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SUMMARY RECORD OF THE HUNDRED AND TWENTY-THIRD MEETING

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	Mr. BRENNAN	Australia
	Mr. LHOIR	Belgium
	Mr. de PAIVA LEITE	Brazil
	Mrs. SINCLAIR	Canada
	Mr. TSAO	China
	Mr. RYBAR	Czechoslovakia
	Mr. CONCHA	Ecuador
	Mr. MANDE	France
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	Mr. RAJAN	India
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	Mr. BUNCHOEM	Thailand
	Mr. KRIVITSKY	Union of Soviet Socialist Republics
	Mr. BARNES	United Kingdom of Great Britain and Northern Ireland
	Dr. ELIOT	United States of America
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Mr. WORK)	

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Dr. COIGNY)	

Representatives of non-governmental organizations:

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	Mrs. DINGMAN	International Union for Child Welfare
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	Mr. RONALDS	World Union for Progressive Judaism
	Mrs. ZIZZAMIA	World Union of Catholic Women's Organizations

United Nations Secretariat:

Miss KAHN)	
Mr. LITTERIA)	Department of Social Affairs

UNICEF Administration:

Mr. PATE	Executive Director
Mr. HEYWARD	Deputy Director
Mr. CHARNOW	Secretary of the Board

QUESTION OF RELATIONS BETWEEN UNICEF AND WHO (E/ICEF/257, E/ICEF/L.554)

The CHAIRMAN gave an account of relations between the World Health Organization and the United Nations Children's Fund in the matter of financing of UNICEF/WHO joint projects and mentioned the conclusions set forth in paragraph 92 of the report of the WHO Executive Board on the proposed programme and budget for 1955. It was not the first time the Board had been faced with the problem, which should, if possible, be settled once and for all so that the two organizations could continue a satisfactory co-operation in joint projects, which were an essential feature of the activities of both.

He invited Mr. Siegel, Assistant Director-General in charge of the Department of Administration and Finance of the World Health Organization, to address the meeting.

Mr. SIEGEL (World Health Organization) stated that the Director-General of WHO had asked him to emphasize to the Executive Board the importance which the Director-General attached to the continuance of fruitful co-operation between the two organizations. WHO had always considered that the continuation of UNICEF and its increased financial resources were essential to the over-all programmes designed to improve the health of children and mothers. It had met with serious financial difficulties but, thanks to the UNICEF Executive Board's generous help, WHO had been able to continue to supply the necessary technical project personnel.

The working relationships and co-operation between the two organizations was governed by the principle that WHO should provide the services of such personnel and UNICEF reimburse such portion of the cost as exceeded the limitations of WHO's financial resources. That principle had received the approval of the Fifth World Health Assembly. Hence, the Director-General had so prepared his proposed programme and budget for 1955 as to enable WHO to fulfil its financial responsibilities in so far as they were known far enough ahead: naturally the programme did not take into account projects requested since that time.

Until the preparation of the programme and budget estimates for 1955, WHO had been unable to take the necessary action to provide for financing of the technical staff on joint projects because its annual programme and budget estimates were prepared eighteen months before the first of the year in which the programme was to be put into operation. The co-operation established between the WHO and UNICEF Regional Offices had made it possible to include in the budget estimates for 1955 the projects known at the time. Any requests from governments which were not foreseen eighteen months prior to the beginning of the year 1955 would clearly not be included in the WHO proposals. Owing to the difference between the respective budget cycles of WHO and UNICEF, projects approved by the latter to meet emergency situations could not be covered in the corresponding annual WHO estimates until a subsequent year.

Apparently the only way to overcome that difficulty was for UNICEF to make itself responsible, each year, for financing the technical personnel employed on joint projects, up to the date on which WHO was able to include the expenses in question in its budget estimates. The World Health Assembly, of course, was responsible for approving the regular budget of WHO every year.

He then explained the financial proposals set forth in the programme for 1955, which WHO would submit to the World Health Assembly in May. The total estimate for projects of assistance to governments was \$6,489,000, comprising \$3,750,000 under the regular budget and \$2,739,000 under technical assistance, the latter estimate being based on the assumption that WHO would continue to receive the same percentage as it had been receiving from the Special Account. The estimated amounts included in the proposals for WHO participation in joint projects comprised \$705,000 for the regular budget and \$937,000 for technical assistance, making \$1,642,000 in all, or 25.31 per cent of the total estimate for projects of assistance to governments. In addition it should not be forgotten that large sums not included in the foregoing figures were set aside for the Tuberculosis Research Office and other purposes. The WHO budget estimates for 1955 also included \$949,000 for new projects in which the UNICEF Executive Board might perhaps decide to participate. If that figure was added to the sum of \$1,642,000 already mentioned, it would be seen that WHO participation in joint projects would amount to \$2,591,000 or 39 per cent for 1954.

