WPR/RC43/4

WORLD HEALTH ORGANIZATION
REGIONAL OFFICE FOR THE WESTERN PACIFIC

PROPOSED PROGRAMME BUDGET

FOR THE FINANCIAL PERIOD

1994-1995

Manila
1992

REGIONAL COMMITTEE FOR THE WESTERN PACIFIC

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PROPOSED PROGRAMME BUDGET FOR THE FINANCIAL PERIOD 1994 - 1995

The Regional Director has the honour to present to the Regional Committee for the Western Pacific the proposed programme budget for the financial period 1994-1995.

Manila, June 1992

ABBREVIATIONS

The following abbreviations are used in this document:

AIDAB	-	Australian International Development Assistance Bureau
ASEAN	-	Association of South-East Asian Nations
CD-ROM	-	Compact disc read-only memory
DANIDA	-	Danish International Development Agency
ESCAP	-	Economic and Social Commission for Asia and the Pacific
FAO	-	Food and Agriculture Organization of the United Nations
IARC	-	International Agency for Research on Cancer
JSIF	-	Japan Shipbuilding Industry Foundation
MEDLINE	-	Medical Literature Analysis and Retrieval System on Line
ODA	-	Overseas Development Administration of the United Kingdom
PEPAS	-	Regional Centre for the Promotion of Environmental Planning and Applied Studies
PPTC	-	Pacific Paramedical Training Centre
SIDA	-	Swedish International Development Agency
SPC	-	South Pacific Commission
SPREP	-	South Pacific Regional Environmental Programme
UNDCP	-	United Nations International Drug Control Programme
UNDP	-	United Nations Development Programme
UNDRO	-	United Nations Disaster Relief Office
UNEP	-	United Nations Environment Programme
UNESCO	-	United Nations Educational, Scientific and Cultural Organization
UNFPA	-	United Nations Population Fund
UNHCR	-	Office of the United Nations High Commissioner for Refugees
UNICEF	-	United Nations Children's Fund
WASAMS	-	Water and Sanitation Monitoring System

The symbols adopted in this document to indicate the sources from which activities are expected to be financed are as follows:

AS	-	Special Account for Servicing Costs
DP	-	United Nations Development Programme - Indicative Planning Figures
FB	-	Associate Professional Officers
FP	-	United Nations Population Fund
FS	-	Trust Funds - Supplies
FT	-	Trust Funds - Project Agreement
FX	-	Trust Fund for the Global Programme on AIDS

ST	-	Sasakawa Health Trust Fund
VB	-	Voluntary Fund for Health Promotion - Miscellaneous Designated Contributions - Prevention of Blindness
VC	-	Voluntary Fund for Health Promotion - Diarrhoeal Diseases, including Cholera
VD	-	Voluntary Fund for Health Promotion - Miscellaneous Designated Contributions (Other)
VI	-	Voluntary Fund for Health Promotion - Expanded Programme on Immunization
VL	-	Voluntary Fund for Health Promotion - Leprosy Programme
VM	-	Voluntary Fund for Health Promotion - Malaria
VP	-	Voluntary Fund for Health Promotion - Special Account for the Mental Health Programme
VV	-	Voluntary Fund for Health Promotion - Miscellaneous Designated Contributions - Special Assistance to Cambodia, Lao People's Democratic Republic and Viet Nam

EXPLANATORY NOTES

1. DEVELOPMENT OF THE PROPOSED PROGRAMME BUDGET

This proposed programme budget for the biennium 1994-1995 is the last of the three programme budgets to be prepared under the Eighth General Programme of Work covering the period of 1990-1995. It was formulated in accordance with the directives of the Executive Board as stated in resolution EB79.R9 (Cooperation in Programme Budgeting) and related budgetary guidelines issued by the Director-General. Programme development was based on the Regional Programme Budget Policy for the Western Pacific Region adopted by the Regional Committee in resolutions WPR/RC37.R2 and WPR/RC40.R4 in 1986 and 1989 respectively.

Commencing with the 1994-1995 biennium, following the guidelines issued by the Director-General, the regional activities are presented at three levels: (1) Country, (2) Intercountry and (3) Regional. For purposes of comparison, the 1992-1993 regular budget has been similarly reclassified.

The following methodology was used for the distribution of the basic planning allocation for the Region:

For country programme activities, the Regional Director established a provisional country planning figure for each country or area within the overall allocation. To do this, the following main criteria were applied:

- The extent to which a country or area is making use of WHO resources to build up its health system in accordance with collectively decided policies and strategies for "Health for All by the Year 2000", and providing adequate information in keeping with its accountability to WHO.

