EXECUTIVE COMMITTEE
OF THE
PAN AMERICAN HEALTH ORGANIZATION

61st MEETING
FINAL REPORT AND
PRECIS MINUTES
Washington, D. C.
23 June-1 July 1969

60th MEETING
PRECIS MINUTES AND FINAL REPORT
Buenos Aires, Argentina
25 October 1968

PAN AMERICAN HEALTH ORGANIZATION
Pan American Sanitary Bureau, Regional Office of the
WORLD HEALTH ORGANIZATION
1969
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OF THE
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Official Document No. 96
September 1969

PAN AMERICAN HEALTH ORGANIZATION
Pan American Sanitary Bureau, Regional Office of the
WORLD HEALTH ORGANIZATION
525 Twenty-third Street, N.W.
Washington, D. C. 20037, U.S.A.
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The 61st Meeting of the Executive Committee of the Pan American Health Organization was held at the Headquarters Building in Washington, D. C., from 23 June to 1 July 1969, as convened by the Director of the Pan American Sanitary Bureau.

The following members of the Committee, observers, and officials of the Bureau attended the Meeting:

**Members:**

- Dr. Alberto F. Mondet
- Dr. Victorio Vicente Olguín
- Dr. Murillo B. Belchior
- Dr. David Bersh Escobar
- Dr. Manuel Angel Cortés Vargas
- Dr. Álvaro Yglesias Vieto
- Dr. Pedro Daniel Martínez
- Dr. Ramón Álvarez Gutiérrez
- Dr. Orontes Avilés
- Dr. Mervyn U. Henry
- Dr. Benjamin D. Blood
- Dr. Léo J. Gehrig
- Dr. David Frost
- Miss Julie Ann McGrath
- Mr. Edward B. Rosenthal
- Mr. Simon Wilson
- Dr. Abelardo Sáenz Sanguinetti

**Secretary ex officio:**

- Dr. Abraham Horwitz, Director

**Observers:**

- Mr. Henri B. de Coignac
- Mr. Corneille W. J. Jonckheer
- Mr. Hans E. Mathon

**Intergovernmental Organizations**

**Organization of American States:**

- Mr. José A. Tijerino
- Mr. Beryl Frank
- Mrs. Alzora Eldridge

**Inter-American Development Bank:**

- Mr. Humberto Olivero
Nongovernmental Organizations

_The Rockefeller Foundation:_
Dr. Guy S. Hayes

_Advisers to the Director of the Pan American Sanitary Bureau_

Dr. Charles L. Williams, Jr., Deputy Director
Dr. Alfredo Arreaza Guzmán, Assistant Director
Mr. Clarence H. Moore, Acting Chief of Administration
Dr. Alfredo N. Bica, Chief, Department of Communicable Diseases
Dr. Alfredo L. Bravo, Chief, Department of Medical Care Administration
Mr. Earl D. Brooks, Chief, Department of Management and Personnel
Dr. Héctor Coll, Chief, Office of Special Programs Promotion
Dr. Carlos Díaz Coller, Chief, Department of Scientific and Public Communications
Dr. Abraham Drobný, Chief, Department of Health Services
Dr. José Luis García Gutiérrez, Chief, Department of Special Technical Services
Dr. Guzmán García Martin, Chief, Department of Malaria Eradication
Dr. Mark D. Hollis, Chief, Department of Environmental Sciences and Engineering
Dr. Alfredo Lynch, Chief, Department of Coordination with International Organizations
Dr. Mauricio Martins da Silva, Chief, Department of Research Development and Coordination
Dr. Ruth R. Puffer, Chief, Department of Health Statistics
Dr. Raúl Vera, Chief, Department of Evaluation
Dr. Ramón Villarreal, Chief, Department of Human Resources Development

_Institute of Nutrition of Central America and Panama:_
Dr. Moisés Béhar, Director

_Choice, Secretariat Services:_
Mr. Luis Larrea Alba, Jr., Chief, Personnel and Conference Section

_OFFICERS_

In accordance with Rule 9 of the Rules of Procedure, as amended by the Committee at its first plenary session, the Officers of the Committee were as follows:

**Chairman:**
Dr. Orontes Avilés
Nicaragua

**Vice-Chairman:**
Dr. Benjamin D. Blood
United States of America

**Rapporteur:**
Dr. Manuel Angel Cortés Vargas
Costa Rica

**Secretary ex officio:**
Dr. Abraham Horwitz
Director, Pan American Sanitary Bureau

_AGENDA_

At the first plenary session held on 23 June 1969, the agenda contained in Document CE61/1, Rev. 2, was approved.
SESSIONS

The Committee held twelve plenary sessions, and a closing session. Eight sessions were devoted to a detailed and exhaustive examination of the proposed program and budget estimates of the Organization, prepared by the Director pursuant to Article 14-C of the Constitution. The discussions covered, in addition to budgetary items, specific projects and general questions relating to the policy and program of the Organization. In this task the Committee was assisted by the Director and the technical staff of the Bureau.

WORKING PARTIES

Two working parties were established. The first, entrusted with the preparation of draft resolutions on Proposed Criteria for Programs of the Pan American Health Organization and Proposed Criteria for Multinational Centers, was composed of the following representatives: Dr. Alberto F. Mondet (Argentina); Dr. David Bersh Escobar (Colombia); Dr. Manuel Angel Cortés Vargas (Costa Rica), Rapporteur of the Executive Committee; and Dr. Pedro Daniel Martínez (Mexico).

The second working party was entrusted with the preparation of a draft resolution on Item 6 (Proposed Program and Budget Estimates of the Pan American Health Organization for 1970) and was composed of the following representatives: Dr. Murillo B. Belchior (Brazil); Dr. Manuel Angel Cortés Vargas (Costa Rica), Rapporteur of the Executive Committee; Dr. Mervyn U. Henry (Trinidad and Tobago); and Dr. Benjamin D. Blood (United States of America).

RESOLUTIONS APPROVED

In the course of the meeting the Committee approved the following resolutions:

Resolution 1

Rules of Procedure of the Governing Bodies of the Pan American Health Organization

THE EXECUTIVE COMMITTEE,

Having considered the report of the Director (Document CE61/11), prepared in implementation of Resolution XV of the XVIII Meeting of the Directing Council;

Believing that the changes proposed in Document CE61/11 will facilitate the conduct of business of the meetings of the Governing Bodies of the Organization; and


RESOLVES:

1. To approve the changes in the Rules of Procedure of the Executive Committee as they appear in Document CE61/11 (Annex I).
2. To transmit to the XIX Meeting of the Directing Council Document CE61/11 and to recommend its favorable consideration of the proposed changes in the Rules of Procedure of the Directing Council (Annex II); and, if it considers it appropriate, that it recommend to the XVIII Pan American Sanitary Conference that it adopt the proposed changes to the Rules of Procedure of the Conference (Annex III).

(Approved at the first plenary session, 23 June 1969)
Resolution II

Date of the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of WHO for the Americas

THE EXECUTIVE COMMITTEE,

Having considered the report submitted by the Director of the Bureau (Document CE61/6) on the date of the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of the World Health Organization for the Americas,

RESOLVES:

1. To take note of the report submitted by the Director (Document CE61/6) on the date for the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of the World Health Organization for the Americas.

2. To authorize the Director to convene the Council to meet this year in Washington, D.C. from 29 September to 10 October.

(Approved at the third plenary session, 24 June 1969)

Resolution III

Provisional Agenda for the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of WHO for the Americas

THE EXECUTIVE COMMITTEE,

Having examined the provisional agenda (Document CD19/1) prepared by the Director of the Bureau for the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of the World Health Organization for the Americas; and

Considering that Article 12-C of the Constitution provides that "the provisional agenda of the Council shall be prepared by the Director of the Bureau and submitted to the Executive Committee for approval," and that, pursuant to the provisions in force, the Governments may propose items which in their opinion should be considered by the Council,

RESOLVES:

1. To approve the provisional agenda prepared by the Director (Document CD19/1) for the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of the World Health Organization for the Americas.

2. To authorize the Director to include in the provisional agenda such additional items as may be proposed in due time by the Governments and by those organizations entitled to propose agenda items.

(Approved at the third plenary session, 24 June 1969)
Resolution IV

Financing of the Health Sector

(Proposed Topic Outline)

THE EXECUTIVE COMMITTEE,

Having considered the report of the Director (Document CE61/16) on the outline of the working document for the Technical Discussions to be held at the XIX Meeting of the Directing Council on the subject “Financing of the Health Sector”; and

Considering that the above-mentioned outline includes all the points recommended by the Governments at the XVIII Meeting of the Directing Council,

RESOLVES:

1. To approve the proposed outline.
2. To instruct the Director to prepare the working document for the Technical Discussions at the above-mentioned meeting of the Directing Council in accordance with the proposed outline, taking into account the suggestions made by the representatives during the discussion of the item.

(Approved at the third plenary session,
24 June 1969)

Resolution V

Representation of the Executive Committee at the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of WHO for the Americas

THE EXECUTIVE COMMITTEE,

Considering the provisions of Rule 14 of the Rules of Procedure of the Executive Committee approved by Resolution I at this Meeting,

RESOLVES:

To appoint the Rapporteur, Dr. Manuel Angel Cortés Vargas, as the alternate representative of the Executive Committee at the XIX Meeting of the Directing Council in the event that Dr. Orontes Avilés, the Chairman, is unable to attend.

(Approved at the third plenary session,
24 June 1969)
Resolution VI

Report on the Collection of Quota Contributions

THE EXECUTIVE COMMITTEE,

Having considered the report of the Director on the collection of quota contributions (Document CE61/10);

Having noted the information and comments on quotas contained in the Financial Report of the Director, especially with respect to Member Governments in arrears more than two years; and

Bearing in mind the importance, for the financing of the program of work of the Organization, of the prompt and full payment of the quota contributions for which provision is made in Article 24 of the Constitution of the Pan American Health Organization,

RESOLVES:

1. To take note of the report on the collection of quota contributions (Document CE61/10 and Addendum I).

2. To thank the Governments and the Director for the efforts made in 1968 to solve the problem of quotas in arrears and to increase the percentage of the current quotas paid.

3. To request the Director to continue to submit full reports to the Governments on the status of the collection of quotas and to bring to the attention of the Directing Council the concern of the Executive Committee about the consequences that failure to pay them has on the execution of the PAHO program.

4. To recommend to the Governments whose quotas are in arrears that they pay them as soon as possible and those whose quotas are two or more years in arrears, that they fulfill their financial plans for the payment of those arrears within a definite period.

(Approved at the fourth plenary session, 24 June 1969)

Resolution VII


THE EXECUTIVE COMMITTEE,

Having examined the Financial Report of the Director and the Report of the External Auditor for the fiscal year 1968 (Official Document 91);

Recognizing that the Organization continues to be in sound financial condition;

Noting that compared with 1967 the percentage of quota collections was about equal for current quotas but higher for arrears, thereby increasing the level of the Working Capital Fund and the reserves for termination costs;

Noting that, despite the high percentage collection, the number of Governments in arrears more than two years had increased to seven when on 31 December the unpaid quotas for 1968 became classified as "arrears"; and
Observing that the expenditures for the program of work of the Organization recommended in the authorized budget for 1968 are necessary to improve the health of the people of the Americas and to promote economic and social development,

RESOLVES:


2. To commend the Director for having achieved and maintained a sound financial condition through the consistent application over the years of the policies for maintaining budgetary expenditures within income, building up the Working Capital Fund, and creating reserves for termination costs.

3. To thank the External Auditor for submitting, in accordance with the provisions of Article 12.6 of the Financial Regulations, the necessary and appropriate observations with respect to the efficiency of the administrative, financial, and accounting procedures and controls.

(Approved at the sixth plenary session, 25 June 1969)

Resolution VIII

Study of the Preparation of Drugs and Biological Products, Production and Maintenance of Equipment and Instruments for Health Programs

THE EXECUTIVE COMMITTEE,

Considering the heavy financial burden on the economy of the countries of the importation of equipment, instruments, and other necessary elements for the efficient conduct of health programs; and

Bearing in mind that it is desirable to encourage, with the support of national and international financial institutions, the national production of specialized equipment and instruments so as to improve their quality and reduce their cost and thereby strengthen the national economies and alleviate balance of payments problems,

RESOLVES:

1. To request the Director to examine the feasibility of a project designed to assist the countries in appraising their capacity to prepare drugs and biological products and to produce and maintain equipment, instruments, and other necessary elements for the efficient conduct of health programs as well as in determining the import and export of those products and their repercussions on the national economy.

2. To request the Director to prepare an estimate of the resources required to carry out the above-mentioned study and to submit his conclusions to the Directing Council.

(Approved at the seventh plenary session, 26 June 1969)
Resolution IX

Aedes aegypti Eradication

THE EXECUTIVE COMMITTEE,

Recalling that in 1947 the countries of the Americas pledged themselves to take the necessary measures to eradicate Aedes aegypti from the Hemisphere, which pledge was subsequently confirmed at the XVII Meeting of the Directing Council;

Recognizing that the reinestation of countries that have already eradicated the vector, on several occasions, is a serious threat to health and occasions heavy financial losses;

Having been informed that two countries have decided to suspend their eradication programs for financial reasons, thereby increasing the risk of reinestation of neighboring countries,

RESOLVES:

1. To bring to the attention of the Directing Council the seriousness of this situation for the health of the people of the Hemisphere.

2. To request the Director to draw to the attention of the Governments that have suspended their eradication programs the serious consequences of that decision for the remainder of the Hemisphere and to request them to reconsider their decision for the sake of hemispheric health.

3. To recommend to the health authorities of the countries conducting A. aegypti eradication programs that they take such measures as may be necessary to achieve that goal with the shortest possible delay.

4. To emphasize the need for countries that have eradicated A. aegypti to strengthen their surveillance services so as to ensure the early detection of any focus that may arise.

5. To request the Director to keep the Governing Bodies informed of the progress of his negotiations and of the development of Aedes aegypti eradication programs.

(Approved at the seventh plenary session,
26 June 1969)

Resolution X

Fluoridation of Public Water Supplies

THE EXECUTIVE COMMITTEE,

Recalling that an exhaustive examination of dental problems in the Americas was made at the XV Meeting of the PAHO Directing Council, held in Mexico City in 1964; and

Noting that that meeting recognized the importance of the fluoridation of public water supplies in reducing problems caused by dental caries and that the Council approved Resolution XXIII instructing the Pan American Sanitary Bureau to promote fluoridation programs in the Hemisphere,
RESOLVES:

1. To recommend to the Director that he prepare a report on the present status of the program including its financing by countries that are adding fluoride to public water supplies.

2. To recommend to the Directing Council that it include an item on this subject in the agenda of its next meeting.

(Approved at the eighth plenary session, 26 June 1969)

Resolution XI
Smallpox Eradication

THE EXECUTIVE COMMITTEE,

Cognizant of the status of the smallpox eradication campaign in the Americas; and

Considering that as long as endemic foci persist in the Hemisphere the disease continues to be a serious problem,

RESOLVES:

1. To recommend to the countries that have not yet completed their smallpox eradication campaigns that they adopt measures to ensure the successful completion of those campaigns with the shortest possible delay.

