals of the initiative, at the same time the Executive Committee pointed out that each country must be convinced of the value-added of the exercise, given the human resources commitment that the CCS required.

239. It was suggested that one of the basic difficulties in coordinating cooperation was that countries had differing programming and budgeting schedules. In addition, there was sometimes resistance to a coordinated approach, either from the various cooperation agencies – perhaps because they had differing concepts and strategies for tackling problems – or from the receiving countries – perhaps because they thought that by keeping the negotiations individual they would be able to garner more resources. Interagency coordination would be very difficult to achieve if the countries themselves did not fully assume responsibility for coordination of the technical cooperation, based on clear plans, programs, and policies for national development.

240. Concern was expressed about confusing terminology in the document. Members pointed out that using alternative labels for the same concepts did not support a cohesive approach. Clarification was sought on the difference between CCS and country-focused

technical cooperation. Information was also requested on how the CCS undertakings at the PAHO level and at WHO were being harmonized.

241. Dr. Bernard Kean (Director, Department of Governance, WHO) pointed out that the CCS approach was now three years old as an operational process. It had been very encouraging to see the considerable importance being attached to the process in various regions, notably Africa and South East Asia where the policy of the Regional Office had been to carry out a CCS in every country. Africa had almost completed that exercise, and South East Asia was already at the stage of reviewing the CCSs from several countries. The challenges of the moment were how to relate the CCS process to everything else that was going on in-country, in particular the development of the country budgets at the global level that had been started for the 2006-2007 biennium, and how to relate the findings from the CCSs to other planning processes.

242. He gave examples of how the CCS process had revealed the need for a strengthening of a country's epidemiological capacity, in particular for analysis, to deal with the current problem of avian flu. The appropriate staff had been hired, strengthening the capacity of the country, and a better team was now on the ground than would have been the case without the CCS. Questions arose as the exercise progressed. One was national ownership, which was becoming increasingly a part of the CCS in most cases. Another was the relationship with other processes going on in the United Nations system such as the Common Country Assessment – United Nations Development Assistance Framework (CCA-UNDAF). To some extent, the CCS had been seen almost as a model for developing the UNDAF. The two processes were very much integrated, and the primacy of the CCS as far as the health sector and WHO were concerned was apparent.

243. Dr. López Acuña said that there should not be any confusion in terminology. The exercise of formulating a medium-term strategy for country work was called the country cooperation strategy. PAHO did not use any other terminology. PAHO had been part of the global group sharing in the experiences of the exercise, and had participated in the meta-analysis of the 126 CCSs already completed in various regions. There was increasing convergence in the process, with representatives from one region – or from WHO Headquarters – participating in another region's CCS process. The regions all used the same name for the process, and all went about it in the same way.

244. A major issue under discussion in the various regions and at WHO Headquarters was what the regions had to do to ensure that their work had a country-focused approach. That was what PAHO called country-focused technical cooperation, but it was not synonymous with CCS, which was one of the instruments for advancing country-focused technical cooperation. It was the methodology used for undertaking the medium-term assessment and the key elements that had to be considered in the following four to six years for developing the program budget at country level and for reprofiling staffing at

the country level. From the beginning, PAHO had insisted that the CCS needed to be an exercise with country ownership: not just an exercise by the Secretariat, but a dialogue, a joint prioritization, for setting up the key elements of how the work would proceed in the medium term.

245. The Director gave an overview of the long genesis of the CCS concept. Since the late 1980s, there had been various attempts, under various names, to resolve the question of how WHO should work in and with the countries. There had been various expectations driving that process, from countries, donors, and other partners. In particular, the countries had wanted to be in a better position to control their national health development, by steering the work of their various partners. Ultimately, the search for the best possible definition of the question had led to country-focused cooperation. That was the policy; it was what stipulated that the work of the Organization had to have a country focus, which had to be measured by how the countries progressed in their national health development. The CCS was a strategy, and there was a methodology to define the strategy. The strategic instrument had been developed before the policy had ever been written down, and the current document was an attempt to clarify the conceptual framework. In other words, PAHO was using the methodology that had been agreed in WHO, but it needed to put the conceptual framework into words, so that everybody would know how the instrument related to the policy.

246. The strategy had not only been linked at a very early stage to the CCA-UNDAF process but also to the Poverty Reduction Strategy Papers (PRSPs) supported by the World Bank, a different methodology and one that was relevant to the Region, which had four highly indebted poor countries. Health was central to poverty reduction, but in some cases the PRSPs did not frame the health issues very well.

247. In order to clarify the difference between CCS and the work of the PWRs, she referred to the biennial program budget process. Although that process considered a multiplicity of situations at the country level, it sometimes fell short when it came to analyzing regional trends. It was, essentially, a country-driven process, with a two-year focus. However, the country cooperation strategy took a medium-term approach, a more strategic approach, one that aligned different parts of the Organization, thus ensuring that although driven by the country and strongly supported by the country office, it brought in different levels of the Organization: global, regional, and in some cases participation from other regions also, enriching the process with an outside view and allowing for a horizontal exchange of experiences.

248. Dr. López Acuña explained that the budget contained an area of work entitled Country Cooperation, Leadership, and Coordination, which had a proposed allocation of approximately \$23 million. That was not an allocation exclusively for carrying out CCS processes; it was the allocation that was contained in the country programs to do the core

work for coordination, partnerships, and leadership development together with national health authorities for purposes of national health development. In that area would be found all the items that dealt with working with the countries to support their participation in regional, subregional, and global processes, in terms of international cooperation, leadership development, and coordination for harmonization and alignment of multiple sources of resources.

249. In response to the request for an estimated cost breakdown, the Director said that an information document could be provided, but pointed out that the present document was a conceptual policy paper, not a CCS plan. The paper could be provided with an annex covering an actual CCS plan, and the cost breakdown could be given there.

250. Dr. Brito clarified that the Secretariat was working on making the CCS webpage operational, and fully expected it to be ready by the time of the next Directing Council.

251. The Executive Committee took note of the presentation on country-focused cooperation and national health development but did not consider it necessary to adopt a resolution on the subject.

Access to Care for People Living With HIV/AIDS (Document CE136/19)

252. Dr. Carol Vlassoff (Chief, HIV/AIDS Unit, PAHO) introduced this item, noting that it was being presented in order to update the Committee on efforts to scale up access to care and treatment for persons living with HIV/AIDS and on the Region's progress towards the goals of the "3 by 5" Initiative and the Special Summit of the Americas held in Monterrey, Nuevo León, Mexico, in January 2004. The presentation would also outline critical issues and steps for moving forward to the goal of universal access to comprehensive care and treatment, including prevention, for all the countries of the Americas.

253. She began by reviewing the five strategic orientations that were guiding PAHO's response to the "3 by 5" Initiative, which had been presented to the Committee at its 134th Session (Document CE134/13). Thanks to the availability of increased funding from the "3 by 5" Initiative, PAHO had recently been able to increase its impact at country level. There were now many more staff working full-time on HIV/AIDS in individual Member States and additional staff were being recruited to fill several subregional posts. Moreover, each country in the Region had received almost \$100,000 in additional financial support. Of the \$4 million received for 2005 from the global "3 by 5" initiative, 81% had gone into direct country support. Funds from "3 by 5" were also being used to support PAHO's Fund for Strategic Public Health Supplies, which was assisting countries to take advantage of the flexibilities available through special trade and intellectual property agreements, such as the Agreement on Trade-related Aspects of

Intellectual Property Rights (TRIPS). In August 2005, another round of price negotiations for antiretroviral (ARV) drugs would be held in Argentina, with support from the “3 by 5” funds.

254. Turning to the progress made towards the goal established by the Special Summit of the Americas in Nuevo León, she said that, thanks to the extraordinary mobilization of human and financial resources, including those from the Global Fund to Fight AIDS, Tuberculosis, and Malaria, by the time of the Fourth Summit of the Americas in November 2005, the target of providing treatment to at least 600,000 individuals needing antiretrovirals would have been met. By the end of April 2005, the estimated number of people receiving treatment in Member States, including Canada and the United States, had already reached 613,533. Almost all countries had substantially increased treatment coverage since January 2004, when the Nuevo León goal had been adopted. While the Region could be proud of that accomplishment, there were still significant obstacles to be overcome in order to reach the ultimate goal set by the Special Summit: providing access to treatment for all who needed it in the Americas. In particular, it would mean reducing the very large equity gap between the more developed and the less developed countries. It would also mean addressing equity gaps between population groups within countries in order to extend services to highly vulnerable and underserved groups.

255. The Subcommittee on Planning and Programming, at its 39th Session in March, had suggested that PAHO should develop a regional strategic plan on HIV/AIDS for the period 2006-2015 to assist countries in reaching both the goal of universal access to care and treatment for persons living with AIDS and the HIV/AIDS-related goal established by the Millennium Declaration. The Secretariat, assisted by an executive team that included representatives from Member States, representatives of people living with HIV/AIDS, and other partners, was currently in the process of formulating the strategic plan and expected to present a draft framework document to the 46th Directing Council in September. The plan would afford the opportunity to improve synergy among the partners working on HIV/AIDS in the Region, expand technical cooperation among countries on the issue, and enhance joint planning, programming, and monitoring in keeping with the “Three Ones” principle. Most importantly, by establishing baseline data and a sequence of milestones, the plan would assist countries in planning for and eventually meeting their various commitments, including Millennium Development Goal 6: halt and begin to reverse the spread of HIV/AIDS.

256. The Executive Committee voiced solid support for the proposal to develop a strategic plan on HIV/AIDS for the period 2006-2015, expressing the hope that the plan would help countries to maximize the resources coming from various sources, achieve greater synergy of action among the different partners involved, and overcome the obstacles that were hindering efforts to stem the HIV/AIDS epidemic in the Region. Delegates identified lack of complete and accurate information on prevalence as one of

those obstacles and encouraged the Secretariat to bear that in mind in formulating the plan. Countries needed assistance in strengthening their surveillance and information systems to be able to identify the population requiring treatment. It was pointed out, however, that just knowing the number of people infected with HIV was not sufficient; it was also necessary to know the clinical stage of patients' disease in order to determine whether they met the clinical criteria for initiation of antiretroviral therapy. In that connection, Members cautioned that care should be taken in using phrases such as "universal access" or "universal treatment" in order to avoid giving the impression that everyone infected with HIV should immediately go on treatment or that ARV therapy was a "silver bullet" that cured the disease or prevented its transmission.

257. Another information-related issue was confidentiality of HIV/AIDS data. It was pointed out that reluctance to disclose or report information on individuals diagnosed with HIV was a major obstacle to identifying the population that needed therapy. One delegate expressed the view that the insistence on maintaining strict confidentiality of information on patients with HIV/AIDS was, in fact, a manifestation of stigma and discrimination against those patients, since it hindered their access to care and treatment. She emphasized that data on HIV/AIDS should be treated like data on any other disease. The Deputy Director agreed, noting that in his former post as head of a state health department in the United States, he had worked hard to achieve the enactment of a law requiring reporting of all HIV cases. The law had been vigorously opposed on the grounds that it would compromise patient privacy, but its passage had made it possible both to get more people into treatment and to better target prevention efforts.