- The level of need, measured in part by the socioeconomic and health indicators of each country or area. These include factors such as population, the level of health infrastructure development, per capita GNP, life expectancy at birth, and geographical location. Least developed countries and those facing special difficulties were given special consideration within the limits of the financial resources available.

- The capacity of countries or areas to implement planned technical cooperation activities, judged mainly on the basis of the implementation of programmes in the past.

- Estimated input from regional and intercountry programmes as well as expected support from extrabudgetary resources.

Then, in compliance with the programme budgeting procedures adopted by the Thirtieth World Health Assembly in resolution WHA30.23, the proposed country programme activities were prepared by the national authorities in close collaboration with WHO. Their task was to identify priority programmes for technical cooperation in support of national policies and strategies for the attainment of health for all by the year 2000, using guidelines established under the Regional Programme Budget Policy. Within the limits of the country planning figure and an assigned cost increase ceiling, they followed established criteria for setting programme priorities (EB87/2 and EB87.R25)

The allocation for intercountry programme activities was established after ascertaining, through WHO Representatives and Country Liaison Officers, the governments' interest in participating in collaborative activities. The intercountry activities were developed using the following main criteria. They should:

- make a direct contribution to the current needs of the regional health-for-all strategy and support relevant national activities;

- benefit two or more countries or areas;

- favour least developed countries as far as possible;

- include activities to promote technical cooperation among countries, with particular emphasis on exchange of information and experience;

- include an innovative activity, such as research and development; and

- tend to attract external sources of funding.

All intercountry activities were reviewed to ensure maximum correlation with global, interregional and country activities.

For the Regional Office, the planning allocation was established to cover mainly the costs of the Regional Committee, the office of the Regional Director, the offices of the Director of Programme Management and technical programme directors, the support staff under the Director of the Support Programme and for the overall maintenance and upkeep of the Regional Office (regional common services).

No net increase in the number of regional and intercountry posts was provided beyond those already approved for the 1992-1993 biennium. Each post in the 1992-1993 biennium was reviewed and its justification was scrutinized to ascertain whether it should continue in 1994-1995. Owing to budgetary constraints, a number of posts, particularly at professional level were deleted or frozen.

In all aspects of developing the regional and intercountry activities, limited zero-based budgeting techniques were used.

Following the review by the Regional Committee in September 1992, the proposed regional programme budget will be consolidated and finalized by the Director-General into the WHO Proposed Programme Budget for 1994-1995, which will be presented for consideration by the Executive Board in January 1993 and subsequently for review and adoption by the World Health Assembly in May 1993.

It should be noted that the proposed regional budget is subject to adjustment when the Director-General has finalized his overall budgetary proposals in October 1992.

2. FORM OF PRESENTATION

The proposed programme budget has been presented in accordance with the classified list of programmes of the Eighth General Programme of Work.[1] The classified list comprises four broad interlinked categories: (1) Direction, coordination and management; (2) Health system infrastructure; (3) Health science and technology, subdivided into Health promotion and care and Disease prevention and control; and (4) Programme support.

The budget is presented in broad format. The countries also prepared detailed budgets which have been reviewed and will be used during implementation. The broad presentation is a summary of these details. The budgetary tables reflect the items to be funded under the regular budget as well as those expected to be funded from extrabudgetary resources, according to the available information at the time of the preparation of this proposed budget. For purposes of comparison, the approved regular budget for the biennium 1992-1993 is included.

3. CONTENTS

The Regional Director's programme statement on pages xvii to xx presents the highlights of WHO's proposed programme of cooperation in the Region during the biennium 1994-1995.

This is followed by various budgetary tables on pages 1 to 31 presenting: (1) a summary of the regional health programme: estimated obligations and sources of financing; (2) a summary by programme and source of funds; (3) a summary by programme and organizational level; (4) a summary of regular budget estimated obligations and analysis of increases and decreases by programme; and (5) a summary of the regular

[1] See Annex 7.

budget 1992-1993 and 1994-1995 by appropriation section, with percentages of the total.

The programme analyses are given on pages 35 to 212. Under each programme heading, there is a statement presenting the objective and targets for the period of the Eighth General Programme of Work (1990-1995), the progress made, and a description of the proposed programme activities for the biennium 1994-1995, including, where appropriate, information on major shifts in priorities or emphasis. This is followed by a short description of orientations currently foreseen for 1996-1997 and consequent significant real increases or decreases in budgetary terms. Each statement is supported by a summary budgetary table showing the estimated obligations at country, intercountry and regional level.