2. To urge the Governments of the countries in which smallpox has already been eradicated to intensify their efforts to raise the level of immunity of the population and to make provision, inter alia, for adequate epidemiological surveillance services capable of detecting and promptly controlling any outbreak of the disease.

(Approved at the eighth plenary session, 26 June 1969)

Resolution XII
Proposed Criteria for Multinational Centers

THE EXECUTIVE COMMITTEE,

Considering that at present there are a number of multinational centers in the Americas to the financing of which a considerable amount of the funds of the Organization is allotted; and

Noting that the countries in which these multinational centers are situated benefit more directly than others from the advisory, training, and research activities carried out in them,

RESOLVES:

1. To recommend to the Directing Council that it request the Director of the Bureau to appoint a study group to draft criteria governing the establishment and operation of centers and programs
intended for several countries and sponsored by the Organization, taking into account the views expressed by members of the Committee.

2. To recommend to the study group that in drawing up these criteria they take the following aspects into consideration: (a) the proportion of the funds contributed to the project by the Host Government and the Organization; (b) the duration of the Organization's assistance; (c) the implications of the project for similar programs at the national level; and (d) approval by the Directing Council or the Conference.

3. To recommend that the proposed criteria be submitted to the 64th Meeting of the Executive Committee.

(Approved at the tenth plenary session, 27 June 1969)

Resolution XIII

Proposed Criteria for the Programs of the Pan American Health Organization

THE EXECUTIVE COMMITTEE,

Considering that the projects and programs of the Organization should always have well-defined goals to be achieved within specified time periods;

Taking into account that many programs included in the provisional draft of the budget estimates of the Organization have been in operation for some time; and

Noting that it is essential to establish criteria that will enable the Governments and the Organization to evaluate the usefulness of the programs in which they are collaborating,

RESOLVES:

To request the Directing Council to instruct the Director to prepare a report, if necessary with the assistance of consultants, to be examined by the 64th Meeting of the Executive Committee, containing criteria for ensuring that all projects are given specified targets and are established for specified periods and have built into them a system of evaluation to ensure that they are discontinued when no longer necessary.

(Approved at the tenth plenary session, 27 June 1969)

Resolution XIV

Long-Term Planning and Evaluation

THE EXECUTIVE COMMITTEE,

Having considered the report of the Director of the Bureau (Document CE61/14), prepared in implementation of Resolution XIX of the XVIII Meeting of the Directing Council;

Considering that in this way Resolution WHA21.49 of the Twenty-first World Health Assembly is being fulfilled; and
Seeing that efforts have been made to coordinate the assistance plans and programs of the Organization with those of other agencies of the Inter-American System promoting economic and social development activities in the Hemisphere,

RESOLVES:

1. To take note of the report of the Director of the Bureau (Document CE61/14) on the planning and evaluation of the work of the Organization and to request him to send it to the Governments for study by the competent authorities so that they may make such suggestions as they deem pertinent.

2. To recommend to the XIX Meeting of the Directing Council that, having taken into account the recommendations of the Governments, it approve the above-mentioned report.

3. To request the Directing Council to urge the countries to collaborate with the Bureau in implementing the proposed long-term planning procedure.

4. To recommend to the Director that he continue the activities designed to strengthen and increase the coordination of health plans with the activities of the Organization and those of agencies of the Inter-American System fostering economic and social development activities.

5. To instruct the Director to submit to the 64th Meeting of the Executive Committee a progress report on planning in the Americas.

(Approved at the eleventh plenary session, 30 June 1969)

Resolution XV

Health Legislation

THE EXECUTIVE COMMITTEE,

Having considered the preliminary report of the Director (Document CE61/4) on the steps taken to implement the recommendation contained in Chapter XIII of the Final Report of the Special Meeting of Ministers of Health of the Americas, that studies be made of the health legislation of the countries and of the Pan American Sanitary Code,

RESOLVES:

1. To take note of the report of the Director (Document CE61/4).

2. To urge the Director to continue the comparative study of health legislation in the Americas and the analysis and review of the Pan American Sanitary Code and to submit them to the 64th Meeting of the Executive Committee.

3. To request the Directing Council that it invite the Member Countries to provide such assistance as may be necessary in carrying out the above-mentioned studies.

(Approved at the eleventh plenary session, 30 June 1969)
Resolution XVI

Amendments to the Staff Rules of the Pan American Sanitary Bureau

THE EXECUTIVE COMMITTEE,

Having as members confirmed the proposed amendment to Staff Rule 230.4;
Having been informed that the Director of the Bureau put the new schedule of annual salaries into effect as of 1 January 1969;
Having considered the other amendments to the Staff Rules of the Pan American Sanitary Bureau contained in the Annex to Document CE61/8 submitted by the Director; and
Bearing in mind the provisions of Staff Rule 030,

RESOLVES:

1. To note the implementation, effective 1 January 1969, of the amendments to Staff Rules 230.4 and 235 of the Pan American Sanitary Bureau which are included in the Annex to Document CE61/8.
2. To approve the other amendments to the Staff Rules of the Pan American Sanitary Bureau, submitted by the Director in the Annex to Document CE61/8, to be effective 1 January 1969.

(Approved at the eleventh plenary session, 30 June 1969)

Resolution XVII

Salaries of the Deputy Director and Assistant Director of the Pan American Sanitary Bureau

THE EXECUTIVE COMMITTEE,

Having considered that the salaries of the Deputy Director and Assistant Director warrant adjustment comparable to those approved for posts in grades P.1 through D.2; and
Bearing in mind Staff Regulation 3.1 and Staff Rule 230.3 of the Pan American Sanitary Bureau,

RESOLVES:

To approve the proposal of the Director fixing the salary of the Deputy Director at $22,723 per annum and that of the Assistant Director at $21,723 per annum, effective from 1 January 1969.

(Approved at the eleventh plenary session, 30 June 1969)
Resolution XVIII

Transfer of Funds from Part V to Other Parts of the PAHO Regular Budget for 1969

THE EXECUTIVE COMMITTEE,

Having as members confirmed the proposed amendment to Staff Rule 230.4;

Considering that it is desirable to meet the increased costs arising from the Staff Rules changes included in Document CE61/8 from within the authorized budget level; and

Believing that utilization for this purpose of funds from Part V of the budget intended for the Working Capital Fund would not endanger the financial position of the Organization,

RESOLVES:

To authorize the Director to transfer a maximum of $300,000 from Part V to other parts of the PAHO regular budget for 1969, as necessary, to meet the above-mentioned additional personnel costs.

(Approved at the eleventh plenary session, 30 June 1969)

Resolution XIX

Proposed Program and Budget of the Pan American Health Organization for 1970

THE EXECUTIVE COMMITTEE,

Having studied in detail the provisional draft of the Proposed Program and Budget of the Pan American Health Organization for 1970 (Official Document 85) and the modifications thereto appearing in Document CE61/5 prepared by the Director;

Recalling that the XVIII Meeting of the Directing Council of the Pan American Health Organization in Resolution XI instructed the Committee to submit its recommendations thereon to the XIX Meeting of the Directing Council;

Considering that the programs in the aforementioned documents are soundly conceived and much-needed public health projects;

Recalling, nevertheless, the need for fiscal restraint and financial prudence at a time when the budgets of all international organizations are increasing, thus placing heavy monetary drains on Member Governments, many of which also face internal budgetary problems and balance of payments difficulties;

Recognizing that the program and budget for the Pan American Health Organization for 1970 must be considered within the context of the requirements of all international organizations designed to help the Governments to raise the level of well-being of their own people and of mankind;

Acknowledging that the Director, with his broad overview of the operations and particularly those of a multinational or regional nature is in the best position to determine where program and budget modifications may be most judiciously made; and

Bearing in mind Article 14-C of the PAHO Constitution and Financial Regulations 3.5 and 3.6,
RESOLVES:

1. To commend for favorable consideration of the XIX Meeting of the Directing Council a proposed program and budget for the Pan American Health Organization for 1970 at a level of no more than $13,852,119, which represents an increase of 10 per cent over the level for 1969.

2. To suggest that the Director report to the XIX Meeting of the Directing Council where the program and budget should be modified to sustain a program and budget level of no more than $13,852,119 for 1970.

3. To recommend to the Director that in complying with paragraphs 1 and 2 he give particular attention to: (a) reducing the amount of the transfer to the Working Capital Fund from the proposed $330,000 to $150,000, or less; (b) absorbing fully the increased costs of the salary and educational allowance increases by program adjustments; and (c) utilizing savings that accrue normally from lapses and delays in the initiation and implementation of projects and programs.

4. To leave to the discretion of the Director the postponement of the initiation of projects of a lower priority.

5. To recommend to the Director that he give particular attention to possible reductions in intercountry projects.

(Approved at the twelfth plenary session, 30 June 1969)

Resolution XX

PAHO Award for Administration

THE EXECUTIVE COMMITTEE,

Recognizing with appreciation the desire expressed by Dr. Stuart Portner, former Chief of Administration of the Pan American Sanitary Bureau, that the honoraria for his services as a member of the Committee of Experts for the Study of Administrative and Financial Procedures of the Pan American Union be used to promote better administrative management in the field of health; and

Bearing in mind the importance of encouraging a high standard of competence in the administration of health services,

RESOLVES:

1. To express its thanks to Dr. Stuart Portner for this contribution to the improvement of administrative management in health services.

2. To establish as from 1969 an annual award in the amount of $400 to be known as the “PAHO Award for Administration.”

3. To authorize the Director to appoint a committee of not less than three and not more than five members to establish the conditions of the award and to select the recipient(s) each year; and to determine the qualifications and terms of office of the committee members.

4. To request the Director to make an annual report to the Executive Committee on the award(s) made.

(Approved at the twelfth plenary session, 30 June 1969)
Resolution XXI

Purchase of Property

THE EXECUTIVE COMMITTEE,

Seeing that there is a possibility of purchasing a property near the present Headquarters Building (Document CE61/13, Addendum I);

Considering the financial advantages and the timing of this purchase, which does not involve budgetary expenditure or call for financial authorization; and

Bearing in mind that with that building it would be possible to satisfy future needs for space, the use of which will have to be duly considered and approved by the Governing Bodies of the Organization,

RESOLVES:

To express its agreement with the purchase of the property on the terms proposed (Document CE61/13, Addendum I).

Approved at the twelfth plenary session, 30 June 1969

Resolution XXII

Use of the Resources of the World Food Program for Health Programs

THE EXECUTIVE COMMITTEE,

Having considered the preliminary report on “Use of the Resources of the World Food Program (WFP) for Health Programs” (Document CE61/17, Rev. 1); and

Bearing in mind that although the contribution of that Program to the health sector is already of great importance, it can be considerably increased,

RESOLVES:

1. To recommend to the XIX Meeting of the Directing Council that it take note of the preliminary report of the Director of the Bureau on the use of the resources of the World Food Program for health programs.

2. To urge the Directing Council to recommend to the Director, that he continue to promote the use of the World Food Program along the lines set forth in the working document, taking into consideration the views expressed by members of the Committee during the discussion of the item and that he report the results obtained in due course.

Approved at the twelfth plenary session, 30 June 1969
Resolution XXIII

Within-Country Fellowships

THE EXECUTIVE COMMITTEE,

Considering that the PAHO fellowship program has been and still is of great importance for the programs of the Organization;

Bearing in mind that the award of a fellowship for training in the country of the person to whom it is awarded is, under special well-defined conditions, an advantage to him, in that he will receive training in an environment more similar to that in which he will practice;

Mindful that the award of within-country fellowships is a means of making better use of the personnel-training resources in the countries themselves; and

Seeing that the criteria for the award of within-country fellowships set forth in Document CE61/2 are adequate,

RESOLVES:

1. To approve the criteria for the award of within-country fellowships set forth in Document CE61/2.

2. To request the Director to forward the above-mentioned criteria to the Governments of PAHO, together with the current PAHO/WHO fellowship regulations, and to ask them for comments for inclusion in the decision of this Executive Committee that will be submitted to the XIX Meeting of the Directing Council.

(Approved at the twelfth plenary session, 30 June 1969)

Resolution XXIV

Special Fund for Health Promotion

THE EXECUTIVE COMMITTEE,

Having studied the information in Document CE61/15 on the Special Fund for Health Promotion; and

Recognizing the desirability of augmenting the size and scope of the Fund, with the objective of further strengthening the health programs of the Americas,

RESOLVES:

1. To commend the Director for the care and efficiency with which he has managed the Fund.

2. To recommend to the XIX Meeting of the Directing Council that it give consideration to the expansion and augmentation of the Fund along the following lines:

   a. Expansion of the program of the Fund beyond its present fields, to cover any other authorized health activities of the Organization.
b. Augmentation of the resources of the Fund in the following ways:

(1) By increasing the amount of regular budget contribution to the Special Fund for Health Promotion (Part IV) in years when the budgetary situation will permit.

(2) By transferring to the Special Fund for Health Promotion, with the approval of the Directing Council, any surplus which may occur and which is not required to maintain the Working Capital Fund at an adequate level.

(3) By requesting the Director to seek extrabudgetary sources of funds including voluntary contributions from public and private agencies.

(Approved at the twelfth plenary session, 30 June 1969)

Resolution XXV

Objectives, Functions, and Financing of the Institute of Nutrition of Central America and Panama

THE EXECUTIVE COMMITTEE,

Recognizing that nutrition has a high priority in national health services in the Hemisphere;

Considering that there is a gradual increase in the demand for improved health, in particular for specialized nutrition and consultation services as well as for applied research in this field;

Considering that over the years the Institute of Nutrition of Central America and Panama (INCAP) has gained excellent experience in providing needed nutrition services both in Central America and in the rest of the Hemisphere; and

Acknowledging that the needs of INCAP must be considered within the over-all nutrition program of the Americas and the total resources available to support that program,

RESOLVES:

1. To recommend to the Directing Council that it instruct the Director to provide INCAP with assistance in reorganizing its structure and in reorientating its present programs in order to better meet the needs of present INCAP members and other countries interested in its services.

2. To recommend that Member States of PAHO give favorable consideration to becoming members of INCAP, and to request the Director to communicate with each PAHO Member State inviting it to membership in INCAP.

3. To recommend that the Director continue to seek funds for INCAP from its traditional sources, including the grant currently budgeted from 1970 from the PAHO regular budget.

4. To recommend that the INCAP program and budget be adjusted to coincide with estimated resources.

(Approved at the twelfth plenary session, 30 June 1969)
Resolution XXVI
62nd Meeting of the Executive Committee of the
Pan American Health Organization

THE EXECUTIVE COMMITTEE,

Considering that prior to the Meeting of the Directing Council it will be necessary for the Executive Committee to review the Proposed Program and Budget of the World Health Organization for the Region of the Americas for 1971, and the Provisional Draft of the Proposed Program and Budget for the Pan American Health Organization for 1971,

RESOLVES:

To authorize the Director of the Bureau to convene a meeting of the Executive Committee to be held on Friday 26 and Saturday 27 September 1969, immediately prior to the XIX Meeting of the Directing Council.