He then discussed the financial aspects of the 1954 programme. The estimated amounts expected to be expended on all projects were \$2,415,000 for the regular budget and \$1,935,000 for technical assistance. As WHO was sure of the latter sum, the total of those two sums was referred to as category A. It also hoped - though there was no certainty - to receive supplementary allocations which would increase the estimate under technical assistance to \$2,735,000; that resultant total was referred to as category B. The total sum in category A would thus be \$4,350,000, and that in category B \$5,150,000. The estimated amount planned to be expended for joint projects was \$1,449,000, comprising \$143,000 under the regular budget and \$1,306,000 under technical assistance. If, as for 1955, the sums set aside for the Tuberculosis Research Office and other purposes were added, the total came to \$2,079,000. In addition there was an estimate of \$658,000, comprising \$242,000 under the regular budget and \$415,000 under technical assistance, for new joint projects which might be considered eligible for assistance from UNICEF. If that sum of \$658,000 was added to the aggregate of appropriations for joint projects, WHO participation in those projects in 1954 was seen to be \$2,107,000, comprising \$386,000 under the regular budget and \$1,721,000 under technical assistance.

At its September 1953 session the Executive Board had received a request from the Director-General of WHO for UNICEF to assume responsibility for the entire expenditure in 1954 relating to sixteen projects already in operation. Since then, the Director-General had made certain arrangements enabling WHO to fulfil its obligation with respect to those projects without recourse to UNICEF. Apart, therefore, from the request now before the Executive Board concerning costs not foreseen in September 1953, WHO did not think that it would have to ask UNICEF for supplementary funds for 1954 to implement the projects approved up to the present time by the Executive Board of UNICEF.

Referring to document E/ICEF/L.554, submitted by the Executive Director, he thought it useful to refer to a number of references in WHO documents. He quoted article 55 of the WHO Constitution and the provisions of World Health Assembly resolution WHA 5.62, and referred to paragraphs 39, 40, 53, 79 and 80 of the WHO Executive Board's report on the draft programme and budget for 1955 (WHO Official Record 53).

The WHO Executive Board had invited the attention of the World Health Assembly to a number of considerations which had an important bearing on the financial implications of the Director-General's estimates: in particular, the Executive Board thought that the existing relationships and financial arrangements which governed WHO and UNICEF collaboration should be reviewed in the light of the latter's recently acquired indefinite status and in view of the increased resources it had available for work in the field of child health. The WHO Executive Board was objectively endeavouring to find a constructive method likely to facilitate the effective use of the resources available for the improvement of the health of mothers and children. He was happy to have had yet another opportunity of stressing the genuine interest of WHO in furthering the co-operative relationships between WHO and UNICEF.

Mr. BRENNAN (Australia) stated that his delegation was not in agreement with the last sentence of paragraph 32 of the WHO Executive Board's report, which it felt did not accurately reflect the financial relationship between the two organizations. The arrangement under which UNICEF met personnel costs had been a temporary one, made by the two organizations in 1949. In the following year, the Director-General of WHO had informed the UNICEF Board that WHO would be able to assume responsibility for the expenses relating to the technical personnel needed for all joint projects other than the BCG vaccination programme, and thereafter the Board did not include project personnel costs in its allocations. In 1952, the UNICEF/WHO Joint Committee on Health Policy had decided that the same policy would be applied to BCG vaccination programmes and, consequently, at the Board's request the Executive Director of UNICEF had asked WHO to accept responsibility for the personnel costs relating to that programme, too. The Director-General of WHO had agreed, provided that his organization had the necessary funds available. Thereafter UNICEF did not include the financing of personnel for BCG vaccination programmes in its estimates. At the March 1953 session of the Board, WHO had asked UNICEF to refund the cost of technical personnel in a number of projects. The Board had agreed, but had pointed out that that was

only a temporary measure rendered necessary as a result of unexpected events which both organizations much regretted. In September 1953, WHO had made a similar request to UNICEF, and the latter had again agreed, subject to the same reservations.