The programme analyses are followed by information annexes:

Annex 1 presents a budget summary of country activities.

Annex 2 presents the country or area programme statements. These comprise a description of the national health development situation, the proposed WHO collaborative health programme for 1994-1995, with an indication, if appropriate, of major shifts in priority or emphasis, a description of orientations currently foreseeen for 1996-1997 and consequent significant real increases or decreases in budgetary terms, followed by a budgetary table broken down by programme.

The estimates for the WHO Representatives' offices are shown under the country in which the office is located, under the programme heading "Managerial process for national health development". The cost of these offices is in addition to the basic country planning figure allocated by the Regional Director to each country.

Annex 3 presents a budget summary of the proposed intercountry activities.

Annex 4 gives a description of the intercountry activities which are in direct support to countries and areas.

Annex 5 presents a budget summary of the proposed regional activities.

Annex 6 gives a schedule of regional posts including those funded from other sources.

Annex 7 presents the classified list of programmes covering the period of the Eighth General Programme of Work.

4. FUNDING, COST FACTORS AND BUDGETARY CONCEPTS

Six regional priority areas which were endorsed by the Regional Committee have been given emphasis in this programme budget. They are development of human resources for health, strengthening management, environmental health, health promotion, the eradication of selected diseases, and the exchange of ideas and information. Emphasis has also been given to the five priority programme areas which the Director-General has stressed should have an increase in allocation in real terms by at least 5% when taken together. These are: managerial process for national health development (excluding provisions for WHO Representatives' offices), organization of health systems based on primary health care (for intensified health development in countries most in need), nutrition, promotion of environmental health, and disease prevention and control (for integrated disease control). The Director-General in his guidelines, has also requested that a cost increase of at least 11% be made for country activities; a 12% cost increase was actually made.

Rate of exchange

For those components which are payable in Philippine pesos, such as post adjustment allowance of professional staff stationed in the Regional Office, salaries and allowances of general service staff in Manila and common services items such as electricity, communications and local services, the exchange rate of ₱27.70 to US$1.00 is used which is the same as the rate used for the preparation of the 1992-1993 programme budget. This exchange rate is subject to review by the Director-General before the consolidated budget is finalized, taking into account the United Nations and WHO accounting rate of exchange prevailing in October 1992. This procedure was decided by the Director-General so that the same exchange rate for local currency expenditures is used, with no rate of exchange adjustments in regional programme budgets, thus allowing Regional Committees to focus more on programme and substance in reviewing the proposed allocations.

Proposed programme budget for 1994-1995

(a) Total regional allocation

The proposed regional programme budget for 1994-1995 comes to US$71 106 000, which is an increase of US$8 179 000 or 13% over the 1992-1993 approved budget of US$62 927 000. This increase of US$8 179 000 is entirely for cost increases. These figures are shown in Figure 1 below. It should be pointed out that although projected cost increases of most of the main components were expected to be higher than 13% over the biennium, the provision for inflation and statutory cost increases had to be contained within the cost increase ceilings established by the Director-General in consultation with the Programme Committee of the Executive Board.

While cost increases at the country level were fairly well covered, this was not fully possible at the level of regional and intercountry activities and the field offices.

FIGURE 1
DETERMINATION OF THE PROPOSED REGULAR BUDGET FOR THE WESTERN PACIFIC REGION FOR 1994-1995: THE 1992-1993 LEVEL PLUS (A) REAL INCREASE AND (B) COST INCREASES