(Approved at the twelfth plenary session,
30 June 1969)

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

DONE in Washington, D. C., United States of America, this first day of July, nineteen hundred and sixty-nine. The Secretary shall deposit the original texts in the archives of the Pan American Sanitary Bureau and shall send copies thereof to the Governments of the Organization.

Orontes Avilés
Chairman of the 61st Meeting of the Executive Committee,
Representative of Nicaragua

Abraham Horwitz
Director of the Pan American Sanitary Bureau,
Secretary ex officio of the Executive Committee
FIRST PLENARY SESSION

Monday, 23 June 1969, at 9:35 a.m.

Chairman: Dr. Orontes Avilés (Nicaragua)

Item 1: Opening of the Meeting

The Chairman opened the session and extended a cordial welcome to the representatives, observers, and other participants in the meeting.

Item 2: Adoption of the Agenda

The Chairman submitted the provisional agenda to the Committee for consideration and suggested that the items relating to the Directing Council, Items 14, 3, 7, 18, and 8, be taken up first.

Decision: The provisional agenda contained in Document CE61/1, Rev. 2 was unanimously adopted, taking into account the suggestion of the Chairman.

Item 14: Review of the Rules of Procedure of the Governing Bodies of the Pan American Health Organization

Dr. Williams (Deputy Director, PASB) presented Document CE61/11 on the item which had been prepared pursuant to Resolution XV of the XVIII Meeting of the Directing Council. The annex to that document contained the Rules of Procedure of the Governing Bodies and had been arranged to show the current text and the proposed text, and gave a full explanation of the changes to be introduced.

Dr. Blood (United States of America) found the proposed changes, which covered a number of points he had in mind, to be excellent. The Government of his country would support the proposed resolution.

Dr. Arreaza Guzmán (Assistant Director, PASB) read the following draft resolution:

The Executive Committee,

Having considered the report of the Director (Document CE61/11), prepared in implementation of Resolution XV of the XVIII Meeting of the Directing Council;

Believing that the changes proposed in Document CE61/11 will facilitate the conduct of business of the meetings of the Governing Bodies of the Organization; and


Resolves:

1. To approve the changes in the Rules of Procedure of the Executive Committee as they appear in Document CE61/11 (Annex I).
2. To transmit to the XIX Meeting of the Directing Council Document CE61/11 and to recommend its favorable consideration of the proposed changes in the Rules of Procedure of the Directing Council (Annex II); and if it considers it appropriate, that it recommend to the XVIII Pan American Sanitary Conference that it adopt the proposed changes to the Rules of Procedure of the Conference (Annex III).

Decision: The proposed resolution was unanimously approved.

The Chairman pointed out that the changes in the Rules of Procedure of the Executive Committee called for the appointment of a Rapporteur. He proposed Dr. Manuel Angel Cortés Vargas of Costa Rica for the post.
Dr. Mondet (Argentina) and Dr. Sáenz (Uruguay) seconded the Chairman’s proposal.

**Decision:** Dr. Manuel Angel Cortés Vargas was appointed Rapporteur of the Executive Committee.

**Item 3:** Date of the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of WHO for the Americas

Dr. Arreaza Guzmán (Assistant Director, PASB) read Document CE61/6 concerning the item and announced that a draft resolution would be prepared on the matter.

**Item 7:** Provisional Agenda for the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of WHO for the Americas

Dr. Arreaza Guzmán (Assistant Director, PASB) read Document CE61/9, which included a draft resolution on the item.

The Chairman announced that the draft resolution would be considered at a later session.

**Item 18:** Financing of the Health Sector: Technical Discussions to be Held during the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of WHO for the Americas

Dr. Barrenechea (Chief, Planning Office, PASB), in presenting Document CE61/16, recalled that when the Directing Council chose that topic at its XVIII Meeting for the Technical Discussions to be held during the XIX Meeting, it had done so bearing in mind the relevant recommendations made at the Meeting of American Chiefs of State, held in Punta del Este (April 1967), and those contained in a special resolution adopted by the Meeting of Ministers of Health of the Americas (October 1968).

The Pan American Health Organization undertook to prepare an outline reflecting the comprehensive approach which had characterized the selection of the topic.

The outline would attempt to divide the general problem into three main subtopics or headings: (1) financing the provision of services; (2) problems involved in the financing of investments to enlarge the infrastructure of the health sector; and (3) analysis of problems relating to the productive use of existing health resources and to the ability of the various health sectors in the countries to absorb possible sources or new expansions and translate them into goods and services.

On that basis, the outline would include, first of all, a classification of the American countries in terms of their levels of economic, political, and social development. The administrative anatomy of the countries should be supplemented by a functional analysis of the health sector in relation to each of its subsectors, and those should in turn be examined from the standpoint of their relation to the sector as a whole.

The financial analysis would be done primarily by subsectors and institutions, to show the extent of their present share in the total amount of resources channeled into the sector and to examine their sources of funds and their current and capital accounts. That financial analysis by services could not be done, or, in any event, would serve no useful purpose, if it were not related to the rest of the problems involved in the financing of national development.

An analysis would also be made of the availability of financial resources as compared to recent requirements and of possible sources and mechanisms for mobilizing domestic and foreign funds. Finally, an assessment would be made of the countries’ actual capacity to absorb additional financing, from the point of view of human resources, existing infrastructure, and administrative organization.

Dr. Horwitz (Director, PASB) explained why the matter had been placed before the Executive Committee. When the participation of the health sector in population policy was discussed by the Directing Council in Buenos Aires, there were divergent views on the interpretation which the Secretariat had given to the topic. Some representatives were of the opinion that the concept of participation referred exclusively to the determination of a policy, while others thought it referred to the application of a policy already determined by the Governments. As a result of that, it was felt that, for a subject as complex as the one selected for the next meeting, it would be desirable to have the Executive Committee confirm that the orientation it was being given was in line with the wishes of the Directing Council. The discussion, as now envisaged, would concern...
the feasibility of the various proposals offered in the document for each of the phases of the financing of the health sector, as set forth in the outline.

Dr. Martínez (Mexico) called attention to an aspect of financing, a fundamental one in his opinion, that was missing from the outline. In point of fact, the health of a nation was financed by the people themselves, rather than by the Governments, and the outline failed to mention the health services paid for by the people directly, not through organized institutions. In some countries those individual financial contributions accounted for the greatest part of the financing of health, while in others they represented only a negligible share of the total.

Dr. Barrenechea (Chief, Planning Office, PASB) acknowledged the importance of the question raised by Dr. Martínez and explained that the omission of information on private financing was due to the shortage of data and time.

It would not be practicable at the present time to attempt a systematic, quantitative breakdown of the total amount of financing for the health sector in the Americas. The proposed outline was intended to serve only as a basis for discussing the financing of the health sector in a methodical and analytical way affording the participants in the Technical Discussions an opportunity to identify the substantive problems and, perhaps, determine some useful future directions for work and research. The problem was among the most serious faced by the health authorities in the Americas. Lack of familiarity with matters of financing was preventing the countries from realizing their desire to make the best possible use of resources. Accordingly, the document presented was not intended to be a research paper on financing, in the sense of an up-to-date numerical and quantitative discussion, but simply to present a systematic statement of the problems involved in financing and, on that basis, an analysis of new directions which could be recommended for research.

Dr. Mondet (Argentina) congratulated the Bureau for its interpretation of the subject. It was imperative that the countries endeavor to find a methodology that would enable them to make a quantitative determination, to establish plans entirely in keeping with actual conditions, and that, knowing the experience of other countries, they try to avoid repeating their mistakes. Once the experience—good and bad—of all the countries was known, it would not be necessary to find a universally applicable solution but only to adapt the solutions to the peoples and countries on the basis of general experience. A document such as the one presented would make it possible to discuss the subject within a single frame of reference.

Dr. Martínez (Mexico) insisted that the health expenses borne directly by the people of the Americas, as distinguished from organized institutions, should be taken into account in a general way. Another important aspect was that the health products industry was very defective, which made it necessary to import many products, imposing a burden on the balance of payments, among other things, and even leading, perhaps, to a country's impoverishment as a result of having to import items it could not produce. And the more that industry was developed, the greater was the increase in imports. Dr. Martínez believed it advisable that both those aspects be included in the document, with the hope that the health products industry would become a source of national wealth, instead of remaining a constant drain on the foreign exchange reserves.

The Chairman suggested that the Director instruct the Secretariat to take the recommendations of Dr. Martínez into account.

It was so agreed.

Item 8: Representation of the Executive Committee at the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of WHO for the Americas

Dr. Arreaza Guzmán (Assistant Director, PASB) explained that, according to the changes made in the Rules of Procedure of the Executive Committee, the Chairman of the Committee should represent it at the meeting of the Directing Council or, as the case might be, the Conference, held after his election. The Rules also provided that the Committee should designate an alternate to represent it in the event that the Chairman was unable to attend the meeting. It was accordingly incumbent on the Committee to designate such an alternate.

Dr. Blood (United States of America) suggested that, in view of his familiarity with the deliberations of the Committee, the Rapporteur should be designated as its alternate representative to the Directing Council.

Dr. Yglesias (Costa Rica) seconded Dr. Blood's proposal.
The Chairman announced that a draft resolution to that effect would be prepared.

Item 4: Report on the Collection of Quota Contributions

Mr. Moore (Acting Chief of Administration, PASB) presented Document CE61/10 and Addendum 1, and said that, since those documents had been issued, $34,293 had been received from Honduras. Analyzing the document, he stated that only about 2 per cent of the current year assessment (1969) had been received, compared with over 3 per cent at the same time in 1968, but added that receipts of current quotas during the early part of the year were customarily rather low.

Approximately 11 per cent of quota contributions in arrears had been received, which was relatively normal. In the previous year the percentage payment of quota contributions in arrears had been high since one country, which was a heavy contributor, had paid a large amount early in the year.

The balance of contributions in arrears more than one year was on a percentage basis the lowest in 10 years. The high level of collections in 1968 accounted for the surplus shown in the Financial Report. In accordance with Resolution XIII approved by the XVIII Directing Council, the Director had continued to inform the Governments of the status of quota payments and had urged prompt payment in order to maintain the program at the desired level. Field reports indicated that contributions for current quotas, assessed in 1969, would be at a relatively normal level. Since the total in arrears was much less than in previous years, a lesser amount could be expected from that source.

Mr. Rosenthal (United States of America) said that the Government of his country disagreed with the statement in the Financial Report of the Director, and in Document CE61/10 that it was in arrears to the extent of $483,233 in its contribution to the 1968 budget of the Pan American Foot-and-Mouth Disease Center. The Government of the United States of America placed a high value on the work of the Center and in 1968 had made a voluntary contribution to it of $300,000. It believed that, beginning in 1969, the financing of the Center should be incorporated in the regular budget of the Organization, and had never regarded the Center's 1968 budget estimates of $1.2 million as constituting a binding assessment on Member States. The resolution establishing the regular PAHO budget estimates for 1968 had not included the estimates for the Center, nor was there any evidence that either the plans on which the Center's financing was based, or the Directing Council, in its handling of the 1968 budget, had intended to treat the Center's budget estimates as creating a binding legal obligation on Member States. Also, the Center's budget estimates were not treated as a supplementary budget, in view of Article III of the Financial Regulations.

Mr. Moore (Acting Chief of Administration, PASB) said that in 1967, at the XVII Directing Council Meeting in Trinidad, the program and budget estimates for the Pan American Foot-and-Mouth Disease Center had been approved, and all Governments, with the exception of the United States of America, had since been contributing on the basis of that resolution. Therefore, the Organization was obliged to continue to present, as part of the official documentation, the status of that portion of the appropriation which related to the contribution of the United States of America.

Mr. Rosenthal (United States of America) replied that the Government of his country maintained its position that the resolution of the 1967 meeting at Port of Spain was improperly constituted, insofar as it related solely to assessments for 1968. There was no question that the Government of the United States of America would meet its obligations for the Pan American Foot-and-Mouth Disease Center beginning with the current year 1969.

Dr. Martínez (Mexico) inquired what was the position of the Secretariat in regard to the matter of quota contributions in arrears and asked if it would not be appropriate for the Committee to make some recommendation to the Directing Council on that matter.

Dr. Horwitz (Director, PASB) replied that the Secretariat was mindful of the problem of quota contributions in arrears, especially in view of the constant expansion of the services rendered by the Organization. The Governments were constantly being requested to bring their payments up to date, and the answer generally received was that the delay was due to economic difficulties in the various countries. In any event, the amounts collected in recent months were sufficient, and sometimes more than ample, for meeting the expenses in the approved budget, so that all the programmed activities could be carried out. The Committee might wish to convey to the Council its concern regarding the matter and to suggest that it instruct...
the Secretariat to draw the attention of the Governments to the problems it might present, referring at the same time to the provisions of Article 6-B of the Constitution of the Organization.

Dr. Martínez (Mexico), while agreeing with the Director's suggestion, proposed that, since the Governments were doing everything possible to meet their obligations, the communication be restricted to mentioning the difficulties that could come about as a result of delays in the payments.

The Chairman observed that the sanctions prescribed for delays in paying the quota contributions were rarely applied and that, consequently, it might be useful to make a more explicit reference to the matter, as a means of motivating the Governments concerned.

Dr. Yglesias (Costa Rica) believed that, as the delays resulted from circumstances beyond the control of the Governments, it would suffice to proceed as suggested by the Representative of Mexico.

The Chairman said that a draft resolution would be prepared on the subject.


Mr. Moore (Acting Chief of Administration, PASB), introducing the document on the item (Official Document 91) and speaking first of the Financial Report of the Director, said that the Organization found itself in a sound financial condition, owing in large measure to a long-term and far-sighted policy adopted in 1959 of making provision in the annual budget for the building up of the Working Capital Fund, a concept new at the time but since then widely accepted by international organizations.

The second important policy adopted at that time had been the maintenance of average annual expenditures within average annual incomes. The results could be studied in Tables B and C (pp. 6 and 7). In 1962 and 1966, because salary increases had caused an unexpectedly heavy drain on the budget, the provision to increase the Working Capital Fund had been transferred to other parts of the budget but that had been only a temporary interruption in the long-term program of building up that Fund. The percentages of the authorized budget devoted to that purpose had increased since 1959 from 27 per cent to the current figure of 41 per cent, although the figure was expected to drop because in 1969 funds budgeted for the Working Capital Fund would have to be used in other parts to meet the salary increase.