His delegation took the position that, in view of subsequent events, the WHO Executive Board's interpretation of the arrangement made in 1949 no longer applied. Certain considerations should not be lost sight of: firstly, government contributions to UNICEF should not be used indirectly to increase the funds appropriated for WHO work by the World Health Assembly; and, secondly, the WHO budget, as approved by the World Health Assembly, should faithfully reflect the order of priority granted by that Assembly to the various WHO activities, and not be in any way influenced by considerations extraneous to such activities.

Dr. ELIOT (United States of America) agreed with the Australian representative. Nevertheless, her Government felt that the 1949 Agreement was still valid and that any arrangements which might have been dictated by circumstances since 1952 in no way altered the principles which had been laid down by the Joint Committee on Health Policy as applicable to co-operation between the two organizations.

Mrs. SINCLAIR (Canada) said that her delegation also shared the Australian representative's opinion. When the Board had considered WHO's first request for funds to defray the cost of technical personnel, it had made it clear that the grant was only made as an exceptional measure, to help WHO in its financial difficulties at the time. It was therefore inaccurate to state, as did the WHO Board in paragraph 52 of its report, that the present position was the result of the "unwillingness expressed on the part of some members of the UNICEF Executive Board to accept recurring requests from WHO"; actually, that was the unanimous opinion of the Executive Board, and WHO should probably be told that it was. Another statement which appeared in the same paragraph, referring to the "increased resources" said to be available to UNICEF, should perhaps also be rectified.

She inquired what would happen to projects in which UNICEF was interested if WHO should not obtain all the funds it asked for: would the WHO/UNICEF joint projects be the first to suffer from budget cuts? If budget cuts materialized, would WHO expect UNICEF to be responsible for the full amount of \$621,000 it had estimated in its budget for financing international joint project personnel, or for part of that expenditure only? Finally, would the cut be proportionally distributed among all the items of the WHO budget?

Mr. SIEGEL (World Health Organization) stated that he could best reply to the main question asked by reading an excerpt from the letter sent by the Director-General to Mr. Pate, as follows:

"I believe you will understand, therefore, that it is not possible for me to interpret the Report of the WHO Executive Board in any way whatsoever and I am especially unable to reply to the question you raised in the second paragraph of your letter. It would be clearly impossible, as well as incorrect, for me, or anyone else for that matter, to endeavour to interpret the Board's Report as anything other than a number of objective considerations for the use of the Health Assembly."

He explained that for 1954 projects in what he had described as "category A" were projects for which funds were assured; but WHO would only be able to implement the projects in "category B" if the additional funds it requested were granted. The percentage of WHO participation in expenditure on joint projects was lower for category B (28.14 per cent) than for category A (33.31 per cent). The category B projects were those likely to be jeopardized by budget cuts. With regard to 1955, it was difficult to predict what might happen as it still remained for the next World Health Assembly to consider and approve WHO's 1955 regular programme and budget. The technical assistance estimates for 1955 should be viewed as representing WHO's best calculated estimate of the amount which the organization could expect. Should the next Health Assembly decide it was unwilling to approve the programme and budget proposed by the Director-General, the Assembly might at that time consider whether to make general reductions or, as was strongly recommended by the WHO Executive Board, to review all the WHO

programmes with a view to establishing an order of priority for carrying them out. In reply to a further question by the Canadian representative, he confirmed that under technical assistance funds most of the UNICEF/WHO joint projects were considered by WHO as priority work; hence they were probably not in great danger. However, if in 1955 WHO failed to obtain most of the very conservatively estimated allocations for which it had planned under technical assistance, then it would become necessary to establish a new set of priorities within priority I.

Mrs. SINCLAIR (Canada) thanked the WHO representative for his explanations. The difficulties created by the different budgetary methods of the two organizations had not failed to cause very grave concern to her delegation, for clearly UNICEF could not organize its work efficiently unless it was assured that WHO would be able to bear its own share of the cost of the joint projects. Of course, the World Health Assembly's decisions could not be anticipated but the WHO Executive Board's report suggested that WHO expected UNICEF to be responsible for the salaries of the technical personnel in the event of its own budget being reduced. If so, the position promised to be as serious in 1955 as it had been in 1953 and 1954, not only from the budgetary point of view, but also from the point of view of the principle, since UNICEF could not continue to defray expenditure over which it had no control, such as the cost of technical personnel. In the circumstances, one possible solution might be that the Board should not approve the joint projects until after the World Health Assembly had adopted the WHO budget. By then WHO would be in a position to make a firm pledge, and the slight delays which would have occurred in the execution of projects planned for 1955 would be compensated.