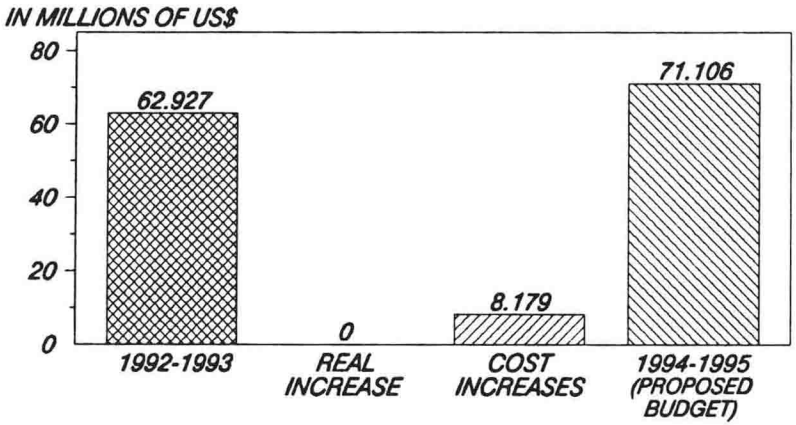
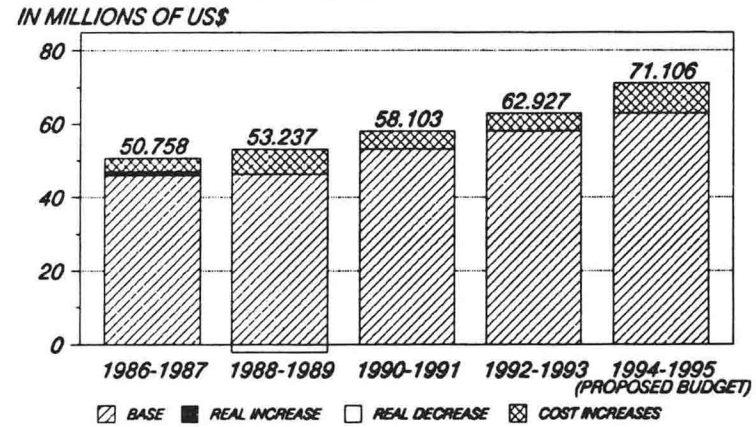


Figure 2 below shows the regional budgets from 1986-1987 to 1994-1995 showing programme increases and decreases and cost increases. It will be seen that although the budget has increased over this period in dollar terms, the increases were essentially to cover inflation. The last real increase was US$966 000 in 1986-1987, but in 1988-1989 there was a real decrease of US$2 185 000.

FIGURE 2
REGIONAL REGULAR BIENNIAL BUDGETS SHOWING PROGRAMME INCREASE/DECREASE AND COST INCREASES FROM 1986-1987 TO 1994-1995



(b) Allocation for country activities

The 1994-1995 country allocation of US$42 723 600, compared with US$37 075 100 in 1992-1993, reflects an increase of US$5 648 500 or 15.24%, which consists of a real increase of US$1 200 500 or 3.24% and a cost increase of US$4 448 000 or 12%. The real increase is due to the reestablishment of a WHO collaborative programme in Cambodia and the transfer of three intercountry professional posts to the country level. As

mentioned above, while cost increases at the country level were fairly well covered, it was not possible to do so for the field offices, which are underbudgeted by approximately US$1.7 million.

(c) Allocation for intercountry activities

Starting with the 1994-1995 programme budget, the regional and intercountry allocation has been classified into two separate levels. The regional advisers and their respective secretaries and other technical staff involved directly in technical cooperation activities who are stationed in Manila have been classified under this allocation in addition to other normal intercountry activities. For the purpose of comparison, the 1992-1993 budget was similarly reclassified. The 1994-1995 programme budget of US$18 818 600 shows a net increase of US$1 182 900 or 6.71% over the 1992-1993 budget of US$17 635 700. This is made up of a cost increase of US$2 364 400 or 13.41% and a real decrease of US$1 181 500 or 6.70% over the 1992-1993 budget. This real decrease is due mainly to the transfer of the three intercountry posts to the country level. Increases under priority programmes have been compensated by decreases in other programmes in order to stay within a zero real growth policy. The allocation is underbudgeted by approximately US$0.8 million which will have to be absorbed during implementation.