Table A (p. 5) gave an analytical breakdown of the budget and obligations of the Organization by fund. Column 1 showed the amount budgeted for work during the year. Since the amount actually available sometimes varied, particularly voluntary contributions, grants, and contracts, Column 2 showed the actual funds available. Column 3 gave the percentage of funds available as compared to the budget estimates. As would be seen, for PAHO funded programs, 104 per cent was available as compared with the budget. For WHO the figure was slightly over 100 per cent, with an average of 102.8 per cent for the combined total. Column 4 showed the amount of obligation, and Column 5 the relevant percentage. Some 90 per cent of PAHO funds had been obligated during the year for all types of programs; for WHO, the figure was 91 per cent. The average for both funds was 90.67 per cent. The fact that expenditure was below 100 per cent was largely due to grant funds for PAHO; in the case of the WHO funds, the Special Fund of the United Nations Development Program. Grants were received late in the year and there was not time for projects to build up, and, in the case of the Special Fund of UNDP, the centers to be financed with the Fund did not reach planned levels of operation during the year. Those funds, in both cases, would be carried over to the following year and later reports of operations would then reflect the full amounts from those sources.

Turning to Exhibit 1 (p. 13), he stated that it showed the status of appropriations and obligations for the PAHO regular budget. For Parts I to V, of the $10,190,000 budgeted, 100 per cent was obligated. With respect to the Pan American Foot-and-Mouth Disease Center, the full amount budgeted had not been obligated; the amount budgeted was $1,202,836, and that obligated, $828,547.

The statement of Income and Expenditure (p. 14) showed that of the total income of $11,757,889, expenditure was $10,192,649, leaving an excess of income over expenditure of $1,565,240. However, of that amount, $250,000 had been contributed to the Special Fund for Health Promotion and $575,898 to increase the Working Capital Fund. That left a final surplus of $739,342 to be transferred to the Working Capital Fund.

Exhibit III showed the Assets and Liabilities of the Organization, and Exhibit IV the Income and Expenditure and Balances of Funds maintained by the Organization.

Investments as of 31 December 1968 were shown on page 17. The policy had been to invest funds which were not immediately needed in short-term U.S. Securities.
Schedule 4 (p. 21) showed the activity of the Emergency Procurement Fund in 1968. The balance due at 31 December 1968 ($76,589) was a rather high figure and made it difficult to maintain the Fund for the purposes intended. Efforts had been made to obtain payment of the outstanding amounts, but with only moderate success.

The status of the Special Malaria Fund was given on page 22; that of the Community Water Supply Fund on page 23; and that of the Building Reserve Fund on page 24. On page 25, there was a list of the Trust Funds, which comprised the grants and reimbursable contracts received by the Organization.

The report on INCAP, contained in Exhibit V (p. 31), showed expenditures below appropriations, and Exhibit VI (p. 32) showed a deficit in regular budget operation of $59,107, which had to be made up by an advance from the INCAP Working Capital Fund. Quota collections from participating countries in Central America and Panama had been some $60,000 below those of the previous year. In 1969, however, quota collections had improved. In 1968, Trust Funds, made up of grants and reimbursable contracts, which supported many activities at INCAP, were $300,000 below the corresponding figure for 1967. However, the reductions in operation could not be made with sufficient speed to avoid the deficit shown.

A list of the grants and contracts which supported activities at INCAP, in addition to the regular budget, was given on page 36.

Exhibit VIII gave a statement of income and expenditure related to the funds provided by the Organization of American States, plus voluntary contributions made by Governments for the support of the Pan American Foot-and-Mouth Disease Center. OAS support had terminated in mid-1968.

The informational Annex contained a summary of expenditures by source of funds on page 45, and by object of expenditures on page 46. On page 47 appeared the detail, by object of expenditures, of the PAHO regular budget, and on the following pages a further breakdown by Zone Office, part, and project. More detail would be provided in the budget document since, two years previously, the Organization had taken the unusual step of introducing into the budget document a column showing in detail the expenditures for the previous year.

In his report, the External Auditor had stated that the financial records of the Organization were correct and satisfactory. He had drawn attention to the importance of maintaining adequate controls during the changeover from ordinary accounting methods to accounting by computer. That would be done before relying on the computer for all accounting.

The Report also called attention to the higher than normal level of quota collections in current quota assessments in 1968 and commented on the fact that the figure for contributions more than one year in arrears was the lowest for 10 years.

The External Auditor had also commented on the contributions by Governments to the Emergency Revolving Fund; Procurement Services; the Special Malaria Fund; the Community Water Supply Fund; the Foot-and-Mouth Disease Center; the Status of financial contributions to INCAP; and finally, the general management of the Organization.

Mr. Breie, who was completing his second year as External Auditor, had made many valuable suggestions, one of which had been that an investment committee should be formed. One comprising the Chief of Administration, the Chief of Finance, and the Investment Officer, was already informally in existence, and had now been formalized. Longer-term investments, of say more than five years' duration, tended to produce slightly higher interest rates, and it had been thought by the External Auditor that some portion of the funds available could be invested for a slightly longer period. However, that would require much study because at the present time short-term securities of a year or less paid higher interest rates than some long-term securities.

The session rose at 12:30 p.m.
SECOND PLENARY SESSION

Monday, 23 June 1969, at 2:40 p.m.

Chairman: Dr. Orontes Avilés (Nicaragua)


The Chairman called the session to order and invited the representatives to examine the item.

Mr. Rosenthal (United States of America) expressed the satisfaction of his Government with the excellent financial situation of the Pan American Health Organization and drew the attention of the representatives to the fact that the External Auditor's Report went beyond routine certification and contained pertinent comments on PAHO's financial management, a practice which, it was to be hoped, would continue in the future.

Dr. Martínez (Mexico) said he was surprised at the level of expenditures in 1968 and especially by the fact that, as shown on page 47 of the Financial Report, $387,196 had been spent on fellowships, in contrast to $511,622 on duty travel. He requested some explanation of this.

Dr. Horwitz (Director, PASB) referred the members of the Committee to the figures on page 46 of the Report, the summary of expenditures from all funds. The total for duty travel was $1,068,735, and that for fellowships was $1,678,775, to which should be added the $332,620 for seminars, which were also an education expense. The figures on page 47 referred only to the funds of the Pan American Health Organization. Dr. Horwitz pointed out that official travel offered the most direct way of maintaining the necessary contacts between the Organization and the Governments of 29 countries plus the health administrations of the territories in the Caribbean and other areas and that contacts between the special advisers and the authorities of the countries offered the practical means for performing the responsibilities entrusted to the Organization.

Dr. Martínez (Mexico) thanked Dr. Horwitz for the explanation and said that he was familiar with the principle on which duty travel was based but that he felt there were less costly means of establishing contacts and suggested that ways be sought of adjusting the relevant policies so as to obtain savings.

Dr. Horwitz (Director, PASB) thanked the Representative of the United States of America for his comments and explained the system of financial audit. That function was performed by three auditors devoted exclusively to the work of the Organization and designated by the Director-General of the World Health Organization. Those auditors carried out a program of sampling to determine the areas to be analyzed and the size of the sample for each. Although the Organization was not made aware of that program, there was a constant exchange of opinions between the auditors and the staff members; differences of opinion arose, of course, when there were varying interpretations regarding specific cases. There was also an External Auditor, who was aided by an adviser; during the periods in which the examination involved a heavier workload because the Report was being prepared, assistants and additional auditors took part in the work. The system was satisfactory and, with the passage of time, that examination would be increased in line with the complexity of the accounts and the number of programs. The proper examination of funds was a subject of constant concern, and the amount spent by the Organization should not be regarded in absolute terms but rather in relation to the total investments made by the Governments for international cooperation activities.

Item 6: Proposed Program and Budget Estimates of the Pan American Health Organization for 1970

Dr. Horwitz (Director, PASB) pointed out, first of all, the special circumstances under which the Executive Committee was holding its meeting, as a result of the fact that the Government of the United States of America had invited the World Health Organization to hold its Twenty-Second Assembly in Boston in July. Because of that, it had not been possible to present a consolidated document including all the appropriations
for all the projects, since the Assembly would be called upon to approve the WHO budget for 1970 as proposed by the Director-General and the figures could change if the Assembly so decided.

Referring to Official Document 85, which included all the activities of the Organization for 1969 and 1970, the Director explained that the figures in the first four tables had been adjusted to reflect the increase in the salaries of professional staff members as approved by the United Nations in December 1968, but that that had been done only with respect to the figures for the Pan American Health Organization, as the decision of the Assembly regarding those for the World Health Organization would not be known until the following month. For those reasons, the present meeting was being asked to consider three documents: the first was Document CE61/5, in which the proposed regular budget for 1970 was submitted for consideration by the Executive Committee. The second was Official Document 85, which served as a reference by describing the programs and projects. In addition, there was working document WP/1, which presented tables breaking down the figures in Document CE61/5 according to the classification used in the program.

In relation to the 600 projects for 1970, the criterion was followed of applying the priorities set by the Governments, along with the policies laid down by the Governing Bodies on the basis of PAHO’s 66 years and WHO’s 21 years of experience. Account was taken as well of the political pronouncements made in the Hemisphere regarding economic and social development, especially the Pan American Declaration, the Act of Bogotá, the Charter of Punta del Este, and the Declaration of the Presidents of America. The Act of Bogotá and the Declaration of the Presidents provided the principal subject matter for two meetings of Ministers of Health at which specific measures were adopted for improving the health levels of the Americas; they were now the basis for every proposal of the Organization. The priorities in the programs were those of the developing world: control of acute and chronic communicable diseases, malnutrition, deficiency diseases, basic sanitary measures required by industrialization, protection of mothers and children, and certain degenerative and mental diseases. The priorities were also geared to such population problems as the death rate in children of less than 5 years and to geographic considerations. Some priorities were based on the problems arising from industrialization, from the “ruralization” of the urban environment which amounted to poverty on an organized scale, while others were directed to the related goal of the modernization of rural life, as envisaged by the Chiefs of State in their Declaration. It was necessary, moreover, to apply structural criteria, and there was general agreement on the need to extend the coverage of minimum health services in all the countries and improve the utilization of available resources through better administration and organization. The program included the instruments recognized by the Governments, such as planning and programming, sound organization and administration, development of human resources, and research. In view of the magnitude of the problem posed of the population explosion and its relation to health, emphasis was placed on the importance of family planning programs, which were covered in a special chapter of the program. The Director recalled that in their last meeting in Buenos Aires the Ministers had projected the role of health in the development process for the remaining decades of the century and the analysis of the program had led to the conclusion that health was a right and not a privilege, an end for each person and a means to collective well-being, a sector that should be included in every undertaking at the preinvestment stage. In a publication based on the first meeting of Ministers, Facts on Health Progress, there were data which, while incomplete or not entirely accurate, were more precise than those presented to the 1961 Meeting at Punta del Este. The Governments had improved their vital and health statistics, thanks to training activities, and the figures offered a useful basis for national and international programming. Dr. Horwitz referred the Executive Committee to Tables 1 and 2 of Document WP/1, which showed the total amount of funds and the analysis of the entire program, while Official Document 85 contained the details for each program and project. The ensuing tables in Document WP/1 and the other documents already mentioned referred specifically to the Pan American Health Organization.

In regard to Table 2 of Document WP/1, the Director of the Bureau cited the percentage distribution of the budgetary figures for 1968, 1969, and 1970. He referred in particular to the program of malaria eradication, which accounted for the largest expenditure in communicable diseases, 10.7 per cent, and recalled that by decision of the Directing Council an allocation of $200,000 per year had been included as a means of making possible a gradual reduction of the voluntary contribution from the Government of the United States of America, which in 1968 had amounted to $21,815,000. In view of the fact that the United States Government was reviewing its policy concerning future contributions to that program, it seemed advisable to begin to include an increasing proportion of that financing in the regular budget of the Organization. The posts of international consultants were examined with a view to reducing them to the lowest possible number: the 164 positions for 1968 were reduced to 123 for 1970, and by 1973 it was estimated that 72 physicians would suffice to provide the collaboration of the Organization in general malaria programs. A proposal was made to
the United States of America whereby the country could gradually reduce its voluntary contribution until 1973, after which it was believed that the Organization, with its own funds and those of WHO, would be able to continue cooperating effectively with the countries, since the incidence of the disease would have dropped appreciably.

Regarding the smallpox program, Dr. Horwitz emphasized the interest of the Government of Brazil in that program and pointed out that Brazil was making continued progress toward attaining an effective level of immunization throughout the country; other Governments of the Americas were also conducting smallpox programs, and an item of $670,000 from the WHO Special Account for Smallpox Eradication was proposed. Slight increases were also proposed for the control of leprosy and tuberculosis. Thanks to the cooperation of the Government of Venezuela, the courses in bacteriological diagnosis of tuberculosis were continued; those included an advanced course for epidemiologists aimed at speeding up the institution of tuberculosis control measures, particularly BCG immunization, in the regular health services.

As for animal diseases, the figures were more or less constant and referred to the Pan American Zoonoses Center, for which the Government of Argentina was providing a generous contribution in the form of buildings, equipment, and funds for certain personnel and the United Nations was also making a contribution through its Development Program. The international banks, especially the Inter-American Development Bank (IDB), were interested in contributing funds for the programs for the control of tuberculosis, brucellosis, hydatidosis, and rabies. In regard to foot-and-mouth disease, the Director mentioned the first two meetings of Ministers of Agriculture held in accordance with Resolution XIX of the XVII Meeting of the Directing Council, and pointed out that an allocation of $1,320,716 for the eradication of the disease was included in the pertinent document. At the second of these two meetings, held in Rio de Janeiro, a technical analysis had been made of the problems stemming from the relations between health and livestock development and between development in general and the administration of programs for the control of zoonoses having a bearing on human health. Those activities were leading to substantial and concerted action between the ministries of health and the ministries of agriculture.

Referring to poliomyelitis, Dr. Horwitz expressed the opinion that there was every possibility of eliminating the disease from the Hemisphere. The Organization had signed an agreement with the Government of Mexico to cooperate in the production of poliomyelitis vaccine in quantities that would make it possible to place the vaccine at the disposal of all the countries of the Americas requiring it. The Governments were showing increasingly greater interest in those matters, which explained the proposed allotment.

In regard to measles, an extremely serious disease which represented a rising death rate in children—particularly undernourished children—Dr. Horwitz felt that as the price of the vaccine was brought down it would be possible to extend those cooperative programs to reduce the incidence of the disease, as had already been done in certain countries, for example the United States of America.

Regarding environmental sanitation, the amount proposed represented 8.5 per cent of the total budget estimates and, along with it, there should be taken into account the item of $458,000 allotted primarily for the development of human resources under projects 6400, as shown in Table 2 of Part III. The Pan American Sanitary Engineering Center, shown as project AMRO-2114 in Official Document 85 (p. 446), was an outgrowth of the Peruvian initiative aimed at bringing together a nucleus of technical personnel of the Organization to study the problems already presenting themselves in the Hemisphere as a result of industrialization, problems which required a high degree of specialization. PAHO officials from various countries were already gathered in Lima.