Mr. RAJAN (India) was glad that the exchange of letters between the Director-General of WHO and the Executive Director of UNICEF (E/ICEF/L.554) had been placed before the Board. The relations which were to prevail between the two organizations required definition, not only on account of the financial consequences involved but because the question affected the whole problem of co-operation between different United Nations bodies which embarked upon joint

ventures. In his delegation's view, such co-operation should be accompanied by a very clear division of functions and of financial responsibilities. Functions should be divided according to the character of the bodies concerned and to the nature of the assistance which they were able to render, and the respective financial obligations should be related to that division of functions.

That had originally been the basis of the relationship entered into between WHO and UNICEF. His delegation had always regarded the reimbursement of the cost of technical personnel as a purely provisional measure, not in any way signifying a departure from well established principles. Government contributed funds to UNICEF because they considered that no other international institution could fill the role of that body. Even if UNICEF were to find that its resources had increased - as WHO wrongly believed to be the case - it would be bound to abide by its essential objective, which was to provide supplies rather than services.

Some might consider that such a division of functions and financial responsibilities was arbitrary, that the projects jointly undertaken by the two organizations were in answer to a genuine need and should consequently be carried out, and that, in any event, whichever organization was concerned, the ultimate responsibility for payment rested with governments. The Indian delegation did not concur with that viewpoint. It feared that by assuming responsibility for the cost of technical services, which should normally be met by WHO, UNICEF would be obliged to limit its own activities, and would thus expose itself to the justified criticism of the governments which had created it for clearly specified purposes. The division of functions and financial responsibilities which WHO and UNICEF were required to respect could only be modified if the governments revised UNICEF's terms of reference, and no such suggestion was being entertained. Consequently, there were no grounds for modifying the relations between UNICEF and WHO, which were governed by the principles set forth in 1949 by the Joint Health Policy Committee.

Mr. SIEGEL (World Health Organization) again wished to stress that the difficulties were mainly due to the timing requirements governing the preparation of the WHO budget estimates. The Canadian representative's proposal, to the effect that UNICEF should not approve joint projects until after the WHO budget had been adopted, might perhaps be a remedy; but it would be a partial remedy, for WHO only learned what funds were allocated to it for technical assistance immediately before the beginning of the financial year. The WHO representative had tried hard to persuade the Technical Assistance Committee to remedy that situation. He believed that the latter was at the moment studying certain actions in that direction, but he feared that it would not be as far-reaching as WHO would have liked.

Mr. BRENNAN (Australia) said he hoped that his remarks had been correctly understood. He was not concerned with the question of relations between UNICEF and WHO as a whole, but only with that part of their relations which related to the payment of the expenses of technical personnel. He had felt bound to make his comments because the wording of the last sentence in paragraph 32 of the WHO Executive Board's report was susceptible to an interpretation which his delegation did not believe to be the correct one.

With regard to the table of new projects planned for 1955 (page 22 of the WHO Executive Board's report), he asked, firstly, whether the figures given included all or part of the \$621,000 earmarked by WHO to cover the costs of technical personnel on the joint WHO/UNICEF projects already approved; and secondly, whether the grand total of \$1,051,971 included the \$355,000 which was the share reserved by WHO, in its ordinary budget, for new projects which, in WHO's view, might interest UNICEF.

Mr. SIEGEL (World Health Organization) replied that the answer to the first question was in the negative, and to the second in the affirmative.

Dr. ELIOT (United States of America) suggested that the two organizations should reach a solution more in keeping with their respective objectives, so that UNICEF would not in the future have to suspend the implementation of certain programmes. WHO would doubtless bear in mind the opinions which had been voiced on that subject during the current debate.

She agreed with the Canadian representative that, if the UNICEF Board was asked to defray the cost of WHO technical personnel, it should be given particulars of the cost in good time so that it could determine whether it was advisable to approve the programmes to which the expenditure related. She likewise agreed with the Canadian representative's view that the Board could defer its approval of certain projects until the World Health Assembly had approved its budget for the following financial year. She hoped, however, that such deferment would not affect the implementation of exceptionally urgent programmes. Perhaps the Board and WHO could discuss the problem.