258. Other concerns which delegates felt should be addressed by the strategic plan included sustainability of financing for HIV/AIDS programs after external aid ceased and access to ARV drugs at affordable prices, especially second- and third-line drugs. It was pointed out that countries that lacked well-developed purchasing and negotiating capacity faced a serious challenge in sustaining treatment and that their efforts were being further thwarted by international trade agreements that had limited production of generic second- and third-line drugs by countries such as India.

259. With regard to Document CE136/19, the Committee felt that it did not place enough emphasis on prevention. Delegates recognized that the focus of the document was access to care and treatment, but thought that the importance of prevention should be underscored in any public health document dealing with HIV/AIDS. Members stressed that the strategic plan should emphasize behavior change and development as a means of strengthening prevention programs. At the same time, it was pointed out that focusing on treatment could help enhance prevention, since efforts to detect cases and identify individuals requiring treatment would reveal trends in the epidemic, which in turn would indicate where preventive activities should be directed.

260. Several delegates questioned the figures on antiretroviral therapy coverage presented in the document. The Delegate of Argentina pointed out, for example, that the document indicated that his country had a coverage of 85%; in fact, Argentina had 100% coverage of all detected cases. The country had a law guaranteeing access to care and treatment for all persons diagnosed with HIV/AIDS, and it was proud to have maintained universal coverage despite the difficult economic situation of the previous few years. He asked that the figures in the document be corrected and that Argentina be included among the countries identified as having universal coverage. The Delegates of Mexico and Venezuela, noting that their countries, too, had universal access, also asked that the figures be corrected to reflect the true situation. The Delegate of Mexico also submitted a list of suggested editorial changes to the document.

261. One delegate disagreed with a statement in the document that suggested that intellectual property protection would restrict access to HIV/AIDS drugs, pointing out that the lack of such protection could discourage the introduction of new and innovative treatments. The same delegate cautioned that PAHO should carefully consider its role of advising countries on national pharmaceutical and intellectual property policies and regulations, as such a role in national trade issues fell outside the Organization's mandate and purview as a public health agency. However, another delegate expressed the view that, while PAHO should not seek to influence or take part in trade negotiations, the advocacy role described in the document was indeed a role that PAHO should be playing. It was appropriate for the Organization to be supporting countries in making full use of the flexibilities provided in the TRIPS agreement in order to increase access to medicines.

262. Finally, Members raised a number of concerns in relation to the Global Fund to Fight AIDS, Tuberculosis, and Malaria. While it was recognized that the Global Fund had made a major contribution to the effort to scale up access to care and treatment for HIV/AIDS in the Region, it was also pointed out that its eligibility criteria excluded many countries in the Region from access to funding. It was also pointed out that countries that had succeeded in obtaining Global Fund grants faced obstacles in ensuring continued funding, owing to governance and management issues. PAHO and Member States were urged to provide the technical assistance needed to enable those countries to maintain their grants and to support other countries in developing projects that would meet the Global Fund's criteria for approval.

263. Dr. Vlassoff was pleased with the Committee's expressions of support for the development of a regional plan. She had taken careful note of delegates' suggestions regarding the elements that should be included in the plan and would see that they were incorporated. She had also noted the comments on the document and would bear them in mind in revising it for the Directing Council. With regard to prevention, she explained that the document had originated in response to a request from the SPP for a report on

progress towards the Nuevo León goal of treatment for 600,000 by 2005. That was the reason for its focus on access to care and treatment. She assured the Committee that PAHO was well aware of the importance of prevention, as evidenced by the fact that almost 50% of the total regional budget for HIV/AIDS was devoted to prevention activities. She pointed out, however, that it was essential to view prevention and treatment not as distinct activities but as complementary strategies. HIV/AIDS should be approached in the same way as other diseases, with equal importance given to prevention and to treatment. No one talked about prevention or treatment of cancer, for example. The document for the Directing Council would place more emphasis on prevention, but as part of a continuum in a comprehensive approach that also included care and treatment.

264. Apologizing for the inaccuracies in the data presented in the document, she explained that part of the problem was that the Secretariat had had to rely on information from different sources. The estimates of numbers of people needing and receiving therapy had come from WHO and UNAIDS, whereas the figures on the actual number under treatment came from data reported by Member States. However, the two sets of figures were not necessarily consistent. Another problem was that the document failed to distinguish clearly enough between access and coverage. In revising the document for the Directing Council, the Secretariat would endeavor to remedy those deficiencies or at least to explain in greater detail the reasons for the inconsistencies.

265. On the issue of access to ARV drugs, she said that PAHO was simply trying to ensure that countries were aware of the flexibilities in trade agreements. Countries were then free to make their own decisions about whether or how to avail themselves of those flexibilities.

266. The President suggested that the Committee should include in any resolution adopted on this item a paragraph relating to the Global Fund eligibility issue. He felt that it was important for the Directing Council to place on record a call for the Global Fund to change the eligibility policies that were restricting access to funding for numerous countries in the Region. The Committee agreed with that suggestion; however, as no resolution was adopted on this item, the proposed paragraph was included in the resolution on malaria (Resolution CE136.R5).

267. The Committee thanked the Secretariat for the report and endorsed the proposal to develop a regional strategic plan on HIV/AIDS for the period 2006-2015.

Administrative and Financial Matters

Report on the Collection of Quota Contributions (Document CE136/20 and CE136/20, Add. I)

268. Ms. Sharon Fraher (Area Manager, Financial Management and Reporting, PAHO) reported on the collection of assessments and the status of countries potentially subject to Article 6.B of the PAHO Constitution. Collections of quota payments as of 31 December 2004 had totaled \$80.6 million, which represented a collection rate of 55% of current year assessments and 52% of arrears. The current year collection rate was lower than in prior years owing mainly to a delay in receiving a regularly scheduled payment from one Member State. However, the Organization had realized a significant increase in the collection of arrears compared to previous years. Detailed information on receipts of quota payments by Member States as of 31 December 2004 and 20 May 2005 was included in Annexes A and B, respectively, of Document CE136/20. Addendum I to the document provided updated information on receipts as of 13 June 2005. Since the latter date, the Organization had received an additional payment of \$84,000 from Cuba.

269. On 1 January 2005, total arrears for prior years had stood at \$70 million. Payments on those arrears received between 1 January and 13 June 2005 had amounted to \$31 million, or 44% of the total, thus reducing the arrears to \$38.8 million, as compared to \$41.5 million in 2004 and \$39.7 million in 2003.

270. The collection of contributions in respect of 2005 assessments had amounted to \$11.7 million as of 13 June 2005. Eleven Member States had paid their 2005 assessments in full, 5 had made partial payments, and 25 had not made any payments for 2005. The collections represented 13% of the current year's assessments, compared to 23% in both 2004 and 2003. Together, the collection of arrears and current year's assessments during 2005 totaled \$43 million, which was an improvement in overall collections when compared to 2004 (\$38 million) and 2003 (\$30 million).

271. As Members were aware, Article 6.B of the PAHO Constitution provided for the suspension of voting privileges if at the date of the opening of the Directing Council a country was in arrears by an amount in excess of two full years of quota payments, although the Council had the option of allowing the Member to vote if it was satisfied that the failure to pay was due to conditions beyond the Member's control. The Member States potentially subject to Article 6.B at the present time were Argentina, Paraguay, Peru, Suriname, and Uruguay. Two of those countries, Argentina and Suriname, had deferred payment plans.

272. Argentina owed a total of \$19.4 million, of which \$8.7 million related to 2002 and prior years. During 2005, it had made payments totaling \$5.5 million and was, therefore, in compliance with its deferred payment plan. Paraguay owed approximately \$575,000, of which about \$75,000 related to 2002. Thus far in 2005, it had paid \$34,992. A

minimum payment of \$74,543 would be required prior to the opening of the 46th Directing Council or Paraguay would remain subject to the voting restrictions of Article 6.B. Peru owed approximately \$1.4 million, of which about \$343,000 related to 2002. It had not made any payments to date in 2005, and would be required to pay \$342,980 prior to the opening of the 46th Directing Council or it might lose its right to vote. Suriname owed approximately \$283,000, of which about \$102,000 was attributable to 2002 and prior years. In accordance with its deferred payment plan, it was required to pay a total of \$100,420, including a balance due of \$10,420 for 2004 and \$90,000 for 2005. Although there had been ongoing discussions with the Government, no payments had been received thus far in 2005.

273. The Secretariat was pleased to report that three countries were no longer subject to the provisions of Article 6.B, as they had made sufficient payments in accordance with their deferred payment plans: Cuba, Dominican Republic, and Ecuador. Cuba had excellent history of compliance with its payment plans; the plan currently in effect covered the period 2003-2008. The Dominican Republic had also made consistent efforts to comply with its deferred payment plan and was scheduled to complete that plan in 2007. Ecuador had successfully completed all requirements under its plan by paying in full its 2005 assessment on 27 May 2005.

274. In the discussion that followed, the Committee sought clarification of the conditions for payment of quota contributions in local currency, the circumstances under which the Directing Council might allow a country that was subject to Article 6.B to retain its voting rights, and the way in which deferred payment plans worked. Members also inquired how the Secretariat anticipated and planned for recurring arrearages when making budget projections.

275. The Delegate of Argentina regretted that his country remained on the list of countries with significant arrears in the payment of their assessments. However, Argentina was complying with its payment plan, which had enabled it to steadily reduce its debt and maintain its position in the Organization, despite the economic crisis that had beset the country in recent years. He hoped that within the next few years Argentina would be current in the payment of its quota contributions and would thus no longer be on the list of countries subject to the provisions of Article 6.B.

276. The Committee acknowledged the efforts of Argentina and other countries to fulfill their obligations. It was emphasized that the Organization belonged to its Member States and that Members therefore had a responsibility to support it. PAHO could not be expected to continue providing services to Members if they failed to provide it with the financial wherewithal to do so. One Member observed that in recent years extrabudgetary funds had tended to exceed funds coming from assessed contributions, both at PAHO and at WHO. While those extrabudgetary funds made an undeniable contribution to health

development, they could not be relied upon to finance the day-to-day operations of the Organization, since they were normally earmarked for specific purposes. The Organization relied on timely payment of assessments by Members to cover its operating costs. Another Member expressed concern about the possible effect of the Organization's new budget policy on the payment of quota contributions and the recovery of arrearages. She pointed out that a number of countries would see a decrease in their allocations when the policy went into effect in the 2006-2007 biennium and that those reductions might act as a disincentive to payment of quota contributions, particularly in the case of countries that had large arrears.

277. Responding to the last point, the Director said that the Secretariat had been endeavoring, through the CCS exercises and in other conversations with authorities in the countries, to demonstrate the value of membership in "the PAHO club," including not only the amount shown in the country's regular budget allocation but also other benefits that countries received from their participation in PAHO: services from WHO/PAHO collaborating centers and Pan American centers, exchanges of information and experts, extrabudgetary projects, and access to the Revolving Fund for Vaccine Procurement, the Virtual Health Library and other "regional goods," among many others.