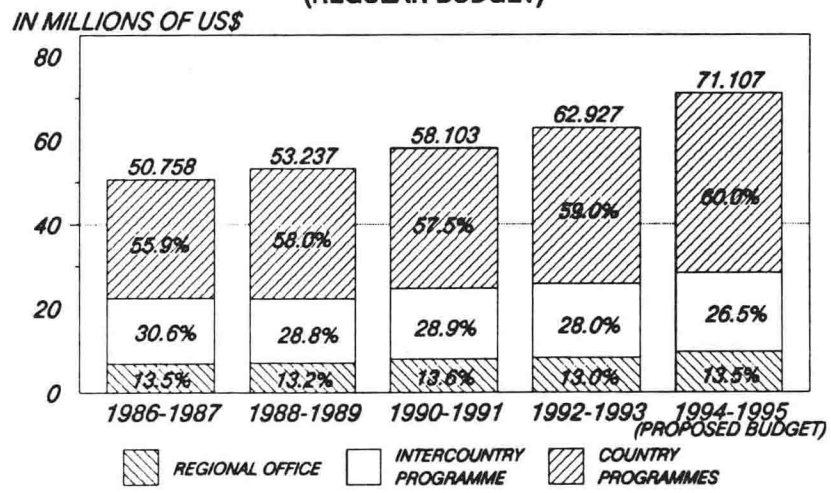
(d) Allocation for regional activities

The 1994-1995 allocation for the Regional Office covers the Regional Committee, the office of the Regional Director, the office of the Director, Programme Management and the Programme Directors, Health Information Support, including Health Literature and Publications, the Public Information Office, Informatics Management, the Support Services Programme including the Director and Common Services, and as required by the Director-General in his guidelines for 1994-1995, the Fellowship Unit. The 1992-1993 budget was reclassified to reflect the above change. The 1994-1995 programme budget of US$9 563 800 shows a net increase of US$1 347 600 or 16.40% over the 1992-1993 budget of US$8 216 200. This is made up mainly of a cost increase of US$1 366 600 or 16.63% over the 1992-1993 budget. The cost increase is expected to be higher, and the allocation is underbudgeted by about US$1.8 million which has to be absorbed during implementation.

Figure 3 below shows the evolution of the level of the country, intercountry and regional programmes from 1986-1987 to 1994-1995. It will be noted that the ratio of the country allocation to the regional and intercountry allocation has been increased in 1994-1995 to 60% of the total regional allocation from 59% in 1992-1993.

FIGURE 3

EVOLUTION OF THE LEVEL OF THE WESTERN PACIFIC BUDGET FOR COUNTRY AND INTERCOUNTRY PROGRAMMES AND FOR THE REGIONAL OFFICE FROM 1986-1987 TO 1994-1995 (REGULAR BUDGET)



Bearing in mind the need to make optimal use of scarce financial resources, cost projections and assumptions applied in this programme budget were very carefully formulated. The cost increases applied were based, to the greatest extent possible, on an analysis of actual expenditures incurred over the past bienniums, particularly 1988-1989 and 1990-1991, supplemented by official statistics and forecasts available at the time of preparation of the budget.

Though very conservative estimates of cost increase factors were used, it was not possible to include fully all such cost increases in view of the cost increase ceilings that had been established. Such cost increases, particularly at the regional and intercountry level and for field offices, will therefore have to be absorbed during implementation of the programmes and are estimated to be in the order of US$4.3 million. Specifically, the following steps were taken for the main components, with measures applied whenever possible to absorb at least part of the expenses during the implementation period.

(i) Salaries and allowances for professional staff in Manila

Three levels of averages were used for salaries and allowances of professional staff, i.e. level P1 to P3, P4 to P5, and P6 and above. Averages were first established by Headquarters, based primarily on the actual cost of staff in the previous four years, and cover salaries and statutory costs such as within-grade salary increases and other staff entitlements. These averages take into account anticipated delays in recruitment. The Regional Office then added to these averages the expected post adjustment component based on its best projections and the expected trend in inflation and other cost of living factors, including housing, in Manila. This came to a post adjustment multiplier of 30 but a post adjustment multiplier of 8 was used to stay within the cost ceiling. The remaining 22 multiplier points will have to be absorbed during implementation.

(ii) Salaries of the general service staff in Manila

For each grade in the general service staff category, an average was established based in local currency and the projected exchange rate of ₱27.70 to US$1.00 was applied. The cost averages for the biennium were developed taking into account the actual changes in the recent salary scales by grade as well as the current trends, and in accordance with local practice for salary surveys, projected through 1994-1995. This resulted in a projected cost increase of 32.5% but a cost increase of only 22.5% has been applied, to stay within the ceiling. The remaining 10% will have to be absorbed during implementation.

(iii) Supplies and equipment

The projected cost increase was arrived at by comparing the cost of supplies and equipment most commonly purchased for the countries of the Western Pacific Region between 1988 and 1991 and on the basis of projected cost increases of such supplies and equipment in 1992-1993 and 1994-1995, including shipping costs, and taking into account the movement of the US dollar against local currencies. Special attention was paid to cost increases in shipping, particularly with regard to Pacific island countries, as well as to figures for inflation from both within and outside the Region, wherever purchases are made. A maximum cost increase of 15% was applied, even though the cost of a number of items traditionally procured is projected to rise by more than this.

(iv) Fellowships

The actual requirements of fellows from the different countries in the Region and of their projected places of study were first estimated. These estimates were based on the actual placements of fellows confirmed during the past biennium. The current cost of air fares, stipends, tuition, book allowances and miscellaneous expenses plus projected cost increases of these items were then taken into account. The trends concerning places of study the fellows were likely to go to and the duration of their study time were also taken into account. The cost increase used was 14%, which is the same as the budgeted rate for 1992-1993.