Mr. de PAIVA LEITE (Brazil) and Mr. LHOIR (Belgium) concurred with the opinions of the Australian, Canadian and Indian representatives. Mr. Lhoir added that the two organizations had distinct functions; by subsidizing the WHO budget, UNICEF would therefore risk re-introducing the issue of the contributions of certain participating governments and of under-developed countries.

Mr. MANDE (France) supported the principle of co-operation between WHO and UNICEF. He, too, shared the opinion of the Canadian, Australian, Indian and Belgian representatives. The 1949 arrangement no longer seemed to govern financial relations between the organizations. Due regard had to be paid to the principle of financial autonomy. If WHO had to cut down its programmes owing to insufficient funds, the reduction should be spread over all its fields of activity and not limited to the joint WHO/UNICEF projects. Finally, if UNICEF contributed to the cost of WHO technical personnel, it should in return have the right to inspect the relevant items in the budget.

Mr. MONTINI (Italy) said that although the principle of financial autonomy should be respected, it was nevertheless true that, in practice, each organization had to decide what degree of priority should be given to the various programmes and could, where necessary, waive the principle of autonomy.

Mr. UMARI (Iraq) concurred with the views expressed by most of the speakers, and especially with the Indian representative's opinion that UNICEF's main object was to provide supplies while WHO was primarily concerned with services.

Mr. BRENNAN (Australia) said that the Board was dealing with two matters. In the first place it had to decide what action if any it should take respecting the projects which it was approving at the current session and which envisaged WHO participation. He proposed that the Programme Committee, after finishing its study of the different projects, should make some recommendation on that question to the Board. Secondly, the Board should inform WHO of its views on the WHO Executive Board's report. He proposed that document E/ICEF/257 should be forwarded to WHO for that purpose, since that document seemed to reflect the Board's consensus of opinion.

As to the United States representative's suggestion, he was of the opinion that it was still far too early for the two organizations to undertake a joint discussion of the situation. He added that his delegation thought that the arrangements which had developed in 1952 were entirely satisfactory. They did not preclude either body in exceptional circumstances from reimbursing the other for costs incurred.

Mr. SIEGEL (World Health Organization) said that, from the statements made, he believed that there might be some misunderstanding regarding what was said in the report of the WHO Executive Board. He wished to clarify that at no time had the Board felt that UNICEF was required to provide the costs of technical staff. It was understood that that was a decision to be made by the UNICEF Executive Board and not a statutory obligation in any way. Naturally, UNICEF

remained free to decide on the implementation of the programmes in which it took part.

The CHAIRMAN, speaking as representative of Switzerland, likewise thought that the United States suggestion of joint discussions with WHO was premature. The principle of financial autonomy should, of course, be respected. He consequently suggested that the Board might adopt the Australian and Canadian proposals, which would offer an appropriate solution.

It was so decided.

The CHAIRMAN asked whether the members of the Board agreed that document E/ICEF/257 should be forwarded to WHO.

Mrs. HARMAN (Israel) pointed out that the document had only very recently been distributed and that preferably a decision should be deferred until the Programme Committee had studied the question of contributions.

It was so decided.

Mr. SIEGEL (World Health Organization) felt that the Board would wish him to make a statement regarding the Chairman's Information Note. Like the representative of Israel, he had not had time to read the document. However, he wished the Board to know that all the relevant decisions and resolutions referring to the relations between the two organizations had been presented to the WHO Executive Board and appeared in an Annex to WHO Official Record 53, except for some letters which had been exchanged between the two administrations. He felt that no one would suggest that such letters could supersede an agreement between two legislative bodies.

Mr. de PAIVA LEITE (Brazil) suggested that the Chairman should attend the World Health Assembly and present the Board's views.

Mrs. SINCLAIR (Canada) agreed that it would indeed be advisable for a representative of the Board to be present at that Assembly. Though the WHO representative had attended the present debate he could hardly be expected to defend the views of the UNICEF Board before his own organization.

The CHAIRMAN feared that it might be difficult for him personally to attend the World Health Assembly. Perhaps the Board would leave it to him to discuss with the Chairmen of the Programme Committee and the Committee on Administrative Budget the possibility of sending a representative of the Board to the World Health Assembly.

It was so decided.

The meeting rose at 5.50 p.m.