For *Aedes aegypti* eradication, an increase of almost $60,000, bringing the total to $416,637, was proposed, and the total amount would increase even more when the WHO budget was finally approved. Two Governments had suspended their programs for lack of funds, and various Governments in the Caribbean area had expressed an interest in carrying out programs. Several countries had been reinfested and had again eliminated the vector, while others were pursuing that end, but the Organization felt that the work was progressing slowly because of a shortage of funds and personnel. Eradication would depend on the determination of the Governing Bodies and on the strength of their efforts to persuade the Governments.

For health promotion, a 1 per cent increase over 1969 was proposed, raising the allotment to $2,564,498. Two countries, Panama and Ecuador, were planning to establish ministries of health between 1969 and 1970, and that led to intensive activity in the field of advisory services. At the meeting of Ministers of Public Health of Central America and Panama, emphasis had been laid on the importance of better coordination between the resources of the ministries of health and those of the social security institutions; that had given rise to the establishment of projects to obtain the assistance of the Organization. Dr. Horwitz drew the Committee's
attention to Chapter VIII of the Final Report of the meeting in Buenos Aires, which reflected the essential role of the Organization in the present and for the future.

In regard to nursing services, although the allocation seemed to be small, it should be borne in mind that part of the nursing activity was included in the maternal and child protection and medical care programs. Referring to projects 3300 (laboratories), Dr. Horwitz pointed out that efforts were under way to expand the biological products laboratories in Mexico and Cuba with the assistance of the United Nations Development Program and to establish an Institute of Biological Products of Central America and Panama in Guatemala with the cooperation of the Guatemalan Government. The corresponding allotment provided for the continuation of advisory services in that field to Colombia, Ecuador, Peru, and other countries.

For projects 3600 (administrative methods), an increase of almost $180,000 was proposed, but that did not provide for meeting the requests of the Governments concerning the administration of water supply and sewerage systems, administration of medical and other faculties, malaria eradication, etc., and it was believed that the time had come to establish a special unit in the Organization to devote itself exclusively to that type of advisory service.

With respect to projects 4100 (maternal and child care), negotiations were in progress with the Government of Uruguay to establish a perinatology and human development center, i.e., an agency to devote itself primarily to the perinatal period. That project was related to the work being done in the laboratories of the Central Hospital in Montevideo, in close coordination with the Departments of Obstetrics and Pediatrics. The Organization had been collaborating with the physiopathologist in charge of that work, and in the last two or three years had supplied personnel and fellowships, a collaboration now being intensified because it was felt that the time had come to organize it in such a way that pediatricians, obstetricians, and obstetrical nurses would be able to receive training for service during the perinatal period, which included pregnancy, partum, and care of the newborn child, and in which the latter often suffered serious damage. It was hoped by that means to reduce the percentage of children suffering from irreversible mental retardation as a result of inadequate care at birth.

The allocation for projects was related to the role of the Institute of Nutrition of Central America and Panama, the Caribbean Food and Nutrition Institute, sponsored by the Governments of that region, the University of the West Indies, FAO, various foundations, and the Organization itself. To the item in the budget would be added a contribution of $180,000 from the Rockefeller Foundation for research on human reproduction and nutrition, to be made by the Caribbean Institute. The Executive Committee would be informed in due time of the inclusion or any increase of the contributions from the World Food Program for health activities carried out in conjunction with FAO. That would enormously change the prospects for such activities within the Organization. A joint FAO/PAHO advisory committee had recently reviewed the food and nutrition policy of the Hemisphere. No progress was being made in the fight against malnutrition because the Governments had no policy allowing the health technicians to know the amount of food available for carrying out health and nutrition programs. Among the recommendations of the advisory committee was one for the establishment of an agency to serve as a data bank on the production, distribution, and consumption of foodstuffs, and the Government of Argentina had expressed an interest in providing headquarters for that project, which would represent a very valuable contribution to more rational production and distribution of food.

The same part of the program and budget estimates reflected the recommendations on mental health formulated by the Meeting of Ministers, particularly with respect to alcoholism. That explained the proposed increase of $230,000 in the item for dealing with a problem of undeniable importance.

Regarding projects 4700 (food and drug control), the activities of the Drug Control Laboratory at the University of Panama had continued but the desired level had yet to be attained. Negotiations were in progress for the establishment or improvement of laboratories for the control of perishable foods in Central America and Panama and for the creation within INCAP of a reference laboratory for processed foods sold in the Central American Common Market.

In the project on administration of medical care services (4800), the Director pointed out that the figure of $1,346,566 could be considered small if it was borne in mind that 80 per cent of the national health budgets went for treatment, but that it should be remembered that the Organization had only been involved in that fundamental activity for six or seven years.

If the Committee so wished, it would be provided with information concerning the status of the Latin American Center for Medical Administration in Buenos Aires, the intensive care units established in six teaching hospitals as a contribution of the Kellogg Foundation, in-service training, the specialized training in administration of hospitals and other institutions, and the Hospital Engineering and Maintenance Center to be
established in Venezuela under a project already approved by the Special Fund of the United Nations.

The allocation for projects 4900 (health and population dynamics) showed a substantial increase as a result of requests received from 12 Governments for assistance in family planning activities. An understanding had been reached with the United States Agency for International Development to strengthen the technical staff of the Organization that would serve at Headquarters, the Zone Offices, and several countries to foster the advanced training of professionals in that field.

Part III referred to the development of human resources, for which an allocation of $2,550,440, or 8.9 per cent of the total budget, was proposed. Those efforts were directed to the establishment in the Hemisphere of a genuine “international health university,” dedicated to the common welfare and to the search for truth, the forecast of developments likely to occur as a result of changes in the present situation, and the establishment of a proper relationship between political and scientific power.

In regard to the existing university situation in the Americas, characterized by a desire for reforms which was not always based on a dispassionate analysis proper to universities, the Director announced that the Organization, together with the President of the Pan American Federation of Associations of Medical Schools, had begun to consider the possibility of calling together a group of high-level educators to offer some ideas for improving the teaching and learning process of all health professionals.

Concerning projects 7100 (program services), the Director made special mention of the Boletín de la Oficina Sanitaria Panamericana, which was in its 47th year and now had a monthly pressrun of 12,000; the quarterly journal Educación médica y salud, which had met with even greater success than anticipated, and the new Gazette, which provided information on certain aspects of the day-to-day activities of the ministries of health and of the Organization. He also noted that the Organization had recently started a radio program beamed to some 300 stations in Latin America, and the continued and substantial demand for the 26 educational films. All those activities were centered in the Department of Scientific and Public Communications.

The amounts for administrative management indicated that administration as such accounted for 4.9 per cent of the total budget and general services for 4.1 per cent, although the latter figure would probably be adjusted because of the rising cost of living in all the countries of the Hemisphere. The increment to the Working Capital Fund had been reduced to $30,000 for 1969, because the Fund would be used to finance the rise in the compensation of the professional staff.

In Table 3 of Working Document WP/1, a similar analysis was made of each program, which showed that advisory services accounted for 65.3 per cent of the total, human resources development for 12.2 per cent, scientific research for 9.8 per cent, and indirect program costs for 12.7 per cent.

Finally, Table 4 presented data on professional and local personnel, short-term consultants, short-term academic fellowships, and participants in seminars and other meetings.

The number of posts was kept more or less the same as in 1969; the number of months of consultant services showed a slight increase, reflecting the importance of that kind of activity, and fellowships were at a higher level than in 1969.

Table 1 showed the over-all estimates for 1970, which amounted to $28,626,388, of which 66.5 per cent would be financed by PAHO and the remaining 33.5 per cent by WHO. Of the PAHO portion, $14,227,120, or 13 per cent more than in the 1969 budget, would be financed from the regular budget. Since 3 per cent of that was accounted for by the salary increase, the real increase in the budget was 10 per cent.

To understand that increase, it should be borne in mind that the original proposal, as contained in Official Document 85, was for an increase of 11.6 per cent. The Bureau decided to reduce that by 1.6 percentage points, equivalent to some $200,000, in view of the financial difficulties faced by the Governments. Of the remaining 10 per cent, 1.6 per cent would be used to reduce the voluntary contribution of the Government of the United States of America and other countries for the malaria eradication campaign, which reduced the amount actually available to 8.4 per cent; another 5 per cent would be absorbed automatically by the rise in the cost of living. In short, only 3.4 per cent of the total amount of the proposed budget increase was devoted to new programs. While that amount was small, it should be considered in relation to many other projects which were not included, despite having been recommended by the Governing Bodies, and which if included would require an expenditure of $4,799,289, or almost 20 per cent of the total program.

There were many other activities and programs of which the Executive Committee would be informed during the meeting, including some activities which were not included in the budget precisely because the financial difficulties of the Governments were kept very much in mind.

The session was suspended at 4:10 p.m. and resumed at 4:35 p.m.
The Chairman reminded the representatives that one of the responsibilities assigned to the Executive Committee by Article 14-C of the Constitution of the Pan American Health Organization was: "To consider and submit to the Conference or the Council the proposed program and budget prepared by the Director of the Bureau, with such recommendations as it deems advisable."

Mr. Moore (Acting Chief of Administration, PASB) said that the Executive Committee was called upon to focus on the PAHO regular budget for 1970. Before entering into detail, he proposed to describe the budget process which covered a period of two years. The 1970 budget had its origin in the planning cycle begun in 1967. Discussions were then held at the country level with national health authorities and the results were largely determined by the progress made by health planning in the country concerned. In the fall of that year, discussions were held at the Zone level not only on the country projects, but also on the inter-country projects. Early in 1968 the results of those discussions were taken up in Washington, where the proposals were costed and reviewed in the light of regional proposals and the requirements of Headquarters. That was the background to Official Document 85 which, in the previous year, had been discussed by the Committee for four and a half days, office by office, program by program, project by project. The Directing Council had reviewed that document, had indicated that it contained much-needed and well-planned projects, and had requested the Director to discuss it once more with the Governments since there was a constant need for change to meet their needs. Thus the budget cycle he had already described had begun again in 1968. The requirements considered for 1970 had been revised and a new dimension, namely the program for 1971, had been added. In the spring of 1969 it had again been costed. At that time a new problem had arisen by reason of the salary increases approved by the United Nations and followed by the World Health Organization and the Pan American Health Organization. An additional $375,000 was necessary in order to carry out the program at the level planned. In view of the circumstances the Director had decided to make program reductions in the amount of $200,000 to absorb part of that increase, leaving approximately $175,000 as an increase to the formal presentation made in Official Document 85. The increase of the 1970 budget estimates over those for 1969 represented a 13 per cent increase but only 3 per cent of that represented program expansion and was the smallest percentage increase in more than 10 years.

Document CE61/5 contained the 1970 budget proposals. Among the critical elements to be taken into account were changes in the number of posts, since they represented long-term expenditure. The increase in the number of posts in 1970 over 1969 was 13; 2 in the Finance Section, which experience had shown to be justified; 4 in the Pan American Foot-and-Mouth Disease Center; and the remaining 7 in other programs, primarily the malaria, the *Aedes aegypti*, and the population dynamics programs. The number of short-term consultant months had been increased from 390 in 1968 to 451 in 1970. The increase in fellowship funds amounted to 157,000 dollars. The reduction he had mentioned earlier had mainly been in seminars because it had been considered essential to safeguard the number of country projects in which few changes had been made.

The full details would appear in the budget document which would be issued prior to the meeting of the Directing Council and it would then be seen, as he had already said, that there were very few substantive changes in the country programs.

Dr. Blood (United States of America) stated that the budget estimates for 1970 amounted to $14,227,120, an increase of about 13 per cent over the 1969 figure. It was the opinion of his Government that the Executive Committee should seek ways and means of maintaining the budgetary level for 1970 at not more than $13,756,836, representing 9 and 1/4 per cent increase over 1969. He wished to emphasize that that percentage increase in the budget was greater than the Government of the United States of America was prepared to support in any other major international organization.

There were three ways in which the budget level could be held at the figure he had given. First, the proposed transfer to the Working Capital Fund could be reduced from $330,000 to $150,000. It was to be noted that at 1 January 1969 the Working Capital Fund had a balance of $5,280,509, or almost 42 per cent of the authorized budget.

Secondly, the proposed expenditure for the Pan American Foot-and-Mouth Disease Center could be maintained at about the same level as in 1969 or $1,202,836. It was to be noted that the proposed increase in funds for the Center from the regular budget of the Organization amounted to approximately 50 per cent more than in 1968.

In the third place, although the Director had effectively incorporated some 60 per cent of the increase in salary and educational allowances in his review and re-examination of the budget, it was the view of his
Government that the additional expenditure should be fully absorbed for next year. The Director himself was in the best position to determine where program adjustments and reductions should be made to accommodate that salary increase.

The position of his Government did not reflect any lessening of interest in the work of the Pan American Health Organization. However, it did reflect a serious concern about the rapid growth of the budgets of the international organizations in general. In the case of international health activities his Government believed that a middle ground was necessary between the recognized needs, which were many, and the currently restricted resources available to meet those needs. It was the view of his Government that its proposal met that middle ground.

Dr. Martínez (Mexico) said that his Government took the same position as the United States Government concerning the increase in the budgets of international organizations. In spite of the increasing demands in the field of health, it was well to proceed with extreme prudence. Specifically, the Executive Committee should encourage a middle course of action taking into account both the budgetary limitations of some Governments and the needs of the Organization. As a working procedure, it might be advisable to begin by setting forth a general attitude toward the problem and then to analyze the specific programs, pointing out the possibilities of making reductions in each until the target proposed by the Representative of the United States of America was reached. Special attention should also be given to the increase in the allocations for those projects relating to the organization and development of multinational, regional, or even hemispheric organizations, since it was national projects that should have the highest priority and which a special effort should be made to retain. The application of those two working criteria would possibly facilitate the discussion of the proposed program and budget since the financial position of the countries was extremely varied and it was the obligation of the Committee to take it into account before making recommendations to the Directing Council.

Dr. Mondet (Argentina) shared the concern expressed by the preceding speakers and pointed out the advisability of seeking a new approach or philosophy to guide the action of the Organization in that respect. The Governments of the Pan American Health Organization were parts of a community, which meant that they should not measure their financial contribution in terms of the benefits each could hope to receive. It would be desirable to have an increasing number of countries whose contribution was greater than the amount they received, as that would make it possible to increase the amount for those countries whose needs were greatest. To that end, the Organization should, for example, limit itself to a small number of programs and those should be concentrated, preferably, on the priorities set by each of the countries and by certain groups of countries. Moreover, it would be necessary to try to use the smallest possible amount of hard currency, and for that purpose, when it was a matter of establishing a new specialized regional center, the country that was to provide its headquarters should contribute a much larger amount than that furnished by the Organization. The establishment of certain centers was a current need, but in the selection of those centers much care should be taken to locate them in the countries where the activity in question had reached the highest level of development. Although none of the programs under consideration was without importance, there were some that were much more important to some countries than to others. It was necessary to seek new formulas for administering the resources of that community, since precisely because it was a community it was not a business; the investment made in each of the countries was in proportion to the benefits it received, although sometimes not directly but through benefits to a neighboring country. The Government of Argentina expressed the opinion that as the countries developed their administrative and technical capacity, the role of consultants in those countries should be reduced considerably so that those human resources could be made available to other countries in greater need of their services.