278. Ms. Frahler, in reply to the question concerning payment of quota contributions in local currency, recalled that the 45th Directing Council had approved payment in local currency, subject to several conditions. First, countries must notify the Director in advance of their intention to pay in local currency. Then, the Secretariat would determine whether the PAHO/WHO Representative Office in the country had the capacity to absorb the payment in local currency; if so, then the country would receive a credit for the equivalent amount in United States dollars, based on the United Nations exchange rate. In the event that the PWR office was unable to absorb all or part of the local currency payment, any excess funds would be transferred to PAHO Headquarters, and the Member State would receive credit towards its quota assessment for the amount that was actually credited to the Organization's bank account, based on prevailing exchange rates in the open market. It was thus assured that PAHO would not suffer any loss from exchange rate fluctuations.

279. Regarding deferred payment plans, she explained that they were an option offered to countries that were having trouble paying their quota contributions in a timely manner. The 44th Directing Council had requested that such plans not extend for longer than five years.³ In the first year of the plan, the Member State was typically asked to cover that year's quota contribution only so that it did not fall further behind. In each subsequent year, the country must pay the current year's assessment plus a certain percentage of its arrearages, the aim being that the arrears would have been fully paid off by the end of the

³ Resolution CD44.R3

five-year period. Deferred payment plans had proved a very successful tool in increasing collection of quota contributions and recovery of arrears. As for the circumstances under which a country subject to Article 6.B might retain its voting privileges, each year the Directing Council appointed a committee consisting of three Members to assess the situation of countries in that position. If the committee found that a country's failure to make timely payment of its quota contributions was due to extenuating circumstances beyond the control of the country's government, it could recommend to the Directing Council that the country be permitted to vote.

280. Turning to the question of how the Secretariat dealt with arrearages in its budgeting, she explained that under United Nations accounting standards, PAHO must assume that all assessments would be paid. The figures appearing in the Organization's financial statements thus reflected full payment. However, the financial statements also contained a provision for delays in the receipt of quota contributions. Any quotas that had not been received by the end of the second year of a biennium were included in the provision for delays. The Organization normally received 85% to 90% of quota contributions in the current year, the remainder was received later in the form of arrearage payments. Beginning at around the mid-point of the second year of a biennium, she and her staff undertook an analysis, based on consultations with governments via the PWRs, of what the Organization could expect to receive in quota contributions during the rest of the year and presented an estimate to the Director each month. At the end of the biennium, the Director would then decide how much should be withheld in the coming biennium.

281. The Director added that a certain amount, normally 5% to 10%, was retained from program allocations, based on an examination of the situation in the Region and estimates of expected receipts of quota payments. If more came in than was expected, then some of those retained funds could be released. In addition, the Secretariat had several other means of predicting and regulating the availability of funds. One was "political intelligence" – i.e., analysis of political circumstances and trends in the Region that might affect quota receipts. It was known, for example, that there was generally a drop in quota payments around national election times and that there was a spike in payments just before the June session of the Executive Committee. The Secretariat could also regulate the timing of certain costs by delaying the filling of vacant posts, extending posts for staff of retirement age in order to defer payment of retirement and repatriation benefits, and other administrative measures. There were thus several ways of avoiding cash-flow problems as a result of delays in the receipt of quota contributions.

282. The Committee adopted Resolution CE136.R4, urging all Member States to pay their outstanding quota contributions as soon as possible and recommending to the Directing Council that it apply the provisions of Article 6.B strictly to those countries that had not made the required payments towards their quota commitments or were not in

compliance with their deferred payment plans. The Committee also asked the Director to continue exploring mechanisms that would contribute to punctual payment of quotas by Member States.

Interim Financial Report of the Director (Official Document 320)

283. Ms. Frahler also presented *Official Document 320*, which contained the Director's interim report on the financial transactions of PAHO for the period 1 January–31 December 2004, and the financial statements for the Caribbean Epidemiology Center (CAREC), the Caribbean Food and Nutrition Institute (CFNI), and the Institute of Nutrition of Central America and Panama (INCAP). As was customary for an interim report, the document was not accompanied by an opinion from the External Auditor.

284. In 2004, the Organization's total income from all sources had been \$361 million, while expenditures had totaled \$375 million. PAHO program budget expenditures had been \$81 million, or 22% of the total. Implementation of trust funds provided by partners and donors had accounted for \$63 million or 17%, while the largest expenditure had been for the purchase of vaccines on behalf of the Member States through the Expanded Program on Immunization Revolving Fund for Vaccine Procurement, amounting to \$153 million, or 41% of the total. (The \$4.2 million earned from program support costs for the EPI Fund in 2004 had increased the Fund's capitalization to \$30.5 million.)

285. During 2004 the Organization had received \$50.2 million in current year quota assessments and \$30.4 million relating to prior years. There had thereby been a shortfall, compared to budgeted quota income, of \$11.6 million, or 14%. Total pending quota contributions had increased slightly to \$70 million, with \$61 million, or 87%, being accounted for by the arrearages of four Member States.

286. As against the budgeted amount of \$6.75 million, miscellaneous income had reached only \$2.5 million, mainly as a result of the low interest rates in the United States and other countries.

287. In order to ensure that Regular Budget income would be sufficient to cover expenditures, the Director had implemented additional strict oversight and review measures. As a result, regular program budget expenditures in 2004 had amounted to \$81.2 million, a decrease of \$12.3 million, or 14%, by comparison with the amount budgeted. The decrease had been attributable mainly to re-engineering of processes, resulting in reduction of posts, automation of financial reports and processes, implementation of new information technologies and IT outsourcing, and a renegotiation with WHO regarding PAHO's share of the health insurance premium for WHO retirees. One innovation had been the nightly uploading of financial information from all country offices to Headquarters, and the immediate availability of that information to all relevant

stakeholders the following day. The control of expenditures had allowed the Director to minimize the Organization's shortfall in 2004 to \$3.65 million, funded by drawing down the Working Capital Fund which had decreased from \$15 million – its authorized ceiling at the time – on 31 December 2002, to \$11.6 million at the end of 2003, and to \$7.96 million on 31 December 2004.

288. The WHO allocation had been \$40.2 million, with \$32.4 million for program budget activities, \$6.6 million for the Voluntary Funds for Health Promotion, \$337,000 for the Associate Professional Officers program and the Sasakawa Health Trust Fund, and \$863,000 for the IT fund and other projects.

289. Trust fund resources were funds received from Member States, non-member governments, international organizations, and public and private sector institutions. They were provided for specific purposes and were bound by project agreements defining the level of financial support and PAHO's role in providing technical assistance. At the beginning of 2004, the amount available for such projects had been \$33 million. An additional \$72 million had been received during the year, representing both an increase of 36% over the previous year and the highest level of donor/partner funding that the Organization had ever received.

290. The financial statements for CAREC showed that during 2004 its income had exceeded expenditures by \$285,000, increasing its Working Capital Fund to \$1.2 million. Quota contributions due from Members as of 31 December 2004 had decreased to \$2.2 million, from \$4.2 million at the end of 2002, with the most significant factor having been the payment of quota assessments by Trinidad and Tobago. CAREC had received 2.5 million from partners and donors for specific projects, of which the HIV/AIDS Prevention and Control Project had received \$2.1 million.

291. The financial statements for CFNI showed a deficit of \$30,200, with the cumulative deficit thereby increasing to \$435,000. The delay in the receipt of \$1.2 million in quota assessments from the Caribbean Member States was strongly impacting the financial position of CFNI. The Director of PAHO had convened a Working Group to analyze the actions needed to address the deficit. During 2004, CFNI had received \$663,000 for trust fund projects focused mainly on nutrition and HIV/AIDS in the Caribbean, strengthening of Caribbean food safety, and nutritional management of diabetes.

292. INCAP had maintained its sound financial position by ensuring that expenditures conformed to the quota income received. Quota collections had improved, with arrearages decreasing to only \$101,000. Thus, INCAP's Working Capital Fund remained at \$1 million. The Institute had received \$1.0 million in trust fund income, mainly for the purpose of improving nutrition and developing nutritionally enriched foods, and its Endowment Fund had reached \$360,000.

293. In response to questions from Members, Ms. Frahler clarified that the financial positions of CAREC, CFNI, and INCAP were reported on every year because those three had their own quota assessments, coming from their Member States. The remaining centers, for which that was not the case, were reported on only biennially.

294. The Committee took note of the interim financial report.

Report on the Activities of the Internal Oversight Services (Document CE136/21)

295. Mr. Kenneth Langford (Director, Office of Internal Oversight Services, WHO) presented the report on the work of the WHO Office of Internal Oversight Services (IOS) in relation to PAHO for calendar year 2004. He explained that the Office was an independent, objective assurance and advisory entity, designed to add value to and improve the Organization's operations. It helped WHO and PAHO to accomplish their objectives by evaluating and improving the effectiveness of processes for risk management, control, and governance. IOS conducted investigations of alleged irregular activity and carried out program evaluations. At PAHO, the Office of Internal Oversight Services was responsible for the internal audit activities required by PAHO Financial Regulation 12.1. IOS was available to receive directly from all staff members complaints or information on fraud or other irregular activity. The audit team in Washington comprised two auditors, who were supported by IOS staff in Geneva. The Washington-based auditors were primarily concerned with risk management and control related to financial and administrative areas, whereas the Geneva-based staff focused on program evaluation, investigation, and performance audit at PAHO.

296. Based on the results of the Office's work in 2004, the auditors believed that PAHO's processes for risk management, control, and governance of the Secretariat provided reasonable assurance that any significant shortcomings in the achievement of the Organization's objectives would be prevented or disclosed. However, the audits undertaken in 2004 had identified several risks and issues that needed to be addressed. Those were summarized in Document CE136/21.

297. One of the areas examined in 2004 had been the Organization's procurement funds, including the Revolving Fund for Vaccine Procurement. The work had focused on assessing the Fund's management, including planning, program implementation, reliability of information, communication, and monitoring. Although some risks had been detected, he was pleased to report that the audit had found that the Fund largely achieved its objectives and continued to operate successfully. He noted that the work on procurement funds in the Americas had been the first in a series of audits of program performance. With the addition to its staff of professionals with expertise in technical

areas of public health, the Office now had increased capacity to review the core work of PAHO, both from a managerial and a technical standpoint.

298. IOS had also completed reviews of financial and administrative controls in two country offices – those in Guatemala and Haiti – during the year. Additional audit work at the country level was planned for 2005, and the Office expected to continue to make visits to country offices based on the current risk assessment. Finally, the Office had undertaken an evaluation of the WHO Fellowship Program, in which PAHO played a role. The purpose of the global thematic evaluation had been to assess the contribution of fellowships towards developing sustainable national capacities in the area of health and human resources. The Office was confident that the blend of quantitative and qualitative analysis, the range of stakeholders interviewed, and the various documents reviewed provided a valid and reliable global snapshot of the program's strength and weaknesses. While the fellowships awarded by the program offered considerable benefits to individuals and had helped to strengthen both the pool of trained human resources and country health systems, it was crucial to address the vulnerabilities and shortcomings described in the report in order to ensure that the fellowships realized their full potential and that valuable resources were not being used inefficiently.