(v) Consultants

Actual expenses incurred for consultants in the Region over the last and current bienniums, including the total man-months, were examined. An analysis was also made of the place of origin of the consultants because the cost of air fares is a major factor in the averages, especially for contracts of short duration. On the basis of these data, the average man-month cost in 1994-1995 was projected at US$10 000 but the average used was actually US$9000; the shortfall will have to be absorbed during implementation.

(vi) Common Services

The projected cost increase was arrived at by taking into account actual expenditures in the current biennium and projected trends for common service items, such as local services, communications, electricity and maintenance of the Regional Office, which are substantially based on the peso, and supplies and materials which are purchased abroad. Other elements taken into account included estimates of future inflation and cost trends for imported goods. The projected rate used for common services was 14% and contains an element of underbudgeting.

5. EXTRABUDGETARY RESOURCES

The proposed programme budget includes, as in previous years, all activities for which financing may reasonably be expected from extrabudgetary resources. The estimates for 1994-1995 compared with the latest available estimates for 1992-1993 now reflected in the budget document show a decrease of US$12.0 million. Nevertheless, it is expected on the basis of past experience that further resources will become available closer to and during the 1994-1995 biennium.

REGIONAL DIRECTOR'S PROGRAMME STATEMENT

1. Introduction

In my report to the Regional Committee on the Work of WHO in the Western Pacific Region[1], I mention three areas of change that we are increasingly aware of: the search for new ways to finance health services, the escalation of environmental health problems, and the rise of diseases related to lifestyle. The need to resolve problems in these areas is stressed again in the proposed programme budget for the period 1994-1995. Furthermore, we have taken a long, close look at what problems our Member States may expect to face in the remaining years of the century. As part of our efforts to eliminate selected target diseases, we are forging ahead with activities aimed at eradicating poliomyelitis from the Region by 1995, and have initiated measures to ensure that the workforce in place at that time will have the appropriate technical training to meet our needs. In addition, we will strive to strengthen the managerial capabilities of the health workforce in order to develop and implement health programmes more efficiently and effectively. These efforts will be further enhanced by closer partnership between Member States as they share their valuable experience and information on health and development in the Region.

It has become clear during the preparation of the programme budget for 1994-1995 that with a zero growth budget and cost increase ceilings which are consistently lower than the rate of inflation, we have fewer resources than ever available to us. This, together with the recently concluded second evaluation of the strategy of health for all, has made it clear that we must rethink our programmes in order to reach our targets.

The constraints outlined above, together with a steadily growing population, have made prioritization of programmes essential at all levels. At the same time, we have to be ready with contingency plans and alternative ways to maximize the effectiveness of our regular budget allocations.

I am pleased to note that our mutually supportive efforts have enabled us to apply common criteria for priority setting, and attain a real increase in programmes which are recognized as priorities at both regional and global level.

2. Priority areas for collaboration in 1994-1995

Health infrastructures throughout the Region must be prepared to meet the emerging health challenges of the 1990s and the twenty-first century. As the most critical component of health infrastructures, human resources must continue to receive priority attention in this biennium. Planning and management of the health workforce, using tools and methodologies developed in the previous biennium, will be emphasized.

Development and implementation of health promotion policies and practices will be stressed in the planning and execution of public information and communication strategies. Emphasis on the health promotion component of different programmes should lead to a gradual decline in ill-health attributed to changing lifestyles.

Socioeconomic development and industrial growth are making many positive contributions to health. However, they also have adverse effects especially with regard to air and water pollution. In addition, the rate of growth of many of our populations places an ever-increasing strain on diminishing resources. Safe water supplies and adequate sanitation, healthy urban environments, the judicious use and disposal of toxic chemicals, and safe, nutritious food are critical determinants of health. Thus, the protection and promotion of environmental health must be kept in mind when developing all our programmes.

Vigorous efforts are being made to accelerate the reduction of mortality and morbidity caused by various communicable diseases. These include activities aimed at containing the spread of HIV infection. High immunization coverage against the six target diseases as well as vaccination against hepatitis B, will be sustained. A systematic approach will be taken to eradicating poliomyelitis and eliminating neonatal tetanus in the Region, and

[1] Document WPR/RC43/2

leprosy in four South Pacific countries. Access to oral rehydration therapy for diarrhoeal diseases will be increased to 95%, and proper case management for acute respiratory infections to 80%.

3. Programme highlights

Findings of the second health-for-all strategy evaluation were taken into consideration in the preparation of programmes at all levels, and this is reflected in the country activities for the biennium.