Dr. Henry (Trinidad and Tobago) said that the clarity with which the budget estimates had been presented by the Director and the Acting Chief of Administration had been persuasive. Nevertheless, the problem posed by Dr. Blood confronted the Governments of all countries, both large and small, and it was incumbent upon the members of the Executive Committee to follow the general trend in containing continually expanding budgets. Dr. Blood had suggested various ways and means by which that containment might be achieved. The Director and the Acting Chief of Administration might wish to indicate how feasible those proposals were. Finally, he agreed with Dr. Blood that the Director was probably the person best qualified to say how the situation that had arisen could be overcome.

Dr. Yglesias (Costa Rica) expressed the opinion that the ideal solution would be to keep the budgetary increase to a level of approximately 10 per cent. The increase in 1969 over 1968 was 14.3 per cent, and as a
result of the effort to reduce the rate of growth for 1970, the budget estimates for the latter year proposed an increase of 13 per cent. It would not appear to be wise to establish the amount of the proposed reduction in advance, and it would probably be preferable to make observations as each program was examined. In any case, the accepted premise was that all the programs were very necessary and that exhaustive studies were made before they were submitted for the Committee’s consideration.

Dr. Belchior (Brazil) said that he had instructions from the Government of his country to avoid, as far as possible, any increases in the level of expenditures which would result in larger contributions by the Governments. Having listened with interest to the suggestions made by Dr. Blood and Dr. Mondet, he recognized, nonetheless, the validity of the reasons which had prompted the Director of the Bureau to propose a budget consonant with the requirements as he saw them. Dr. Belchior therefore proposed that a working party be established to find, in conjunction with the staff of the Secretariat, the intermediate solution proposed by the preceding speakers.

Dr. Sáenz (Uruguay) said that, while he recognized the importance of the projects to which the Director of the Bureau had referred, he proposed, in view of his Government’s concern over the increase in the budgets of international organizations, that the working party to be established consider some way in which the increase in the budget of the Organization could be held to not more than 10 per cent.

Dr. Martínez (Mexico) supplemented his previous remarks by setting forth two ideas which he hoped were constructive: first of all, that a series of rules be devised to which the Organization would adhere before establishing multinational or regional centers, i.e., centers located in a given country but designed to serve a region or the entire Hemisphere; in that way, the host country would be given maximum responsibility for the essential maintenance of the center, and the Organization would provide encouragement and support, sometimes through subsidies and sometimes through technical and professional assistance. The second idea was that certain principles be established for the termination of projects. For example, although two countries had decided to suspend their \textit{A. aegypti} control programs, there was no clear idea as to when the international programs would be brought to conclusion. It was essential to devise a very clear policy based on the principle that international programs were simply instruments by which the countries carried out their own programs. In other words, international programs were not intended to replace the efforts of the countries themselves. It was therefore important that every project of that kind have a limited period of duration, after which it could be decided either that the project was ineffective or that it was no longer needed, so that the increment in the budget would be geared to the financial realities of the countries.

Dr. Horwitz (Director, PASB) referred, first of all, to the observations made by the Representative of the United States of America concerning the total amount of the proposed budget for 1970 and the areas in which reductions might be made. If that suggestion were accepted, the new budget would be increased not by 13 per cent, as proposed in the Bureau’s estimates, but by 9.25 per cent. It should be recognized and stressed that the United States Government cooperated with the Organization much more extensively than the figures would indicate, taking into account not only its voluntary contribution but also the generosity with which American scientists had consistently offered their knowledge for the benefit of the other countries forming part of the Organization. Nonetheless, if the projected increase of 9.25 per cent were accepted, the Organization would have less funds than in 1969.

Commenting on the specific mechanisms proposed by the Representative of the United States of America, Dr. Horwitz referred to the proposal for reducing the increment to the Working Capital Fund. It would be noted in the Report of the External Auditor that in 1969 the Working Capital Fund attained a level of 41.93 per cent; however, according to a resolution of the Directing Council the Working Capital Fund should be 60 per cent of the budget. That proportion was much higher than that adopted in the World Health Organization, but the reasons were easy to understand. In the WHO, the quota contributions of 15 countries accounted for 85 per cent of the budget; of those 15 countries, 14 paid their quota contributions during the first half of the year. The Working Capital Fund was established at the level of 60 per cent precisely in view of this timing of the quota payments, to provide a sufficient volume of payments during the first half of the year—for the current and past years—to enable the Organization to pursue its work on a normal basis. By that means, the amount of the Fund had been brought to more than US$3,000,000. If the United States Government as the principal contributor could pay one half of its contribution during the first half of the year—which was impossible because its fiscal year ran from July of one calendar year to June of the next—there would be no problem in reducing the Working Capital Fund to perhaps 25 or 30 per cent of the budget. The present level of
the Working Capital Fund, 42 per cent of the budget, was still 18 per cent less than that required by the resolution of the Directing Council.

As for reducing the budget of the Pan American Foot-and-Mouth Disease Center to the same amount as in 1969, which was $1,202,836, the Director said that that proposal was a reaffirmation of the view of the United States Government, expressed by Mr. Rosenthal during the first plenary session, that the Center should be self-sustaining and should continue to perform its functions. During the time that the Center's financing came from the Program of Technical Cooperation of the Organization of American States, its income was reduced to such an extent that in 1967 consideration was given to closing it. That led to the idea of making the Center self-sustaining. At the present time, the Governments, both in the area free of the disease and in the infected area, were taking renewed interest in the Center. Partly because of efforts by the Organization, the international banks were granting loans for the fight against foot-and-mouth disease, of which three had been approved, for Argentina, Chile, and Paraguay, and others were in process. Those circumstances, and the serious problem that the reappearance of the disease would represent for the United States of America, should be taken very much into account in considering the amount of the appropriation, which the Director regarded as modest in relation to the vital importance of the problem for the health and economy of the Hemisphere.

In the third place, the Government of the United States of America was proposing that the budget expenditures for 1970 be reduced by $375,000, instead of by $200,000 as the Bureau had already done, to absorb part of the increased cost. It was well to note in that respect that the reduction of $200,000 had already considerably reduced the programs; if the reduction were greater it would be practically impossible to carry out any new project.

Regarding the regional centers in the countries, Dr. Horwitz emphasized that under the multinational programs the national contribution was very large and that of the Organization was purely supplementary. That was the case with the Pan American Zoonoses Center, which operated in Argentina, and with the new program recently agreed upon with the Mexican Government for the training of specialists in immunology. As pointed out by the Representative of Mexico, it might be advisable to prepare some regulations for the future, based on that experience. If the Executive Committee so wished, the Bureau would draft a proposal to that effect, taking advantage of the experience already gained. In their Declaration, the Presidents of America advocated multinational programs to make possible the transfer of science and technology; in other words, they favored a procedure whereby those Governments which, at a given time, were in a better position to do so, could place their knowledge at the disposal of the others. The Bureau was studying various projects of that type, for which the intellectual contribution of the countries was even more important than material resources.

The Bureau was perfectly aware of the financial problems faced by the countries and had attempted to meet any possible objections in advance by reducing the original proposal by $200,000. Because of the salary increase, a further reduction of funds would mean operating in 1970 with less funds, in real terms, than those available in 1969. It was to be hoped that, after an exhaustive analysis of the documentation, the Executive Committee would conclude that the budget estimates submitted by the Bureau were correct and, consequently, should be supported.

The session rose at 5:50 p.m.
THIRD PLENARY SESSION

Tuesday, 24 June 1969, at 9:10 a.m.

Chairman: Dr. Orontes Avilés (Nicaragua)

Item 3: Date of the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of WHO for the Americas (conclusion)

The Rapporteur read the relevant draft resolution, whose text was as follows:

The Executive Committee,

Having considered the report submitted by the Director of the Bureau (Document CE61/6) on the date of the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of the World Health Organization for the Americas,

Resolves:

1. To take note of the report submitted by the Director (Document CE61/6) on the date for the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of the World Health Organization for the Americas.
2. To authorize the Director to convene the Council to meet this year in Washington, D.C. from 29 September to 10 October.

Decision: The proposed resolution was unanimously approved.

Item 7: Provisional Agenda for the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of WHO for the Americas (conclusion)

The Rapporteur read the following draft resolution concerning the item:

The Executive Committee,

Having examined the provisional agenda (Document CD 19/1) prepared by the Director of the Bureau for the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of the World Health Organization for the Americas; and

Considering that Article 12-C of the Constitution provides that "the provisional agenda of the Council shall be prepared by the Director of the Bureau and submitted to the Executive Committee for approval," and that, pursuant to the provisions in force, the Governments may propose items which in their opinion should be considered by the Council,

Resolves:

1. To approve the provisional agenda prepared by the Director (Document CD19/1) for the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of the World Health Organization for the Americas.
2. To authorize the Director to include in the provisional agenda such additional items as may be proposed in due time by the Governments and by those organizations entitled to propose agenda items.

Decision: The proposed resolution was unanimously approved.

Item 18: Financing of the Health Sector: Technical Discussions to be Held during the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of WHO for the Americas (conclusion)

The Rapporteur then read the relevant draft resolution, whose text was as follows:

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The Executive Committee,

Having considered the report of the Director (Document CE61/16) on the outline of the working document for the Technical Discussions to be held at the XIX Meeting of the Directing Council on the subject “Financing of the Health Sector”; and

Considering that the above-mentioned outline includes all the points recommended by the Governments at the XVIII Meeting of the Directing Council,

Resolves:

1. To approve the proposed outline.
2. To instruct the Director to prepare the working document for the Technical Discussions at the above-mentioned meeting of the Directing Council in accordance with the proposed outline, taking into account the suggestions made by the representatives during the discussion of the item.

Decision: The proposed resolution was unanimously approved.

Item 8: Representation of the Executive Committee at the XIX Meeting of the Directing Council, XXI Meeting of the Regional Committee of WHO for the Americas (conclusion)

The Rapporteur read the following draft resolution on the item:

The Executive Committee,

Considering the provisions of Article 14 of the Rules of Procedure of the Executive Committee approved by Resolution I at this Meeting,

Resolves:

To appoint Dr. Manuel Angel Cortés Vargas to officially represent the Executive Committee at the XIX Meeting of the Directing Council in the event that Dr. Orontes Avilés, the Chairman, is unable to attend.

Dr. Martínez (Mexico) proposed that the resolution indicate the post of Rapporteur to which Dr. Cortés Vargas had been appointed.

Dr. Yglesias (Costa Rica) suggested that the word “alternate” be added to the text.

Dr. Arreaza Guzmán (Assistant Director, PASB) stated that the text of the operative part of the resolution would then read as follows: “To appoint the Rapporteur, Dr. Manuel Angel Cortés Vargas, as the alternate representative of the Executive Committee at the XIX Meeting of the Directing Council in the event that Dr. Orontes Avilés, the Chairman, is unable to attend.”

Decision: The proposed resolution, so amended, was unanimously approved.

Item 4: Report on the Collection of Quota Contributions (continuation)

The Rapporteur read the following draft resolution on the item:

The Executive Committee,

Having considered the report of the Director on the collection of quota contributions (Document CE61/10);

Having noted the information and comments on quotas contained in the Financial Report of the Director especially with respect to Member Governments in arrears more than two years; and

Bearing in mind the importance, for the financing of the program of work of the Organization, of the prompt and full payment of the quota contributions for which provision is made in Article 24 of the Constitution of the Pan American Health Organization,

Resolves:

2. To commend the Director for his efforts to solve the problem of quotas in arrears.
3. To commend the Governments for the efforts they made in 1968 to pay quotas in arrears and to increase the percentage of the current quotas paid.
4. To request the Director to continue to submit full reports to the Governments on the status of the collection of quotas and to bring to the attention of the Directing Council the concern of the Executive Committee about the consequences that failure to pay them has on the execution of the PAHO program.
5. To recommend to the Governments whose quotas are in arrears to pay them as soon as possible and those whose quotas are two or more years in arrears, to fulfill their financial plans for the payment of those arrears within a definite period.

Dr. Martínez (Mexico) suggested that paragraphs 2 and 3 of the proposed resolution be combined into a single paragraph drafted in the following or similar terms: "To commend the Governments and the Director for the efforts made to resolve the problem of quotas in arrears and to increase the percentage of the current quotas paid."

Dr. Yglesias (Costa Rica) expressed the view that the text of the resolution should not be changed.

The Chairman announced that the original draft resolution and the text proposed by the Representative of Mexico would be submitted for the Committee's consideration at a later session.

Item 6: Proposed Program and Budget Estimates of the Pan American Health Organization for 1970 (continuation)

The Chairman suggested that the review of the proposed program and budget estimates be made in conformity with the titles as shown in Document CE61/5.

Mr. Moore (Acting Chief of Administration, PASB) said that Official Document 85 was to be read in conjunction with Document CE61/5. He noted provisions for Parts I and II. In Part II (Headquarters) the following changes were noted: the Department of Coordination with International Agencies, formerly the Liaison Office and shown under the Office of the Director, appeared as Chapter II; and the Fellowship Branch had been absorbed into the Department of Human Resources Development. He also reviewed changes in the number of posts, noting that the only change in Part II between 1969 and 1970 was the addition of two posts in the Finance Office.

The Chairman offered the floor for discussion of Parts I and II of the budget.

Dr. Blood (United States of America) asked for an account of the staff and the work of the Department of Coordination with International Agencies, and what its modus operandi was.

Dr. Lynch (Chief, Department of Coordination with International Agencies, PASB) said that the responsibilities of the Department included establishing and maintaining liaison with the other agencies of the Inter-American System and those United Nations agencies with which the Bureau had established relations. Of particular importance were the integrated economic and social development programs, in which health activities should perform a basic role. A catalog was being prepared of the programs of the Organization in which other agencies were also playing a part, in order to determine to what extent health activities were being included in other programs and to obtain information on what was being done in other organizations, particularly those which prepared economic development plans.

Dr. Lynch went on to say that contact was being maintained with the largest possible number of international organizations that had liaison offices and that an effort was being made to establish contact even with agencies lacking such offices.

Dr. Horwitz (Director, PASB) explained that the Department of Coordination with International Agencies, which would perform the functions described by Dr. Lynch, would be included in the new printed budget. He pointed out that the agenda included an item on "Long-term planning and evaluation" which described the relations maintained with agencies of the Inter-American System as a whole, in accordance with instructions issued by the Directing Council. It was obvious that with all the international activity in the Hemisphere, one or two persons could not do all the work involved. The Director added that the Department performed a promotional rather than an operational function and served as the Bureau's focal point for
keeping abreast of the rapidly changing ideas, concepts, proposals, and programs in the entire field of economic and social development.

Dr. Martínez (Mexico) submitted a proposal that the Executive Committee ask the Directing Council to consider the advisability of the Organization's taking the necessary action to sponsor a survey in all countries, particularly those in Latin America, of the production of working components for the health industry and, in contact with other international organizations in the Hemisphere, endeavoring to promote the satisfaction of the relevant needs through specialization in the production of those working elements.