299. The Executive Committee welcomed the report and looked forward to receiving regular updates on implementation of the recommendations made by the Office of Internal Oversight Services. The Committee was also pleased that the Office at PAHO was now fully staffed. Members voiced concern about the risks mentioned in the document to the continued success of the Revolving Fund for Vaccine Procurement and urged that those risks be addressed forthwith. Additional information was requested on how reorganization of the immunization unit, in particular, might affect the Revolving Fund. The Fund's importance for maintaining immunization coverage – especially in the case of small countries – was underscored. Similarly, delegates pointed out that health personnel in small countries relied heavily on PAHO for fellowships to enable them to receive training and encouraged prompt attention to the problems identified in the audit report. Mr. Langford was asked to elaborate on the problems noted with objectivity in the selection of fellowship candidates. He was also asked to comment further on the problems identified in the reviews of the two country offices and to explain how the work of IOS linked with the work of the External Auditor.

300. The President pointed out that, as IOS was one of the arms for securing fulfillment of the External Auditor's recommendations, the Committee might eventually ask the Office to undertake an evaluation of the extent to which the recommendations had been implemented and of the status of the various other change processes under way in the Organization.

301. Mr. Langford said that such an evaluation would certainly be within the purview of his Office. Regarding linkage with the External Auditor, he noted that while in the past the Office of Internal Oversight Services had often duplicated certain aspects of the External Auditor's work, there was now a much clearer division between the external and internal audit functions. The work of IOS had evolved and was much more oriented towards managerial and programmatic issues, whereas the basic mandate of the External Auditor was to provide an opinion on the fairness of the Organization's financial statements. IOS furnished the External Auditor with copies of all its reports and, now that the Office at PAHO was fully staffed and operational, the staff would probably meet with PAHO's External Auditor at least semi-annually to discuss their respective work plans.

302. As concerned the audits of the two country offices, they had been conducted a year earlier at the request of PAHO. The weaknesses identified in the two cases were similar in some respects in that they had to do with questions of financial compliance, but there were some notable differences. For example, in the case of the Haiti office, it had been found that the essential drugs program there was suffering from a lack of capacity with regard to accounting and financial management. The audit had also revealed problems with inventory control records. Significant steps had been taken since the audit to correct those deficiencies. In Guatemala, on the other hand, the audit had focused more on contracting activities. IOS would continue to review compliance with contracting controls in that office.

303. Turning to the questions concerning the Fellowship Program, he noted that one of the underlying criticisms of the audit report was that the fellowships program should not be seen as standalone program. Rather, it should be viewed as a device for increasing human resources for health. Globally, it had been found that in too many cases fellowships were given for political reasons or were awarded on a competitive basis but with no rational attempt or plan to increase human resources for health. Another weakness found was utilization of fellowship recipients when they returned to their countries. A follow-up report on the evaluation of the Fellowship Program would be presented to the WHO Executive Board in January 2006 and a similar report could be presented to the PAHO Executive Committee if Members so wished.

304. The Director, in response to the comments and questions on the Revolving Fund for Vaccine Procurement, said that the immunization unit had undergone some changes in 2003, including a name change, but it had not really been reorganized. The changes introduced had in no way affected the functioning of the Revolving Fund. In her view, there were three main challenges to the Fund's continued successful operation: reduction in the number of vaccine suppliers, the high cost of new biologicals, and the maintenance of pan-American solidarity. With regard to the latter, she underscored the importance of continued participation in the Fund by countries that were large purchasers. Because the Fund's ability to negotiate lower vaccine prices depended on volume, if a large purchaser

withdrew from the Fund, the impact was felt by all the other participating countries, but especially by those that were small purchasers with limited negotiating capacity of their own.

305. A source of great concern was the decline in the number of vaccine suppliers, which in addition to reducing the availability of vaccines, made the market very fragile and vulnerable to any problems that might arise, such as the quality problems that had led to the critical influenza vaccine shortage in the United States earlier in the year. A related concern was the high cost of new biologicals, such as the rotavirus vaccine, which many countries were anxious to introduce into their immunization programs. In order to make it possible for countries to obtain such costly new vaccines through the Revolving Fund, PAHO was seeking to increase the Fund's capitalization by at least \$5 million. To that end, the Organization was appealing to various philanthropic foundations and to donor countries for gifts to the Fund.

306. The Committee did not adopt a resolution specifically on this item. However, in its Resolution CE136.R3 it requested that the WHO Office of Internal Oversight Services report annually to the Executive Committee.

Personnel Matters

Human Resources (Documents CE136/22, CE136/INF/7, and CE136/INF/7, Add. I)

Amendments to the PASB Staff Rules and Annual Report on Human Resources

307. Mr. Philip MacMillan (Area Manager, Human Resources Management, PAHO) summarized the proposed amendments to the Staff Rules presented in Annex 1 to Document CE136/22, which the Executive Committee was asked to confirm. He explained that some of the proposed changes were necessary in order to maintain consistency with amendments made by the World Health Organization and already confirmed by the Executive Board of WHO at its 115th Session in January 2005. The Secretariat was also proposing a number of additional amendments with a view to responding fully to the recommendations made by the External Auditor in 2004 and facilitating good personnel management.

308. The amendments proposed to maintain consistency with WHO and other organizations in the United Nations common system concerned remuneration of staff in the professional and higher categories; the salaries of the Assistant Director, the Deputy Director, and the Director; education and special education grants for dependent children of staff members; paternity leave; temporary appointments; promotions; repatriation grants and removal of household goods; payment of death benefits to a staff member's beneficiaries; and the conditions under which staff might be granted or placed on special leave.

309. As for the other proposed amendments, consistent with the Secretariat's efforts to fully respond to the External Auditor's recommendations regarding strengthening individual and corporate accountability, particular emphasis had been placed on revising the rules that dealt with the behavior of staff. To that end, the standards of conducts applicable to staff had been clarified, the provisions relating to conflict of interest had been reinforced, the definition of misconduct had been broadened, and the range of disciplinary measures to deal with cases of misconduct had been expanded. In addition, in the interest of promoting more effective personnel management, the Secretariat was proposing an amendment to the rules and regulations concerning grants and entitlements for staff serving outside their recognized place of residence, the probationary period for WHO staff appointed to a post in PAHO, payment in lieu of notice when a staff member's appointment expired or was terminated, staff-management relations, appeal procedures for staff wishing to exercise their right to appeal any administrative action or decision affecting their appointment status, and submission to local tribunal jurisdiction for the resolution of labor disputes involving national personnel.

310. Regarding the annual report on human resources, Mr. MacMillan invited the committee to review Documents CE136/INF/7 and CE136/INF/7, Add. I, which contained the annual report on human resources for 2004-2005, pointing out that such a report was being presented to the Governing Bodies for the first time. The two documents presented an overview of the current priorities and activities in the management of PAHO's human resources and a staffing profile as of May 2005. Concluding his presentation, he noted that all of the proposed amendments to the Organization's staff rules and regulations had been communicated to WHO and that the PAHO Staff Association had been consulted and supported the proposed changes.

311. The Committee expressed support for the proposed amendments, noting that many of them would improve the transparency of human resources management, particularly those relating to conduct and disciplinary procedures. The Committee also noted that a number of the proposed changes corresponded to recommendations of the Working Group on PAHO in the 21st Century. It was suggested that once the Working Group had finalized its recommendations, a full analysis should be undertaken to ensure that the recommendations in regard to human resources had been fully implemented.

312. In response to questions posed by a Member, Mr. MacMillan stated that the section in the Staff Rules relating to conflicts of interest now stipulated that certain staff and family members of staff were required to file a declaration of interest. The list of those required to file such declarations would be drawn up and communicated to staff by the office of the Legal Counsel. He also clarified the provisions of Staff Rule 380.3.2 relating to the effective date for any decrease in the salary of a staff member, explaining that such decreases were generally due to a reduction in grade. Under the current rule, such reductions became effective on the first day of the month following completion of the required notice period. The Secretariat was not recommending any change in that provision because if the change became effective as from the date of notification of the staff member, it might be necessary to recover salary already paid to the staff member. As the Committee would appreciate, such recoveries were difficult for all concerned. However, he would recommend that the reference to a required notice period be eliminated, since, in fact, there was no required notice period for salary reductions. He proposed that the rule be reworded as follows: "Any decrease shall be effective from the first of the month following notification of the staff member of the decision to reduce his or her grade and/or salary level."

313. The Committee agreed to that proposed change and adopted Resolution CE136.R10, confirming the proposed amendments to the Staff Rules and establishing the salaries of the Deputy Director and the Assistant Director, and Resolution CE136.R9, setting the salary of the Director and approving the amendments to the Staff Regulations concerning dispute resolution mechanisms available to national employees.

Statement by the Representative of the PASB Staff Association (Document CE136/23)

314. Ms. Olga Carolina Báscones (President, PASB Staff Association) summarized the content of Document CE136/23, which presented the matters which the Staff Association wished to bring to the attention of the Executive Committee at its 136th Session. Those matters were related to strengthening of an institutional framework for due process and the institutionalization of practices that would contribute to the development of a work environment enabling staff to safeguard their conditions of employment while carrying out their activities in accordance with the Organization's mandates.

315. The Staff Association had played a proactive and positive role in the processes of institutional change and implementation of the recommendations of the External Auditor. It had also supported the policy on harassment in the workplace, the process of defining the post of Ombudsman, and the development of a code of ethical conduct for staff. The Staff Association welcomed and was committed to support two of the initiatives included in the Director's Roadmap for Institutional Transformation: the Standards for Accountability and Transparency Initiative and the Human Resources Strategy Initiative.

316. Despite the progress made in improving governance and due process within the Organization, the Staff Association considered that more effort was needed in order to accelerate progress on several issues, notably the hiring of short-term staff and consultants. Document CE136/23 explained why the Association viewed that issue as a priority and emphasized the need for selection of short-term staff through a competitive process, with representation of the Staff Association on selection committees. The Staff Association had long felt that it should be represented on all selection committees and therefore welcomed the Director's recent decision to authorize its representation on committees for the selection of senior staff in P5 posts and above. That decision brought PAHO into line with the WHO policy on the matter.

317. Another concern for the Staff Association was the contracting of retirees. Since 1985, the position of the Association had been that systematic rehiring of retired staff was not a best practice and that PAHO should develop an explicit policy on the matter. Systematic rehiring of retirees had serious implications, not only because it hindered the recruitment of new, younger staff, but also because retirees did not contribute to the pension fund while they were employed, which had the effect of reducing the fund from which current staff would eventually draw their retirement benefits.

318. In the area of performance evaluation, the Staff Association supported the implementation of a 360-degree approach, in which staff and management performance would be evaluated in a manner that reflected the professional interactions of an individual not only with his or her supervisor, but also with subordinates and with his or

her peers. The Staff Association also fully supported the adoption of the proposed PAHO gender equality policy.