The programme for the development of health systems will focus on the optimal use of management principles and methods to ensure adequate, effective and equitable availability of health services in all countries and areas. Particular attention will be given to issues of quality in health care. Thus information systems will be further developed to include parameters needed to implement quality assurance programmes in health systems.

Enhancement of management and technical capabilities at intermediate and peripheral health facilities will continue to be a major thrust. These efforts will further strengthen the partnership between health workers and communities in providing primary health care.

In the development of human resources for health, capabilities in planning and management of health personnel are expected to be strengthened by the application of new tools and methods, including improved human resource databases. Combined with the reorientation of training programmes and the use of improved educational strategies, the appropriate preparation of the health workforce for the new health challenges in the Region will be intensified during the biennium.

The programme on research promotion and development will continue to strengthen the required mechanisms to ensure efficient coordination and research management within each country. It will also collaborate in developing the infrastructure required to undertake priority health research.

The programme of general health protection and promotion includes nutrition, oral health, accident prevention and "tobacco or health". Continuing efforts will be made to decrease undernutrition and, more specifically, iodine deficiency disorders, xerophthalmia and nutritional anaemias. The oral health programme will further emphasize the area of preventive dentistry, especially in schoolchildren. In the accident prevention programme, efforts will focus on the development of national policies and programmes for traffic accident prevention, health education, emergency services and rehabilitation. The programme on reducing tobacco consumption will continue to receive increasing attention, with emphasis on national legislation, pricing policies and advertising. Public education and information against tobacco use will focus on vulnerable groups, especially adolescents.

The programme on protection and promotion of health for specific population groups includes maternal and child health, including family planning, adolescent health, human reproduction research, workers' health and health of the elderly. The maternal and child health programme will emphasize safe motherhood, quality care for women and children, and family planning. Activities will be combined with those on immunization, acute respiratory infections and diarrhoeal diseases. WHO's main focus will be on safe pregnancy and care during the perinatal period. National policy and programme development on issues relating to adolescent health will continue.

Workers' health programmes will emphasize the protection of workers in small-scale industries and agriculture, as well as training for occupational health personnel. The health of the elderly programme is expected to develop considerably as adequate data for policy formulation become available. Research will focus on the development of intervention programmes for the elderly. It is expected that awareness of national policy-makers and increasing emphasis on training will result in the development of model projects with community participation in the care of the elderly.

In the protection and promotion of mental health, WHO collaboration will be increasingly linked with other programme areas in order to gain due recognition for the role of psychosocial and behavioural factors in changing lifestyles. While supporting the development of national policies on mental health, the programme will also encourage the organization of national multidisciplinary coordinating groups on the development of mental health programmes. The monitoring of changes and trends in alcohol and drug-related problems needs further emphasis, and WHO will collaborate in the development of prevention programmes and in facilitating exchange of information between countries. Collaboration with related programmes, such as accident prevention and AIDS prevention and control in relation to alcohol and drug abuse, will be encouraged.

Within the area of environmental health, the development of more effective pollution control infrastructures continues to be a matter of high

priority. In this regard, special attention will be focused on particular high-profile environmental health issues, to maximize the impact of limited resources. While economic growth and development have contributed to improved health in the Region, they have also been accompanied by a more extensive use of potentially toxic chemicals. This has made it necessary to review the adequacy of existing regulatory mechanisms to ensure safety. It also increases the need for information and training on managing residual hazardous wastes effectively.

In many parts of the Region which have experienced significant economic growth, the adequacy of food supplies is no longer a major concern. In these areas, people now expect better and safer food, and increased attention is being focused on food safety issues. Greater concern is also evident over the quality of drinking water. Increased attention will be paid to improving sanitation practices and overall population coverage. Solid waste disposal issues will be emphasized, particularly in urban areas and small Pacific island countries. The integration of environmental health measures in development programmes will be promoted.

Diagnostic, therapeutic and rehabilitative technology provides important support for primary health care. Support will be provided for training laboratory and radiological personnel to improve and update diagnostic methods and quality assurance of programmes. Emphasis on the supply of safe blood and blood products and radiation protection will be continued.

Efforts will be made to enhance and rationalize national drug supply management. Emphasis will be placed on collaboration among countries in the Pacific and among ASEAN countries on drug quality assurance and the formulation of national drug policies. Also, drug information exchange will be enhanced through the establishment of the Western Pacific Regional Pharmaceutical Data Base. Member States will be encouraged to participate actively in the WHO Certification Scheme to ensure the quality of drugs.