He expressed the opinion that the PAHO/WHO Country Representatives could readily investigate developments in each country. It was important to interest the other agencies—those responsible for economic, industrial, commercial matters, etc.—since under the pressure of their own problems they usually forgot health activities and factors involved in the prevention of human disease.

Dr. Blood (United States of America) asked whether Dr. Martínez thought the Country Representatives together with local officials should make the most interesting and useful survey he had proposed.

Dr. Martínez (Mexico) said that the required activity could be carried out by the Bureau with its currently available resources, without new expenditures.

Dr. Olguín (Argentina) said that the proposal of Dr. Martínez was very interesting and suggested that he specify what aspects would be included in the survey.

Dr. Yglesias (Costa Rica) inquired whether the proposal of Dr. Martínez was not already included in the topic "Financing of the Health Sector."

Dr. Martínez (Mexico) replied that his proposal was entirely apart from the topic for the Technical Discussions. It referred primarily to working elements (articles, equipment, etc.,) produced in each country or imported from other countries for the health programs. From a qualitative and economic point of view, the national programs were subject to financial restrictions, since the Latin American countries produced very few of the elements needed for carrying out their health programs. The required imports of those articles tended to increase the demand for foreign exchange, a tendency which the economic authorities tried to restrain in the interest of balance-of-payments equilibrium. It would therefore be useful for the Directing Council to instruct the Director to establish contact with Pan American organizations of every kind, and particularly with those concerned with commercial matters. In Latin America, the movement toward integration and its corollary, specialization in industry and trade, was gaining increasing momentum, and it was likely that a similar tendency would soon be evident in the field of health. The proposed survey of production, imports and exports should provide extremely useful guidelines to the economic and commercial authorities of each country for encouraging the development of a sounder and more specialized "health industry," in the interest of better products and lower prices and, at the proper time, for promoting the health programs themselves.

The Chairman suggested that Dr. Martínez submit his proposal in writing for consideration by the Executive Committee.

Dr. Olguín (Argentina) was entirely in agreement that a detailed and complete presentation of the proposal was needed and expressed the view that a survey of that kind could not be done by the Country Representatives alone but would also require the cooperation of important agencies of the Governments.

Dr. Henry (Trinidad and Tobago) asked whether the survey might also embrace maintenance since, in the Caribbean, there was a lack of expertise for maintaining much of the sophisticated equipment which was part and parcel of modern hospitals and health institutions.

The Chairman requested Dr. Martínez to take the suggestion of the Representative of Trinidad and Tobago into account in formulating his proposal in writing.

Dr. Horwitz (Director, PASB) expressed the concern that it would not be possible, in the brief time remaining before the Directing Council meeting, to conduct a survey of that nature, which included innumerable aspects. He recalled the case in which the Bureau had been asked to prepare a document showing the volume of drug imports at a given time and comparing it with the volume of investment which the countries were making; the result was, of course, regrettable, although it did lead to the excellent initiative of
the Argentine Government to establish by law that a given percentage of the over-all investment in domestic production and imports of drugs be set aside as a fund for drug quality control activities, an initiative that it would be well to extend throughout the Americas.

Dr. Martínez (Mexico) made it clear that it was not his intention to establish a definite deadline for the completion of the study, as he understood that the work involved was almost limitless.

Dr. Blood (United States of America) said that he would like to turn to the Department of Evaluation. So far there was very little to show for the evaluation process. He would like to know, first, whether it was of any value and, if so, how that value was measured and, secondly, whether the Governments could be better informed of just what the work of the Department was.

Dr. Vera (Chief, Department of Evaluation, PASB) pointed out that first it was necessary to define the exact meaning of what was expected from evaluation since the term itself was subject to different interpretations. In the Organization, evaluation was considered from an operational point of view and was applied both to projects, i.e., activity geared to a specific field, circumscribed within a definite time limit and restricted to a given geographic area and population, and to programs which might consist of a group of homogenous or heterogenous projects to be carried out in a specific region or country. In the latter case, reference was made to a health program in a country, area, or region. Dr. Vera recalled that the Director, in his statement on the program and budget estimates, had referred to the evaluation of programs which the countries carried out with the Bureau's cooperation in pursuit of the goals established in the Charter of Punta del Este. Three of those evaluations were made on the basis of available data, which were not always very reliable. The last was presented to the Meeting of Ministers of Health, held in October in Buenos Aires.

The evaluation of projects was approached somewhat differently. The Organization was convinced that if the results of an evaluation were to be useful on the local, intermediate, or regional level, what should be evaluated was the extent to which the goals of the project in question were achieved, in other words, the evaluation of its effectiveness. The other kind of evaluation referred to the cost-benefit ratio, or the extent to which the purposes were being achieved at the cost that was contemplated. The Organization had not, until now, performed that kind of evaluation, owing to the fact that it was extremely difficult to determine clearly and precisely the amount of resources available for each project. The Organization had therefore concentrated particularly on the evaluation of effectiveness, which had made necessary a complete review of all the projects. That activity had been going on for several years and by the end of 1968 had included the evaluation of 340 field projects out of 464, which was 76 per cent of the total. It had been possible to establish the relationship between the objectives proposed and the results actually accomplished, and that had permitted the use of the results at the local, Zone, and Headquarters levels.

Dr. Blood (United States of America), referring particularly to the projects within the countries, asked to what extent participation in a project by the countries themselves was in fact evaluated and, indeed, to what extent the countries took part in it.

Dr. Vera (Chief, Department of Evaluation, PASB) replied that it was the countries themselves that determined the objectives of the projects, so that the evaluation did not refer to the activities of the PAHO but to those of the projects. An effort was made to secure total and absolute participation by the national elements, and that was being achieved, at least in part. Dr. Vera cited the example of one of the Central American countries, which had adopted the Organization's system almost without change and of another Central American country which had requested the Organization to furnish advisory services for the purpose of adapting its programs to the system of evaluation being used by PAHO. It was a question of an integrated process in which an effort was made to measure the results of a project which was an activity of the Government of the country concerned.

The meeting was suspended at 10:40 a.m.
and resumed at 11:20 a.m.

Mr. Moore (Acting Chief of Administration, PASB) said that in Part III (Document CE61/5) there were no post changes in either Section 1 (Zone Offices) or Section 2 (Editorial Services and Publications).

Dr. Martínez (Mexico), referring in general to field and other programs, said that the country programs should receive more priority than inter-country programs. He suggested, moreover, that the Directing Council
be asked to consider the possibility of having the Director, or perhaps a special group, prepare certain rules to ensure optimum utilization of available resources. He believed there were two matters of special importance involved in that. First of all, it would be necessary to provide that centers of particular interest to a given group of countries should be financed primarily by those countries, without precluding the support of the Organization. It should be kept in mind that the establishment of such centers should not become an obstacle to the improvement of similar services in the countries concerned, which they could easily become if the countries could see no need to engage in the activity for which the centers were responsible. In the second place, attention should be given to the matter of the duration of international projects. The purpose of those was to serve as a stimulus to national undertakings and they should not continue indefinitely, although the limits on their duration should of course be flexible and determined on the basis of the evaluation of their activities.

Dr. Arreaza Guzmán (Assistant Director, PASB) made it clear that the Director paid particular attention to the matter of the duration of projects and programs, since when they continued for an excessively long period of time they became an impediment to the development of new activities by absorbing a large part of available funds. In that connection, the Director had taken the initiative by instructing the Department of Evaluation to prepare criteria that would make it possible to reach a decision, in consultation with the Governments, on the continuation or suspension of activities. In that way, the representatives of the Organization would have the necessary information for analyzing the programs in conjunction with the corresponding agencies of the Governments concerned.

Dr. Sáenz (Uruguay) supported the position of the Representative of Mexico concerning the duration of projects and programs. He pointed out, however, that the results of an evaluation of activities made by the countries themselves were not always in agreement with those of an evaluation made by the Organization. There was a problem of measurement of results involved in that, and uniform statistical rules should be prepared for general application.

Dr. Martínez (Mexico) explained that the intent of his proposal was to suggest to the Directing Council that it entrust to a group, still to be created, the development of regulations to govern the matters to which reference had been made. The group could perhaps be composed of Secretariat officials, but in such event it would be useful for it to invite the participation of representatives of the countries, so as to learn the views of the latter. After requesting the opinion of the Director, Dr. Martínez announced that he would present a draft resolution on the matter.

Dr. Horwitz (Director, PASB) said that, as he had previously pointed out, if the Executive Committee and the Directing Council so resolved, the Secretariat could prepare an initial draft of the rules to govern multinational activities. A number of similar questions were being examined, and consultations with the Governments were in progress with respect to some of those matters. The Director made clear that he had never referred to the regulation of national programs. In regard to those, it was necessary to proceed with the greatest caution since a decision to initiate or terminate a national program was a matter within the exclusive purview of the Governments, as was the determination of the need for international assistance.

The Director did not believe that in the regulation of national programs the Organization could go beyond the recommendation of very general guidelines; otherwise, it would run the risk of having it thought that the Organization was assuming supragovernmental characteristics. For that reason, it would be necessary to deal with each of those matters on an entirely different basis.

Dr. Martínez (Mexico) explained that he was referring to international activities. In any event, if the countries themselves were to adopt a set of regulations applicable to national programs, that would involve no attempt against their sovereignty. He saw no reason why the proposals should not be submitted, so that the matter could be considered on a separate basis.

With reference to the section on health protection, the Representative of Mexico noted the special importance of *Aedes aegypti* eradication. He pointed out that his country was undergoing two or three infestations a year from the United States of America and that, since the latter country had suspended its control activities, it was feared that all the efforts and expenditures made in Mexico would prove to be fruitless. Since it was possible that the United States authorities had not had sufficient information to appreciate the effects of their action on Mexico, it might be advisable for the Executive Committee to request the Directing Council to authorize the Director to draw the attention of the appropriate authorities in the
United States of America to the possible consequences of the action taken by their country, in order to obtain a reconsideration of the suspension of eradication activities. He ended by saying that he would present a draft resolution on the matter for consideration by the Committee.

Dr. Blood (United States of America) recalled that in October 1968, in Buenos Aires, he had announced on behalf of his Government that budgetary restrictions and other difficulties made it necessary to reduce the program of *A. aegypti* eradication to preventing transmission of the vector across the United States-Mexican border; to certain activities in Puerto Rico; and to certain essential research work. Further budgetary restrictions had since caused reduction to the point where only research activities were being conducted. However, in response to a recent communication from the Director on the problem of the reinfestation of Mexico from the United States of America, the health authorities had decided on a study in conjunction with the Organization and the Mexican health authorities to find a solution to the problem. He was not yet able to forecast what programs or field activity would result, but action in the matter would be taken within the next few days.

The Chairman remarked that the statements by the Representative of the United States of America were evidence of the Director's concern with that matter and should be reassuring to the Representative of Mexico.

Dr. Henry (Trinidad and Tobago) said that in 1954 his country had suffered severely from an outbreak of yellow fever. Subsequent efforts to eradicate the vector had been very successful but reinfestation, especially by way of small craft coming to the islands, was always a threat. He stressed that the virus isolated in a recent dengue outbreak in the Caribbean had been a different type than seen hitherto and might very well produce an hemorrhagic dengue which could have fatal consequences. Therefore, he wished to caution against complacency on the part of countries which had the vector, even if at present they did not have the yellow fever virus.

Dr. Belchior (Brazil) reviewed the action that had been taken to control yellow fever in the cities of his country and mentioned the appearance in 1967 of a variety of *A. aegypti* in the city of Belém and the coastal area which the Organization had helped to control. In Brazil, a continuing survey was made and control measures were taken in sea and airports; 1,700,000 cruzeiros had been spent during 1969 for that purpose. Eradication was a matter of utmost interest to his country and, it was hoped, to the other countries as well; for that reason he was frank to admit that he was concerned about the suspension of eradication activities by other countries in the Hemisphere.

Dr. Mondet (Argentina) referred to the appearance of jungle yellow fever in his country some years ago and to the research activities carried out in the ports. He expressed the belief that the funds devoted to those activities were investments in the full sense of the term and decidedly supported what had been said by the previous speakers to the effect that the threat of proliferation of *A. aegypti* should be kept constantly in mind.

Dr. Yglesias (Costa Rica) observed that although his country was considered to have eradicated the *A. aegypti*, there was continuing surveillance; he urged the countries that had suspended their campaigns to reconsider their position.

Dr. Horwitz (Director, PASB) said that in 1968 four experts made available by the Organization at the request of the United States Public Health Service had presented recommendations on the eradication of *A. aegypti* but that, for budgetary reasons, the United States Government had not been able to put those recommendations into practice. Subsequently an attempt had been made to obtain an intensification of the work in the area bordering Mexico, and for that reason he welcomed the statement of the Representative of the United States of America. Inasmuch as a similar situation had been found to exist in other parts of the Hemisphere, the important thing was to emphasize that the Governments should strengthen their surveillance operations. It was to be regretted that it had not been possible to eliminate the vector completely from Cúcuta and it had spread to neighboring regions. With reference to the statement of the Representative of Trinidad and Tobago concerning hemorrhagic dengue, the Director said that the Governments of the countries in the Caribbean area had been requested to allow the Organization to send an expert to determine whether the disease was caused by a virus other than that which produced common dengue or whether it was a self-immunizing disease. The results of such a survey would possibly lead the Governments to change their attitude toward the eradication of *A. aegypti*. It was also essential to present stronger arguments so that the decision-taking organizations, especially parliaments, would understand the importance of the matter. It had,
unfortunately, not been possible to persuade the Government of El Salvador to consider using specially trained personnel from its Armed Forces to combat the vectors, as had been done in Honduras with the assistance of the Organization. That type of activity offered a solution to the principal problem which was that of personnel costs. The Director noted that the resources allocated by the Organization to the eradication of *A. aegypti* had been increasing and that by 1970, with the additional funds included in the proposed program and budget estimates, it might be possible to reach a figure of one half million dollars, which was doubtless a very substantial sum for an advisory organization. The Secretariat would, of course, carry out whatever recommendations were made by the Executive Committee to the Directing Council, but hoped that they would emphasize that the principal responsibility lay with the Governments.

Dr. Bersh (Colombia), referring to the reinestation of Cúcuta, mentioned by the Director, stressed that his country maintained a constant control activity and was working on the eradication of *A. aegypti*. That work had been entrusted to the services responsible for malaria eradication, to avoid duplication of activities, but the services had been provided with the additional resources needed to perform both functions effectively. He further noted that his country had received the active cooperation of the Venezuelan services and that the application of the border health agreement between the two countries was being carried out in a spirit of cordial understanding. Dr. Bersh then referred to the procedure for reviewing the proposed program and budget estimates, expressing the opinion that it would be preferable to examine them on an over-all basis. That would make it possible to concentrate on the matter of greatest concern, which was the proposed increase in expenditures. An appropriate way of doing that would be to examine Documents CE61/5 and WP/1 very carefully, requesting the Secretariat to provide the necessary explanations in each case, instead of considering the proposed program and budget estimates in detail.