319. In conclusion, she appealed to the Committee to ensure that any action it took that would affect staff, such as a decision on the status of the Pan American centers, would be executed in accordance with clear-cut policies and procedures that respected the integrity of staff and guaranteed their rights. She expressed thanks to Dr. Steiger, as representative of the Executive Committee, for his efforts to ensure that the staff had a voice in the process of implementing the recommendations of the External Auditor. She also thanked other Members who had sought the staff's views on various issues, and assured the Committee that the Staff Association would continue to support and contribute to the process of transformation under way in the Organization.

320. The Committee thanked Ms. Báscones for her report and expressed support for the Staff Association and its contribution to the overall health of the Organization. It was pointed out that a number of the concerns raised by the Staff Association were related to issues also identified by the External Auditor in his 2004 Special Report and by the Working Group on PAHO in the 21st Century. The Committee acknowledged that many of those issues were being addressed through the institutional change process and the transformation roadmap; however, it was not always easy to see the connections between the action being taken by the Secretariat and the specific concerns of the Staff Association. Accordingly, the Committee suggested that future reports by the Area of Human Resources Management should include an explicit response to each of the concerns raised by the Staff Association in its statement.

321. Mr. MacMillan commended the Staff Association for its hard work, input, and cooperation in improving the Organization's personnel practices. He assured the Committee that the administration was working closely with the Staff Association on various initiatives aimed at addressing its concerns. The Secretariat would prepare a document for the Directing Council that would indicate how each issue was being addressed. He noted that the Secretariat had recently established the post of Policy Officer within the Area of Human Resources Management because it was felt that there should be one staff member who could devote his full attention to personnel policy issues and policy development. The individual recruited for that post, who would start work in early July, would be able to expedite resolution of issues such as those raised by the Staff Association.

322. He agreed on the need for a more competitive process for the hiring of short-term consultants and said that the Secretariat expected to have finalized the policy on that matter in time for presentation to the 46th Directing Council. However, even before the policy was in place, the Secretariat was taking steps to correct the problems identified by both the External Auditor and the Staff Association. For example, it had begun to

advertise and recruit candidates for many temporary posts, following the same procedure as was used in the case of fixed-term posts. Regarding the hiring of retirees, he disagreed with the Staff Association's characterization of the practice as systematic. In fact, the Organization currently had 15 retirees working, out of total staff of some 2,000. It was true that there were a few individuals who had been rehired and had continued working for a number of years after their retirement, but he would not describe the problem as systematic. In any case, as had been noted earlier in the session, the Secretariat was reassessing the practice of hiring retirees.

323. As concerned 360-degree performance assessments, he agreed that the Organization needed to improve its performance management system, and one of the approaches being considered was 360-degree appraisal. In the meantime, the Secretariat was taking positive steps to enhance performance planning and evaluation in two respects: it was automating the process, and it was introducing competency-based performance management. It was expected that an automated performance management and evaluation system for all staff would be in place by January 2006.

324. The President invited Ms. Báscones to share the Staff Association's ideas with regard to a complaints management procedure for PAHO. Ms. Báscones said that the Staff Association was primarily concerned with establishing clear channels and procedures for reporting and addressing complaints and ethical dilemmas, particularly in cases that did not rise to the level of egregious misconduct, such as fraud. Staff needed to understand where to go and whom to consult if they had ethical questions or concerns, and they needed to be confident that no retaliatory action would be taken against them for raising an ethical issue or reporting a suspected ethics violation. In the Staff Association's view, the system that was eventually put in place should comprise several layers and provide multiple options for the resolution of complaints, with formal legal action being the last resort. In order to contribute more constructively to the process of defining effective complaints management procedures for the Organization, the Staff Association had hired, with its own resources, an intern from Georgetown University in Washington, D.C. to assist it in studying the practices of other Organizations and identifying options that might be appropriate for PAHO.

325. The Executive Committee thanked Ms. Báscones and took note of the report.

General Information Matters

Resolutions and other Actions of the Fifty-Eighth World Health Assembly of Interest to the PAHO Executive Committee (Document CE136/25)

326. Dr. Philippe Lamy (Area Manager, Governance Policy and Partnerships, PAHO) summarized the resolutions and other actions of the Fifty-eighth World Health Assembly that were considered to be of particular interest to the PAHO Executive Committee. The Assembly had taken place in Geneva, Switzerland, from 16 to 25 May 2005. Delegates from 28 Member States from the Americas had participated. Dr. Miguel Fernández Galeano, Vice Minister of Health of Uruguay, had been elected Vice President, and Dr. Jerome Walcott, Minister of Health of Barbados, had been elected Chairman of Committee B.

327. The agenda of the Assembly had included 22 items, 15 of them referring to health policy and the remaining 7 to administrative, budgetary, and institutional matters. As in previous Assemblies, the matters had been dealt with in a series of committee and plenary sessions. The Assembly had adopted 34 resolutions – 15 more than in 2004. Twenty-seven of them had special relevance for Member States of the Americas and the Regional Office, 22 of them dealing with technical and health policy matters and the remaining five with management and budgetary matters. Drawing attention to the table in the Annex to Document CE136/25, Rev. 1, which clarified the linkages between the resolutions of the World Health Assembly and those of PAHO on the same topics, he pointed out that some of the Assembly resolutions dealt with items, such as malaria or tuberculosis, which the Executive Committee would be discussing during its current session.

328. One of the most important resolutions of the World Health Assembly had been that dealing with the revision of the International Health Regulations (IHR). Achieving consensus on that topic had required an intensive process of consultation and negotiation, in particular in regional and subregional meetings prior to the Assembly. He recalled that Directing Council Resolution CD43.R13 had urged PAHO Member States to participate actively in the IHR revision process, which had indeed occurred. Resolution WHA58.3 urged WHO Member States to build, strengthen, and maintain the capacities required under the new International Health Regulations and to mobilize the resources necessary for that purpose. It also called on Member States to provide support to developing countries and countries with economies in transition in the building, strengthening, and maintenance of the public health capacities required under the new Regulations. A report on the implementation of the IHR was to be submitted to the World Health Assembly in 2008. The new Regulations represented a challenge which would place many demands on the Organization, particularly at country level and in the regional offices. The core capacity requirements for surveillance and response set forth in the Regulations created a

reference framework for improving the capacities of national health services, and PAHO would surely need to develop a plan of action in order to implement the necessary support to the countries.

329. Remarking on the importance of the work of the Member States' missions in Geneva, he said that the Secretariat was developing an increasingly close relationship with them, and would ensure that they had all the information and documentation that they needed.

330. The President, speaking on behalf of the United States of America, noted that his country was currently performing a study, covering the past five years, of the progress made in its implementation of the World Health Assembly resolutions. He undertook to provide the results of that study during the 46th Directing Council. He also noted that his country had been elected chair of GRUA (Group of the Americas) for the current year and said that the United States would do all in its power to facilitate the flow of information from Geneva to the countries of the Region.

331. The Committee took note of the report on the Fifty-eighth World Health Assembly.

Other Matters

332. The Delegates of Canada and the United States of America appealed to the Secretariat to distribute to the documents for the Directing Council as early as possible. The Delegate of Canada noted that late distribution of documents for the Governing Bodies had been a perennial problem and emphasized that Member States needed to have them well in advance of meetings in order to circulate them for comment by the appropriate officials within their respective governments. His delegation felt strongly enough about the matter that it might consider proposing that any item for which proper documentation had not been supplied by the deadline would be dropped from the agenda. Canada also believed that the deadline for sending documents to Member States should perhaps be extended to six week before the opening of a session.

333. As he had said earlier in the session, and at previous sessions, all documents being submitted to the Governing Bodies for the first time should include information on the resources being devoted to the area or activity in question, including not only financial resources but also human resources and staff time. Documents should also indicate the impact that PAHO's activities were having, or were expected to have, on marginalized populations, particularly indigenous peoples and women.

334. In the interest of streamlining the consideration of agenda items and allowing ample time for discussion by Member States, Canada suggested that a time limit of ten

minutes should be set for presentations by the Secretariat to sessions of the Governing Bodies.

335. The Delegate of Cuba said that his Government would like to follow the excellent example set by Argentina and extend its hospitality to the Committee for its 138th Session in June 2006. In addition to the general benefits of holding meetings away from Headquarters, to which other delegates had alluded, holding the session in Cuba would provide an opportunity for Members to learn about his country's health system at first hand, and to observe PAHO's work with Cuba, a collaborative effort that dated back many years and had given highly satisfactory results.

336. The Director thanked the Delegate of Cuba for the invitation and undertook to carry out the feasibility and cost studies required in order to hold a session of the Governing Bodies outside of PAHO Headquarters. Regarding distribution of documents, she asked for understanding and fairness. She pointed out that in the case of the budget, for example, it simply would not be feasible to send out the document six weeks ahead of the Executive Committee's June session. PAHO could not finalize its budget document until the WHO budget was approved, and that did not occur until the end of May. In consequence, PAHO had less than a month in which to prepare the document and have it translated into all the official languages. It would be very difficult for the Secretariat to produce the document any earlier than it had done for the Executive Committee.

Closure of the Session

337. The President reiterated the Committee's thanks to the Government of Argentina for hosting the 136th Session and, after the customary exchange of courtesies, declared the session closed.

Resolutions and Decisions

338. The following are the resolutions and decisions adopted the Executive Committee at its 136th Session:

Resolutions

CE136.R1 Nongovernmental Organizations in Official Relations with PAHO

THE 136th SESSION OF THE EXECUTIVE COMMITTEE,

Having studied the report of the Standing Committee on Nongovernmental Organizations (Document CE136/10, Add. I); and

Mindful of the provisions contained in the document Principles Governing Relations between the Pan American Health Organization and Nongovernmental Organizations (1995, revised 2000),

RESOLVES:

1. To admit the Medical Confederation of Latin America and the Caribbean (COMFEMEL) into official relations with PAHO, on the understanding that the action established in the agreement will be reviewed at the meeting of the Standing Committee on NGOs in 2007.
2. To continue official relations between PAHO and the American Society of Microbiology (ASM), the Inter-American Association of Sanitary and Environmental Engineering (AIDIS), the International Diabetes Federation (IDF), the Latin American and Caribbean Association of Public Health Schools (ALAESP), the Latin American Federation of the Pharmaceutical Industry (FIFARMA), the March of Dimes, the United States Pharmacopeia (USP), and the World Association of Sexology (WAS) for a period of four years.
3. To request the Director to:
 - (a) inform the respective NGOs of the decisions taken by the Executive Committee;
 - (b) continue developing dynamic working relations with inter-American NGOs of interest to the Organization in areas which fall within the program priorities that the Governing Bodies have adopted for PAHO;
 - (c) continue fostering relationships between Member States and NGOs working in the field of health.