WHO will continue to support the rational use of traditional medicine and its integration in the general health services in the countries where it is widely used. The development of traditional medicine will be promoted through training, research and information, particularly with regard to herbal medicine and acupuncture. Special attention will be paid to upgrading research capabilities and to developing standardized methodologies.

The expansion of community-based rehabilitation services and their integration with health care services will be emphasized.

In disease prevention and control, considerable progress has been made in combating some of the communicable diseases. High immunization coverage will be sustained and downward trends in disease incidence will continue. Activities will be increased to eradicate poliomyelitis and eliminate neonatal tetanus by 1995. Access to oral rehydration to treat diarrhoeal diseases will be increased from 80% to 95% and proper case management for acute respiratory diseases will be increased from 25% in 1992 to 80% by the end of 1995. Short-term chemotherapy for tuberculosis and multidrug therapy for leprosy will receive special attention. By 1995, leprosy will be eliminated from Cook Islands, Fiji, Samoa and Tonga. Though the number of HIV-infected and AIDS cases in this Region is low, it still poses a great challenge and therefore, greater efforts will be directed to containing its spread. Hepatitis B control through immunization will receive increasing support. Research on the development of effective vaccines for dengue fever, haemorrhagic fever with renal syndrome and Japanese encephalitis will receive increasing support. Laboratory strengthening for communicable diseases diagnosis will continue at a greater pace.

In most countries where it is endemic, malaria continues to dominate the efforts of health services in the Region. Problems of increasing parasite resistance to drugs, and higher morbidity and mortality from severe or complicated malaria mean that we cannot relax our efforts to control this disease. Training health personnel and encouraging community participation will remain the cornerstone of the programme. The introduction of new control strategies and measures, especially environmental, based on local epidemiological factors will be an important part of regular programme activities. Where possible, activities will be developed and coordinated with those of the vectorborne disease control and parasitic disease control undertakings.

Training programmes, as well as technical and logistic support, will be provided for the further development of schistosomiasis control programmes in the affected countries.

With respect to blindness and deafness, the focus will continue to be on developing primary eye care and reducing the backlog of curable blindness cases awaiting treatment. Training of eye care personnel will be supported.

Cancer prevention, early diagnosis, treatment and pain relief activities will continue. The improvement of cancer registries will continue to be supported.

The collaborative programmes in the Region will be improved by increased awareness of the importance of cardiovascular disease problems at the country level. WHO support will focus on prevention and control of coronary artery disease, stroke and hypertension. Community-based control programmes and health promotion efforts will be emphasized. In the Pacific islands particular attention will be given to the prevention and management of diabetes.

The health information support programme will continue to enhance national capabilities in the area of health literature and information services. The involvement of the national core groups and focal points will be further encouraged.

In the support programme, staff concerned with the general administration of regional activities in the fields of personnel, budget and finance, general services and supplies, though primarily providing support to technical operations, will be available upon request to work with Member States as needed.

4. Budgetary aspects

The proposed 1994-1995 regional programme budget amounts to US$71 106 000 of which US$42 723 600 or 60% has been allocated for country activities and US$28 382 400 or 40% for regional and intercountry activities. The corresponding percentages for 1992-1993 were 59% and 41%. The proposed regional budget for 1994-1995 represents a net increase of US$8 179 000 or 13% over the 1992-1993 approved budget of US$62 927 000. This entire increase is accounted for by cost increases. Section 4 of the Explanatory Notes on page ix gives further details and explanations on the funding, cost factors and budgetary principles used in drafting the 1994-1995 proposed programme budget.

The preparation of this budget was not easy. In the budgeting process we have had to determine measures to deal with the accumulated effects of past underbudgeting, as well as the low cost increases allowed for in relation to those expected. At the same time, we have strived to allocate an increased proportion of the regular budget to country activities, particularly in regional and global priority areas.

We have been able to provide for reasonable cost increases at the country level, but this has not been possible at the regional and intercountry level or at the level of the field offices. At the Regional Office and field offices a large component of the budget is staff costs and operating expenses. The Regional Office costs are underbudgeted by approximately US$1.8 million and the intercountry costs by US$0.8 million. The costs of the field offices are underbudgeted by approximately US$1.7 million. This means that the total proposed regional budget is underbudgeted by approximately US$4.3 million. During implementation, every effort will therefore have to be made to effect cost savings but I feel obliged to emphasize that cost absorption can only go so far.

By programme, the largest allocation under the proposed programme budget is for the development of human resources for health, followed by health systems development, disease prevention and control, organization of health systems based on primary health care, promotion of environmental health and WHO's general programme development and management.

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