(Ninth meeting, 24 June 2005)

CE136.R2 PAHO Gender Equality Policy

THE 136th SESSION OF THE EXECUTIVE COMMITTEE,

Having considered the proposal of the Director on implementing a PAHO Gender Equality Policy (Document CE136/8) as well as the recommendations of the Subcommittee on Women, Health and Development;

Having discussed extensively the matter in its meeting,

RESOLVES:

To recommend to the Directing Council the adoption of a resolution along the following lines:

THE 46th DIRECTING COUNCIL,

Having considered Document CD46/___ on implementing a PAHO Gender Equality Policy;

Taking into account the persistence of gender inequalities in health and development in the Hemisphere;

Recalling the Beijing Declaration (1995), the recommendations of Beijing Plus 10 (2005), and the Millennium Development Declaration (2000);

Aware of the existence of internationally accepted evidences that indicate the incorporation of the criteria of gender equality in health policies and programs respond to the principles, of efficacy and efficiency in the practice of public health;

Acknowledging the debate on a WHO Gender Equality Policy and recognizing the adoption and implementation of gender equality policies in Member States, the United Nations system and the inter-American system; and

Noting the need to take all appropriate measures to prevent the trafficking of people (women and girls) in the Region, and eliminate the demand for them; and acknowledging that poverty and gender inequity are the root factors that encourage trafficking, especially of women and girls;

RESOLVES:

1. To adopt the PAHO/WHO Gender Equality Policy.
2. To urge the Member States to:
 - (a) implement the Gender Equality Policy, in collaboration with relevant government sectors, the United Nations System, the inter-American agencies, and the civil society stakeholders.
 - (b) generate and analyze data disaggregated by sex and other relevant variables.
 - (c) include, as appropriate, in the estimates of national health financing and national health expenditures, women's and men's unremunerated contributions to the health care system.
 - (d) incorporate a gender equality perspective, as appropriate, in the development, monitoring, and evaluation of policies and programs, as well as on research and training activities.
 - (e) strive for parity between the sexes in matters of recruitment and career development, including employment in decision-making positions.
3. To request the Director, within the available financial means, to:
 - (a) develop an Action Plan for the implementation of the Gender Equality Policy, including a performance monitoring and accountability system;
 - (b) give priority to data generation and analysis, disaggregated by sex and other relevant variables;
 - (c) mainstream the gender approach into the policies and programs of the Organization, including research and training activities;
 - (d) develop training materials and programs that promote gender equality;
 - (e) support efforts by Member States and civil society to monitor the impact of health policies and programs on gender equality, as well as their impact on the reduction of maternal mortality and gender-based violence;
 - (f) strive for parity between the sexes in matters of recruitment, career development and employment in decision-making positions within the Secretariat;

- (g) include gender equality in the different political and managerial fora held by the Organization at the regional, subregional, and national levels.

(Ninth meeting, 24 June 2005)

CE136.R3 Process of Institutional Strengthening of the Pan American Sanitary Bureau

THE 136th SESSION OF THE EXECUTIVE COMMITTEE,

Having considered the Report of the Working Group on PAHO in the 21st Century (Document CE136/5),

RESOLVES:

To recommend to the Directing Council the adoption of a resolution along the following lines:

THE 46th DIRECTING COUNCIL,

Considering the various processes that have systematically examined the workings of the Pan American Health Organization with the goal of strengthening the Organization to better meet the needs of Member States;

Bearing in mind that the 44th Directing Council of PAHO requested the Executive Committee to establish an open-ended working group to review PAHO's situation in the 21st century and present its report and make recommendations to the Directing Council;

Having considered the Report of the Working Group on PAHO in the 21st Century (Document CE136/5);

Noting Document CE136/14 "Update on the Progress of Institutional Change within the Pan American Sanitary Bureau;" and

Recalling Resolution CE134.R5, requesting the Pan American Sanitary Bureau to report regularly to the Executive Committee on the work of the WHO Office of Internal Oversight Services, and Decision CE135(D7), regarding the implementation of the Recommendations of the Special Report of the External Auditor,

RESOLVES:

1. To congratulate and thank the Working Group on PAHO in the 21st Century for its report.
2. To acknowledge the report of the Working Group on PAHO in the 21st Century and its recommendations.
3. To commend the Director for the institutional changes within the Pan American Sanitary Bureau implemented to date.
4. To request that the WHO Office of Internal Oversight Services report annually to the Executive Committee.
5. To thank the President and past President of the Executive Committee for their work in monitoring the Secretariat's implementation of the recommendations of the Special Report of the External Auditor.
6. To request the Director to:
 - (a) implement the recommendations of the Internal Auditor;
 - (b) complete the implementation of the recommendations of the Special Report of the External Auditor, particularly those focusing on complaints management systems and human resources;
 - (c) take into account the findings of the report and recommendations of the Working Group on PAHO in the 21st Century, the institutional changes within the Pan American Sanitary Bureau, and the recommendations of the Special Report of the External Auditor, when preparing the next Strategic Plan for the work of the Pan American Sanitary Bureau.

(Ninth meeting, 24 June 2005)

CE136.R4 Collection of Quota Contributions

THE 136th SESSION OF THE EXECUTIVE COMMITTEE,

Having considered the report of the Director on the collection of quota contributions (Document CE136/20 and Add. I), and the report provided on Member States in arrears in the payment of their quota contributions to the extent that they can be subject to the application of Article 6.B of the Constitution of the Pan American Health Organization;

Noting the provisions of Article 6.B of the PAHO Constitution relating to the suspension of voting privileges of Member States that fail to meet their financial obligations and the potential application of these provisions to those Member States that are not in compliance with their approved deferred payment plan; and

Noting with concern that there are 24 Member States that have not made any payments towards their 2005 quota assessments and that the amount collected for 2005 assessments represents only 13% of total current year assessments,

RESOLVES:

1. To take note of the report of the Director on the collection of quota contributions (Document CE136/20 and Add. I).
2. To thank the Member States that have already made payments for 2005 and to urge the other Member States to pay all their outstanding contributions as soon as possible.
3. To recommend to the 46th Directing Council that the voting restrictions contained in Article 6.B of the PAHO Constitution be strictly applied to those Member States that by the opening of that session have not made the required payments toward their quota commitments and to those that have failed to make the scheduled payments in accordance with their deferred payment plans.
4. To request the Director to:
 - a) continue to inform the Member States of any balances due and to report to the 46th Directing Council on the status of the collection of quota contributions;
 - b) continue to explore mechanisms that contribute to the punctual payment of quotas by the Member States.

(Ninth meeting, 24 June 2005)

CE136.R5 Malaria and the Internationally Agreed Development Goals, including those Contained in the Millennium Declaration

THE 136th SESSION OF THE EXECUTIVE COMMITTEE,

Having considered Document CE136/16 on the Roll Back Malaria Initiative in the Americas and the internationally agreed development goal related to malaria contained in the United Nations Millennium Declaration.

RESOLVES:

To recommend to the Directing Council the adoption of a resolution along the following lines:

THE 46th DIRECTING COUNCIL,

Having considered Document CD46/___ on malaria, which proposes that the Member States continue efforts to combat malaria through strengthening national capacity at all service levels to preserve achievements and further reduce the burden of the disease where it continues to be a public health problem;

Taking into account that the 42nd Directing Council urged Member States to adopt the Roll Back Malaria Initiative in territories where malaria still constitutes a public health problem and to make a commitment to perform an annual evaluation on progress in the different areas of the initiative until malaria is eliminated as a public health problem in the Region;

Concerned that the disease continues to be a public health problem in a number of territories and that there is need for sustained efforts to attain the Roll Back Malaria Initiative and the Millennium Declaration Goals of 2010 and 2015, respectively;

Recognizing the potential for increased financial support to countries for malaria control from the Global Fund to Fight AIDS, Tuberculosis and Malaria; and concerned that the eligibility criteria of the Fund exclude many countries in the Region from the possibility of having access to future grants; and

Noting the Malaria Report of the WHO Secretariat to the Fifty-eighth World Health Assembly and Resolution WHA58.2 on “Malaria Control”,

RESOLVES:

1. To urge Member States to:
 - (a) establish national policies and operational plans to ensure accessibility to prevention and control interventions for those at risk or affected by malaria in order to achieve a reduction of the malaria burden by at least 50% by 2010 and 75% by 2015;
 - (b) perform annual evaluations on the national progress of the Roll Back Malaria Initiative;
 - (c) allocate domestic resources, mobilize additional resources, and effectively utilize them in the implementation of appropriate malaria prevention and control interventions, and commit to perform regular assessments on their progress;
 - (d) take into account the need to include those trained in malaria, when assessing the staffing needs of the health systems, and take measures to ensure the recruitment, training, and retention of health personnel;
 - (e) encourage communication, coordination, and collaboration between malaria control units and other technical units and institutions, including nongovernmental organizations, the private sector, and universities; and to strengthen intercountry collaboration to reduce the burden and prevent the spread of malaria across borders;
 - (f) implement integrated approaches to malaria prevention and control through multisectoral collaboration and community participation;
 - (g) aim at reducing transmission risk factors through integrated vector management; promote improvement of local and environmental conditions and healthy settings; and increase access to health services in order to reduce disease burden.
 - (h) advocate in a coordinated fashion through their representatives on the board of Directors of the Global Fund to fight AIDS, Tuberculosis and Malaria and through other high-level diplomatic channels, including the Summit of the Americas, for equity of countries and partners from the Region in accessing Global Fund resources.

2. To request the Director to:
- (a) continue providing technical cooperation and coordinating efforts to reduce malaria in endemic countries and to prevent reintroduction of transmission where this has been achieved;
 - (b) develop and support mechanisms for monitoring the progress of malaria prevention and control and report on a regular basis;
 - (c) assist Member States, as appropriate, to develop and implement effective and efficient mechanisms for resource mobilization and utilization;
 - (d) initiate and support subregional and intercountry initiatives aimed at prevention and control of malaria among mobile populations, as well as in areas of common epidemiologic interest, particularly those in border areas.
 - (e) assist Member States, as appropriate, in the implementation of projects financed by the Global Fund to Fight AIDS, Tuberculosis and Malaria.

(Ninth meeting, 24 June 2005)

CE136.R6 Progress Report on the Global Safe Blood Initiative and Plan of Action for 2005-2010

THE 136th SESSION OF THE EXECUTIVE COMMITTEE,

Having analyzed Document CE136/15, Progress Report on the Global Safe Blood Initiative and Plan of Action for 2005-2010,

RESOLVES:

To recommend to the Directing Council the adoption of a resolution along the following lines:

THE 46th DIRECTING COUNCIL,

Noting the importance of blood transfusions for appropriate patient care, survival, and quality of life;

Having studied the report of the Director on the progress of the Blood Safety Initiative;

Recognizing the achievements in the screening of infectious markers in blood and the reduction in the potential risk of transfusion-transmitted infections in the Region;

Aware of the efforts made by the Secretariat and the National Blood Programs of the Member States to jointly assess previous work and to develop a regional plan of action for the improvement of transfusion safety in the Americas by the year 2010;

Concerned that the goals identified by the World Health Assembly in 1975 and by the Governing Bodies of the Pan American Health Organization in the past decade have not been achieved in the Region;

Recognizing that in order to achieve sufficient supply, appropriate quality of blood, and appropriate safety of transfusions, the current national approaches need to be revised and adjusted;

Recognizing that the number of voluntary donors in the Region of the Americas is still limited;

Welcoming World Health Assembly Resolution WHA58.13 Blood Safety: Proposal to Establish World Blood Donor Day; and

Motivated by the spirit of Pan Americanism, equity, and the internationally agreed health-related development goals in the United Nations Millennium Declaration,

RESOLVES:

1. To urge Member States to:
 - (a) analyze the progress and challenges in the pursuit of sufficiency, quality, safety, and appropriate use of blood and blood products in their countries;
 - (b) officially adopt the Regional Plan of Action for Transfusion Safety 2006-2010, and appropriately allocate and efficiently use resources to obtain its objectives;
 - (c) promote the participation of the public and private sectors, ministries of education, labor and social development, and civil society in the international, national, and local activities undertaken to implement the Regional Plan;
 - (d) Strengthen blood services and improve their efficiency, while promoting a culture of voluntary, non-remunerated blood donation.

2. To request the Director to:
 - (a) cooperate with the Member States in the development of their national blood policies and strategies, and the strengthening of blood services to ensure transfusion safety;
 - (b) promote the application at the local level of quality standards and validated methodologies for the improvement of the safety of blood products and blood transfusion, utilizing a multidisciplinary approach;
 - (c) work with Member States to monitor the development of the national blood programs and transfusion safety;
 - (d) report periodically to the Governing Bodies on the progress of implementation of the Regional Plan of Action for Transfusion Safety, including constraints;
 - (e) mobilize resources in support of the Regional Plan of Action for Transfusion Safety.

(Ninth meeting, 24 June 2005)

CE136.R7 Regional Strategy for Tuberculosis Control for 2005-2015

THE 136th SESSION OF THE EXECUTIVE COMMITTEE,

Having seen the document “Regional Strategy for the Control of Tuberculosis for 2005-2015” (Document CE136 /17);

Recognizing that, although preventable and curable, tuberculosis remains an important public health problem in the Americas, as each year it is responsible for more than 230,000 cases and 53,000 deaths;

Considering the diverse epidemiological situation of the Member States, as well as the different characteristics of their health systems and the development levels of their national tuberculosis programs;

Mindful that tuberculosis control faces challenges such as TB/HIV coinfection, multidrug-resistant tuberculosis, and health sector reform;

Considering that the internationally recognized strategy for tuberculosis control is “directly observed treatment, short course” (DOTS), which attained coverage of 78% of

the population of the Americas in 2003 and is making great strides in the detection and management of tuberculosis cases;

Considering the need to step up efforts to meet the indicators and goals for tuberculosis set by the World Health Organization's Stop TB Initiative, as well as those within the framework of the Development Goals contained in the Millennium Declaration set for the year 2015; and

Recognizing World Health Assembly Resolution 58.14 "Sustainable Financing for Tuberculosis Prevention and Control,"

RESOLVES:

1. To urge the Member States to:
 - (a) confirm tuberculosis control as a priority health program and expand, improve, or maintain implementation of the DOTS strategy;
 - (b) consider the Regional Plan when formulating national plans, with the objectives of preserving recent gains and attaining the internationally agreed-upon health-related development goals of the Millennium Declaration by the year 2015;
 - (c) strengthen health systems to implement and reinforce strategies for the control of multidrug-resistant tuberculosis, including DOTS plus, to improve collaboration between tuberculosis and HIV/AIDS programs;
 - (d) foster collaboration between the public and private sectors, civil society, United Nations agencies, and other interested stakeholders, as well as consider forming national Stop-TB Partnerships in order to maintain and increase support for national tuberculosis programs;
 - (e) allocate the necessary financial and human resources for tuberculosis control so that tuberculosis patients have access to the universal standard of care based on proper diagnosis, treatment and reporting, consistent with the DOTS strategy.

2. To request the Director to:
- (a) consolidate and strengthen PAHO's commitment to supporting the expansion and sustainability of the DOTS strategy in the Region;
 - (b) cooperate technically with the countries to tackle the new challenges posed by tuberculosis;
 - (c) encourage partnerships with the public and private sectors and technical and financial agencies that work in tuberculosis control to support the Stop-TB Partnerships in the Americas;
 - (d) improve the formulation and implementation of comprehensive public health strategies for tuberculosis control through resource allocation, sharing of experiences, and development of evaluative tools.

(Ninth meeting, 24 June 2005)

CE136.R8 Strategy for the Future of the Pan American Centers: Role of the Pan American Centers in PAHO Technical Cooperation

THE 136th SESSION OF THE EXECUTIVE COMMITTEE,

Having reviewed the documents that collate and update the information on several technical, managerial, and administrative matters pertaining to the general operation of the Pan American Centers as one of the modalities of PAHO's technical cooperation;

Bearing in mind the current cooperation needs identified by the Member States, the available national institutional capacity, and the urgent need to make the best possible use of the resources allocated to the Organization;

Recognizing that Resolution CSP20.R31 of the 20th Pan American Sanitary Conference identified the Pan American Centers as a temporary technical cooperation modality to be utilized as long as no adequate institutions were available to address problems of mutual interest to the Member States;

Noting that in recent decades the countries of the Region have developed significant national institutional capacity to address numerous local health problems and that this institutional infrastructure has, in turn, become an important instrument of PAHO technical cooperation;

Recognizing the new regional program budget policy adopted by the 45th Directing Council in 2004 and the new Managerial Strategy for the Work of the Pan American Sanitary Bureau in the Period 2003-2007, adopted by the 44th Directing Council in 2003;

Taking into consideration that the following principles should guide decisions regarding the disestablishment of a Pan American Center, which should:

- (a) minimize any potential negative impact on public health in the Region;
- (b) maximize the ability of the PAHO Secretariat to deliver technical cooperation in the most efficient and cost-effective way;
- (c) ensure that no resources from the PAHO regular budget not originally intended for a center will be applied to substitute for a host government's financial commitment;
- (d) encourage the financial contributions of a host government to be secure and sustainable over time, and
- (e) analyze the funding streams and arrearages of a center, including the impact of such arrearages on a center's operation.

Responding to the Governing Bodies' repeated call for regular evaluation of the Pan American Centers as part of the planning process for technical cooperation programs; and

Having analyzed the proposals for redefinition of the role and institutional reorganization of the Pan American Center for Sanitary Engineering and Environmental Sciences (CEPIS), the Latin American Center for Perinatology and Human Development (CLAP), and the Pan American Institute for Food Protection and Zoonoses (INPPAZ),

RESOLVES:

1. To urge the Member States to:
 - (a) take note of the reorganization of the Area of Sustainable Development and Environmental Health (SDE), which decentralizes regional technical cooperation in the area of water supply and sewerage and waste management to CEPIS;

- (b) take note of the reorganization of the Area of Family and Community Health (FCH), which decentralizes regional technical cooperation for the monitoring and reduction of reproductive, perinatal, and women's health risks to CLAP.
2. To request to the Director to:
- (a) reorganize and streamline the technical cooperation capacity in food safety at country, subregional, and regional levels;
 - (b) disestablish the Pan American Institute for Food Protection and Zoonoses (INPPAZ), created by Resolution CD35.R21 of 1991;
 - (c) submit to the 138th Session of the Executive Committee a review of the Pan American Foot-and-Mouth Disease Center (PANAFTOSA) and the Latin American and Caribbean Center on Health Sciences Information (BIREME), and a proposal to align the subregional Caribbean Epidemiology Center (CAREC), Caribbean Food and Nutrition Institute (CFNI), and Institute of Nutrition of Central America and Panama (INCAP) with the subregional allocation criteria set in the new regional policy, in consultation with the respective subregional institutions;
 - (d) submit to the 46th Directing Council for its information an update on the planning for the reorganization and streamlining of technical cooperation capacity in food safety over the coming biennium.

(Ninth meeting, 24 June 2005)

CE136.R9 Salary of the Director and Confirmation of Amendments to the Staff Regulations of the Pan American Sanitary Bureau

THE 136th SESSION OF THE EXECUTIVE COMMITTEE,

Taking into account the actions of the 58th World Health Assembly regarding remuneration of the Regional Directors, Assistant Directors-General, and the Director-General;

Bearing in mind the provisions of Staff Rule 020 and Staff Regulation 3.1 of the PASB and Resolution CD20.R20 of the 20th Directing Council,

RESOLVES:

To recommend to the 46th Directing Council the adoption of the following resolution:

THE 46th DIRECTING COUNCIL,

Considering the revision to the base/floor salary scale for the professional and higher-graded categories of staff, effective 1 January 2005;

Taking into account the decision by the Executive Committee at its 136th Session to adjust the salaries of the Deputy Director and Assistant Director; and

Noting the recommendation of the 136th Executive Committee with regard to the salary of the Director,

RESOLVES:

1. To establish, effective 1 January 2005, the salary of the Director at US\$ 127,970 per annum at dependency rate and US\$ 115,166 per annum at single rate.
2. To approve the amendments to Staff Regulations 1.13 and 1.15 with respect to dispute resolution mechanisms available to national employees of the Organization, effective 1 July 2005.
3. To take note of the amendments to the Staff Rules made by the Director and confirmed by the Executive Committee at its 136th session.

(Ninth meeting, 24 June 2005)

CE136.R10 Confirmation of Amendments to the Staff Rules of the Pan American Sanitary Bureau

THE 136th SESSION OF THE EXECUTIVE COMMITTEE,

Having considered the amendments to the Staff Rules of the Pan American Sanitary Bureau submitted by the Director in the Annex to Document CE136/22;

Taking into account the actions of the 58th World Health Assembly regarding the remuneration of the Regional Directors, Assistant Directors-General, and the Director-General;

Bearing in mind the provisions of Staff Rule 020 and Staff Regulation 3.1 of the PASB; and

Recognizing the need for uniformity of conditions of employment of PASB and WHO staff,

RESOLVES:

1. To establish, effective 1 January 2005:
 - (a) The annual salary of the Deputy Director at US\$ 117,373 at dependency rate and \$106,285 at the single rate.
 - (b) The annual salary of the Assistant Director at US\$ 116,373 at dependency rate and \$105,285 per annum at the single rate.
2. To confirm, in accordance with Staff Rule 020, the amendments to the Staff Rules that have been made by the Director with effect from 1 January 2005, as follows:
 - (a) Staff Rule 320.5 regarding temporary appointments;
 - (b) Staff Rule 330.2 with regard to the salaries of staff in the professional and higher categories;
 - (c) Staff Rules 350 and 355 with respect to the levels of the education grant and special education grant;
 - (d) Staff Rule 340 regarding dependants' allowances;
 - (e) Staff Rule 370 regarding the repatriation grant;
 - (f) Staff Rules 380.3.1, 380.3.2, and 550.1 with respect to payments and deductions;
 - (g) New Staff Rule 495 and Staff Rule 630.8 regarding staff member's beneficiaries;
 - (h) Staff Rule 550.1 pertaining to within-grade increase;
 - (i) Staff Rule 560 regarding promotions;
 - (j) Staff Rule 650 regarding special leave;

- (k) Staff Rule 760.6 regarding paternity leave;
 - (l) Staff Rule 855.3 pertaining to removal of household goods;
 - (m) Staff Rule 740.1 with respect to sick leave.
3. To confirm, in accordance with Staff Rule 020, the amendments to the Staff Rules that have been made by the Director with effect from 1 July 2005, as follows:
- (a) Staff Rule 110 regarding standards of conduct applicable to staff of the Organization and conflicts of interest;
 - (b) Staff Rules 110.8 and 1075 regarding misconduct;
 - (c) Staff Rule 460.1 regarding a staff member's recognized place of residence;
 - (d) Staff Rule 480 as it relates to the interagency transfer of WHO staff;
 - (e) Staff Rules 530, 550, 555, and 560.4 regarding performance and conduct;
 - (f) Staff Rule 920 pertaining to Staff Relations;
 - (g) Staff Rules 1040, 1060, 1070, and 1075 with respect to payment in lieu of notice;
 - (h) Staff Rule 1040 as it relates to the completion of appointments;
 - (i) Staff Rules 1110.1 and N 620 regarding disciplinary measures;
 - (j) Staff Rules 1230, 1240, 1245, and 1250 pertaining to appeal procedures;
 - (k) Staff Rules N 920, N 1000, and N 1010 regarding local jurisdiction.

(Ninth meeting, 24 June 2005)

CE136.R11 PAHO Award for Administration, 2005

THE 136th SESSION OF THE EXECUTIVE COMMITTEE,

Having examined the report of the Award Committee of the PAHO Award for Administration, 2005 (Document CE136/9, Add. I); and

Bearing in mind the provisions of the procedures and guidelines for conferring the PAHO Award for Administration, as approved by the 18th Pan American Sanitary Conference (1970) and amended by the 24th Pan American Sanitary Conference (1994) and the 124th Session of the Executive Committee (1999),

RESOLVES:

1. To note the decision of the Award Committee to confer the PAHO Award for Administration, 2005, on Dr. Francisco Rojas Ochoa for his outstanding contribution, during his professional career, to the development of the administration of health programs and services in his country, Cuba, and in several countries of the Region of the Americas and, particularly, for his outstanding contribution to the training of various generations of public health leaders and professionals.
2. To transmit the report of the Award Committee of the PAHO Award for Administration, 2005 (Document CE136/9, Add. I), to the 46th Directing Council.

(Ninth meeting, 24 June 2005)

CE136.R12 Provisional Agenda of the 46th Directing Council of PAHO, 57th Session of the Regional Committee of WHO for the Americas

THE 136th SESSION OF THE EXECUTIVE COMMITTEE,

Having examined the provisional agenda (Document CD46/1) prepared by the Director for the 46th Directing Council of PAHO, 57th Session of the Regional Committee of WHO for the Americas, presented as the Annex to Document CE136/4; and

Bearing in mind the provisions of Article 12.C of the Constitution of the Pan American Health Organization and Rule 7 of the Rules of Procedure of the Council,

RESOLVES:

To approve the provisional agenda (Document CD46/1) prepared by the Director for the 46th Directing Council of PAHO, 57th Session of the Regional Committee of WHO for the Americas.

(Ninth meeting, 24 June 2005)

Decisions

DCE136(D1) Adoption of the Agenda

Pursuant to Rule 9 of the Rules of Procedure of the Executive Committee, the Committee adopted, without modification, the agenda submitted by the Director (Document CE136/1, Rev. 2).

*(Second meeting, 21 June
2005)*

CE136(D2) Representation of the Executive Committee at the 46th Directing Council, 57th Session of the Regional Committee of WHO for the Americas

Pursuant to Rule 54 of its Rules of Procedure, the Executive Committee decided to designate its President (United States of America) and Vice President (Argentina) to represent the Committee at the 46th Directing Council, 57th Session of the Regional Committee of WHO for the Americas. As alternates to those representatives, the Committee designated the delegates of Costa Rica and Cuba, respectively.

(Second meeting, 21 June 2005)

CE136(D3) Working Group on PAHO in the 21st Century

The Executive Committee decided to request the Secretariat to present to the Committee's 137th Session for its consideration a proposal on the process for streamlining the governance mechanisms of the Organization, particularly in regards to: (a) reform and simplification of the Subcommittees, (b) the process of election of the Director of the Pan American Sanitary Bureau, (c) improvement and strengthening of the

rules and procedures of the Governing Bodies, taking into account the recommendations made in the report of the Working Group on PAHO in the 21st Century, the deliberations on the Subcommittee on Planning and Programming, and the deliberations and recommendations of the Subcommittee on Women, Health, and Development, and of the 136th Session of the Executive Committee.

(Ninth meeting, 24 June 2005)

IN WITNESS WHEREOF, the President of the Executive Committee and the Secretary ex officio, Director of the Pan American Sanitary Bureau, sign the present Final Report in the English and Spanish languages, both texts being equally authentic.

DONE in Washington, D.C., on this 24 day of June in the year two thousand five. The Secretary shall deposit the original texts in the archives of the Pan American Sanitary Bureau and shall send copies thereof to the Member States of the Organization.

William Steiger
Delegate of United States of America
President of the 136th Session
of the Executive Committee

Mirta Roses Periago
Director of the Pan American Sanitary Bureau
Secretary ex officio of the 136th Session
of the Executive Committee

AGENDA

1. OPENING OF THE SESSION

2. PROCEDURAL MATTERS

- 2.1 Adoption of the Agenda and Program of Meetings
- 2.2 Representation of the Executive Committee at the 46th Directing Council of PAHO, 57th Session of the Regional Committee of WHO for the Americas
- 2.3 Provisional Agenda of the 46th Directing Council of PAHO, 57th Session of the Regional Committee of WHO for the Americas

3. COMMITTEE MATTERS

- 3.1 Report of the Working Group on PAHO in the 21st Century
- 3.2 Report on the 39th Session of the Subcommittee on Planning and Programming
- 3.3 Subcommittee on Women, Health, and Development
 - Report on the 21st Session of the Subcommittee on Women, Health, and Development
 - Proposed PAHO Gender Equality Policy
- 3.4 Update on the Implementation of the Recommendations of the External Auditor's Special Report, September 2004
- 3.5 PAHO Award for Administration, 2005
- 3.6 Nongovernmental Organizations in Official Relations with PAHO
 - Periodic Review of Nongovernmental Organizations in Official Relations with PAHO
 - Consideration of Applications

4. PROGRAM POLICY MATTERS

- 4.1 Proposed Program Budget of the Pan American Health Organization for the Financial Period 2006-2007
- 4.2 Technical Cooperation among Countries in the Region
- 4.3 Strategy for the Future of the Pan American Centers
- 4.4 Report of the 14th Inter-American Meeting, at the Ministerial Level, on Health and Agriculture
- 4.5 Update on the Process of Institutional Change within the Pan American Sanitary Bureau
- 4.6 Progress Report on the Global Safe Blood Initiative and Plan of Action for 2005-2010
- 4.7 Malaria and the Millennium Development Goals
- 4.8 Regional Strategy for the Control of Tuberculosis for 2005-2015
- 4.9 Country-Focused Cooperation and National Health Development
- 4.10 Access to Care for People Living with HIV/AIDS

5. ADMINISTRATIVE AND FINANCIAL MATTERS

- 5.1 Report on the Collection of Quota Contributions
- 5.2 Interim Financial Report of the Director 2004
- 5.3 [Item deferred to the 137th session of the Executive Committee]
- 5.4 Report on the Activities of the Internal Oversight Services

6. PERSONNEL MATTERS

- 6.1 Human Resources
 - Amendments to the PASB Staff Rules
 - Annual Report

6. PERSONNEL MATTERS (*cont.*)

6.2 Statement by the Representative of the PASB Staff Association

7. GENERAL INFORMATION MATTERS

7.1 Resolutions and Other Actions of the Fifty-eighth World Health Assembly of Interest to the PAHO Executive Committee

8. OTHER MATTERS

9. CLOSURE OF THE SESSION

LIST OF DOCUMENTS

Official Documents

- Off. Doc. 317* Proposed Program Budget of the Pan American Health Organization for the Financial Period 2006-2007
- Off. Doc. 320* Interim Financial Report of the Director 2004

Working Documents

- CE136/1, Rev. 2
and CE136/WP/1 Adoption of the Agenda and Program of Meetings
- CE136/3 Representation of the Executive Committee at the 46th Directing Council of PAHO, 57th Session of the Regional Committee of WHO for the Americas
- CE136/4, Rev. 1 Provisional Agenda of the 46th Directing Council of PAHO, 57th Session of the Regional Committee of WHO for the Americas
- CE136/5
and Add. I Report of the Working Group on PAHO in the 21st Century
- CE136/6 Report on the 39th Session of the Subcommittee on Planning and Programming
- CE136/7 Report on the 21st Session of the Subcommittee on Women, Health, and Development
- CE136/8 Proposed PAHO Gender Equality Policy
- CE136/9
and Add. I PAHO Award for Administration, 2005
- CE136/10
and Add. I Nongovernmental Organizations in Official Relations with PAHO
- CE136/11, Rev. 1 Technical Cooperation among Countries in the Region

Working Documents (cont.)

CE136/12, Rev. 1	Strategy for the Future of the Pan American Centers
CE136/13	Report of the 14th Inter-American Meeting, at the Ministerial Level, on Health and Agriculture
CE136/14	Update on the Process of Institutional Change within the Pan American Sanitary Bureau
CE136/15	Progress Report on the Global Safe Blood Initiative and Plan of Action for 2005-2010
CE136/16	Malaria and the Millennium Development Goals
CE136/17 and Corrig.	Regional Strategy for the Control of Tuberculosis for 2005-2015
CE136/18	Country-Focused Cooperation and National Health Development
CE136/19	Access to Care for People Living with HIV/AIDS
CE136/20 and Add. I	Report on the Collection of Quota Contributions
CE136/21	Report on the Activities of the Internal Oversight Services
CE136/22, Rev. 1	Amendments to the PASB Staff Rules
CE136/23	Statement by the Representative of the PASB Staff Association
CE136/24	Update on the Implementation of the Recommendations of the External Auditor's Special Report, September 2004
CE136/25, Rev. 1	Resolutions and Other Actions of the Fifty-eighth World Health Assembly of Interest to the PAHO Executive Committee

Information Documents

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| CE136/INF/1 | Application of the PAHO Regional Program Budget Policy in the Proposed PAHO/WHO Program Budget for 2006-2007 |
| CE136/INF/2 | PAHO Biennial Program Budget 2006-2007: Scope of the Areas of Work |
| CE136/INF/4 | PAHO/WHO 2006-2007 Program Budget Scenarios |
| CE136/INF/5 | Use of Voluntary Contributions in the PAHO/WHO Program Budget |
| CE136/INF/6 | Increasing Managerial Effectiveness and Efficiency in PAHO |
| CE136/INF/7
and Add. I | Pan American Sanitary Bureau: Human Resources 2004-2005 and Annual Report |
| CE136/INF/8, Rev. 1
and Add I, Rev. 1 | Strategy for the Future of the Pan American Centers:
Discontinuation of Activities of INPPAZ and Prospects for PAHO
Technical Cooperation in Food Safety |

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