The Chairman announced that the suggestion of the Representative of Colombia would be discussed in the afternoon session.

*The session rose at 12:25 p.m.*
FOURTH PLENARY SESSION
Tuesday, 24 June 1969, at 2:40 p.m.

Chairman: Dr. Orontes Avilés (Nicaragua)

Item 4: Report on the Collection of Quota Contributions (conclusion)

The Chairman opened the session and announced that the first item of business was the examination of pending draft resolutions. The Representative of Mexico had proposed an amendment to the draft resolution appearing in Document WP/6, Rev. 1. The Chairman requested the Rapporteur to read the amendment.

The Rapporteur read the amendment proposed by the Representative of Mexico, explaining that it called for combining paragraphs 2 and 3 of the operative part into a single paragraph, numbered 2, and renumbering the following paragraphs accordingly. The proposed new paragraph read as follows:

"2. To thank the Governments and the Director for the efforts made in 1968 to solve the problem of quotas in arrears and to increase the percentage of the current quotas paid."

Decision: The proposed amendment was unanimously approved.

The Chairman submitted the draft resolution, as amended, to a vote. Its text was as follows:

The Executive Committee,

Having considered the report of the Director on the collection of quota contributions (Document CE61/10);

Having noted the information and comments on quotas contained in the Financial Report of the Director, especially with respect to Member Governments in arrears more than two years; and

Bearing in mind the importance, for the financing of the program of work of the Organization, of the prompt and full payment of the quota contributions for which provision is made in Article 24 of the Constitution of the Pan American Health Organization,

Resolves:

1. To take note of the report on the collection of quota contributions (Document CE61/10 and Addendum I).
2. To thank the Governments and the Director for the efforts made in 1968 to solve the problem of quotas in arrears and to increase the percentage of the current quotas paid.
3. To request the Director to continue to submit full reports to the Governments on the status of the collection of quotas and to bring to the attention of the Directing Council the concern of the Executive Committee about the consequences that failure to pay them has on the execution of the PAHO program.
4. To recommend to the Governments whose quotas are in arrears that they pay them as soon as possible and those whose quotas are two or more years in arrears, that they fulfill their financial plans for the payment of those arrears within a definite period.

Decision: The draft resolution as amended was unanimously approved.


The Chairman submitted for consideration by the Executive Committee the draft resolution appearing in Document WP/7.

Dr. Martínez (Mexico) asked what program and authorized budget was referred to in the last paragraph of the preamble.
The Rapporteur answered that that referred to the expenditures for the program recommended in the authorized budget for 1969.

Dr. Martínez (Mexico) suggested that the paragraph be deleted, since he considered it confusing and unnecessary.

Dr. Olguín (Argentina) pointed out that the paragraph in question was directly related to the second paragraph in the preamble, the connection being that in spite of the high percentage of collections a large number of countries were behind in the payment of their quota contributions. It was his understanding that the purpose of the paragraph whose deletion was proposed was to underscore that the budget recommended was necessary for the execution of the program as approved.

Dr. Horwitz (Director, PASB) explained that the resolution referred to actual expenditures in 1968 under the program and budget approved by the Governing Bodies. For that reason the Rapporteur had not considered it relevant to dwell on 1968 but had instead included a clause to emphasize in view of the failure of some Governments to pay their contributions at the proper time, that the total program was regarded as necessary for the improvement of health and for economic and social development. There was no objection, however, to deleting the clause if that were desired.

Dr. Bersh (Colombia) agreed with the Representative of Argentina that the paragraph in question was related to the preceding one, but suggested that its wording be changed to make the meaning more clear.

The Chairman asked the Representative of Mexico if he still wished to have the paragraph in question deleted, in which case the proposal would be put to a vote.

After an exchange of views in which Dr. Martínez (Mexico), Dr. Yglesias (Costa Rica), and Dr. Bersh (Colombia) took part, it was decided to request the Secretariat to rephrase the paragraph for examination at the following session.

Item 6: Proposed Program and Budget Estimates of the Pan American Health Organization for 1970 (continuation)

The Chairman recalled the proposal made by the Representative of Colombia at the third plenary session to the effect that, before taking a decision on the over-all amount of the proposed budget submitted, it be examined point by point or, in other words, that Document WP/1 be examined instead of Document CE61/5 and Official Document 85. The Chairman said that that method would be useful in the interest of brevity, but that, as Representative of Nicaragua, he wished to note that there would be less material on which to base an opinion. He submitted the proposal for the Committee's consideration.

Dr. Blood (United States of America) said that the 59th Meeting of the Committee devoted 10 sessions to the examination of the program and budget estimates for 1969-1970. While it was important to understand any recent changes in orientation and in specific projects, a complete re-examination of those estimates would appear to be a misuse of valuable time.

The Chairman requested the members of the Committee to express their views concerning the proposal of the Representative of Colombia and the point made by the Representative of the United States of America.

Dr. Yglesias (Costa Rica) supported the proposal of the Representative of Colombia that the Committee begin by examining those items in which there was a substantial increase or reduction and then examine the entire proposal more generally. If there were any doubts, it would always be possible to consult Official Document 85.

Dr. Bersh (Colombia) felt that since the Executive Committee did not include representatives of all the countries it would not be practical to examine the projects by countries. That was done when preparing the budget estimates and again in the Directing Council, where each representative presented observations on matters of interest to his country. Summarizing his proposal, he said that his purpose was to examine the over-all budget and not its details.
Dr. Blood (United States of America) said that, though he did not take issue with the general conclusion reached by the Representative of Colombia, it was the duty of the Committee, in his view, to consider the health situation in the Hemisphere generally, rather than for individual members to defend their countries' programs. He was sure that Dr. Bersh had not intended to imply otherwise. The Committee had an obligation to look at individual country projects, since they formed an important part of the program and budget, but he was not sure that such an examination was necessary at that time.

The Chairman agreed with the view that the Executive Committee represented the interest of all the American countries and sought to have the resources of the Bureau applied to all the programs in accordance with the priorities and requests of the countries. He reminded the Committee that a decision had yet to be taken on the proposal of the Representative of Colombia concerning the procedure for examining the budget.

Dr. Bersh (Colombia) said that he had expressed the same idea as the Representative of the United States of America and that perhaps the latter had misconstrued his remarks. The members of the Committee were not representatives of their own countries but of the Organization as a whole and it was their duty, precisely because of that, to examine the budget in its entirety and not in its details.

Dr. Olguín (Argentina) expressed the belief that the procedure proposed by the Representative of Colombia would save time in the examination of the budget, but that in examining Document WP/1 it was necessary to refer to Official Document 85, which analyzed the development of the program in detail. He suggested that the Bureau indicate the most practical and informative way of adopting a final decision on the budget.

The Chairman said that, since some of the representatives were attending their first meeting of the Executive Committee, he thought there was merit to the proposal of the Representative of Argentina that the Bureau express its opinion as to the best procedure for examining the budget.

Dr. Blood (United States of America) noted that whereas the 1970 program and budget had, a year earlier, been considered in relation to that for 1969, a similar study for the 1970-1971 period would not be possible until the next meeting of the Committee in September. He felt that the proposal of Dr. Bersh was especially appropriate, since, if adopted, the Committee could go into the details of individual programs over the two-year period 1970-1971 at the next meeting.

The Chairman asked the Director of PASB to indicate what method was suggested by the Bureau.

Dr. Horwitz (Director, PASB) said that the method preferred by the Bureau was that which would make possible a detailed analysis. He did not agree with the Representative of the United States of America that there had, perhaps, been no important developments since the program for the previous year had been analyzed. It was sufficient to mention, as was done in the morning session, the eradication of Aedes aegypti, the far-reaching decisions adopted by some Governments, and the series of projects whose approval would result in changes in the work of the Organization and the order of its investments. The meeting of the Directing Council scheduled for September would not have time to solve the problem; it would only deal with such changes as the World Health Assembly might make in the appropriations from WHO. If the suggestion of the Representative of Colombia that the Committee examine the four tables in Document WP/1 were adopted, it would still be necessary to consult Official Document 85 in order to clarify the details of the increases or reductions in the expenditures. The Bureau would prefer to have the budget estimates examined exhaustively, but if the Committee regarded an examination of that kind as excessive and preferred a study by projects, a functional study, the Bureau would be glad to reply to any questions that arose.

Dr. Martínez (Mexico) was of the opinion that there was some confusion regarding the proposal of the Representative of Colombia and that he himself did not suppose it involved any restriction on examining the budgets by countries. For example, in connection with the considerable increase in the item for general health services, under Protection of Health in Table 2, he did not believe there was anything to prevent the Committee from requesting further information in that regard and he was sure that the Bureau would provide such information.

The Chairman observed that since apparently no other member of the Committee had anything to say regarding the proposal under discussion, he would put it to a vote.
Decision: The proposal of the Representative of Colombia was unanimously approved.

The Chairman explained that it would be necessary to change the working procedure and that the presentation by countries would be suspended in order to examine Document WP/1. The example cited by the Representative of Mexico led him to think that there might be other members of the Committee who would request clarification of the items appearing in Table 2. He believed it necessary to establish a uniformly applicable procedure since a change in method was involved, and suggested that Mr. Moore read Table 2 and the members of the Committee request any explanations they considered necessary.

Mr. Moore (Acting Chief of Administration, PASB), referring to Document WP/1, said that Table 2 provided an analysis by subject classification of the total of all funds and all programs in 1970.

Item 1, Protection of Health, Program 0100, General, under communicable diseases, embraced projects related generally to epidemiology and any activity which covered several or all communicable diseases and could not be attributed to a specific disease.

Dr. Martínez (Mexico) asked for an explanation of the reasons for the increase in Program 0100, General, which in three years had risen from $230,941 to $518,280.

Dr. Bica (Chief, Department of Communicable Diseases, PASB) referred the members of the Committee to page 14 of Official Document 85, where there was a general explanation of the Organization's policies in regard to communicable diseases.

Dr. Martínez (Mexico) thanked Dr. Bica for the explanation and inquired what was included under the term “Others.”

Dr. Bica (Chief, Department of Communicable Diseases, PASB) explained that that heading included unspecified parasitic diseases, such as Chagas' disease, schistosomiasis, etc., and, particularly, plague.

Dr. Martínez (Mexico) asked why it was that large amounts had been allotted to short-term consultants who were not engaged for specific programs such as those for malaria, smallpox, tuberculosis, etc. He wondered if those were advisers engaging exclusively in general epidemiology and also what was the trend of demand by the countries of the Region in that general field and if the services of short-term advisers were essential in all six Zones. He also requested information regarding the seminar on administration and problems of vaccination, a project approved at the most recent meeting of the Directing Council, and on the amount allotted for the control of communicable diseases that were preventable by immunization.

Dr. Bica (Chief, Department of Communicable Diseases, PASB), replying to the last question, said that some countries were interested in coordinating their control programs against acute diseases such as diphtheria, tetanus, pertussis, and measles, which had formerly been carried out as separate and vertical programs, resulting in higher personnel costs and lack of proper coordination. He cited as an example the cases of Cuba and Chile, which were conducting programs of concurrent immunization against several diseases, with the attendant economy of money, time, and personnel. Programs such as those, which were not directed specifically against a single disease specifically classified in the budget, were included under item 0100.

As to the short-term consultants, about three of them were rendering service to some three countries over three months of the year in connection with programs that could not be served by the epidemiologists. Others were engaged in surveys, and still others were organizing epidemiological surveillance services or performing other appropriate functions. The seminar was a suggestion of the Delegation of Uruguay at the Conference and its purpose was to determine the reason why so many programs were failing. The proposal called for holding three or four seminars, but the Organization found it preferable to hold a single Pan American seminar to study, not, as proposed, the types of vaccines or vaccination schemes, but rather the basic causes for the failure of some programs, including, primarily, poor administration, and, as other causes, lack of adequate planning, lack of supplementary care, inadequate budgets, and poor-quality vaccines which failed to meet the required production specifications. There were many factors involved in the success or failure of a program and it is considered important to determine the means of eliminating the causes of failure, including programs of doubtful value that give a false impression of success. Evaluation was another important factor and, its omission could lead to substantial investments in the conduct of programs which did not perform the required function and gave a false impression of protection against the disease.
Dr. Martínez (Mexico) asked at what Conference the Delegation of Uruguay had made the proposal for a seminar which was later altered. He wished to know something about the administrative machinery for the holding of multinational meetings.

Dr. Bica (Chief, Department of Communicable Diseases, PASB) replied that the Delegation of Uruguay had presented the proposal at the XVII Pan American Sanitary Conference and that the seminar, while included in the budget estimates for 1969, had actually been held in 1968.

The session was suspended at 3:45 p.m.
and resumed at 4:25 p.m.

Mr. Moore (Acting Chief of Administration, PASB) said that, in connection with the discussion of Table II—Program Analysis—Total—each of the technical officers could speak to the Committee on the subject field for which he was responsible if that was the desire of the Committee.

Dr. Sáenz (Uruguay) asked why there was a steady increase from $96,256 to $262,000 for Program 0400 (Tuberculosis) in spite of the fact that, according to current data, the morbidity and mortality of the disease had declined significantly. He wondered if the increase were related to certain basic factors in the tuberculosis problem such as: (1) bacteriological diagnosis and examination of communities; (2) prevention through BCG vaccination or preventive drugs; (3) treatment of ambulatory cases with drugs; and (4) atypical bacilli or chromogenous bacilli of the Runyon classification, which had recently occupied the attention of specialists because it was shown that an increase of the number of bacillary patients was associated with the rise in the percentage levels of those bacilli. He also asked if any part of the increase in expenditures was designed to cover that type of research.

Dr. Villas Boas (Regional Adviser in Tuberculosis, PASB) said that in 1968 the program against tuberculosis had been assigned a lower percentage of the Organization’s budget than any other program, namely, 0.4 per cent. That was increased in 1969 to 0.7 per cent and in 1970 to 1 per cent. As indicated in Document WP/1 (p. 4), most of the increase was related to the development of human resources.

At the time there were 85 million infected persons and 1,250,000 active cases in Latin America; even in the United States of America there were close to 30 million infected persons. In spite of the impressive and efficient working tools available, the disease had not been eliminated as a health problem in any country of the Region.

A tendency had been noted in recent years to promote the control of tuberculosis effectively and economically through the sound application of available knowledge and resources. The goal was to eliminate tuberculosis as a public health problem with sufficient speed to make it possible to enable each country to turn its attention to general needs in the fields of health and social well-being. An analysis of the situation, however, indicated that it had not been possible to bring about the required change in an attitude characterized by the maintenance of a very costly structure, which in many cases was unable to meet the demands arising from that disease.

At their last Meeting, held in Buenos Aires, the Ministers of Health of the Americas recommended that the countries continue to give the highest priority to tuberculosis control in the national health programs; extend their anti-tuberculosis activities to their entire territory and incorporate them into the basic health services; and strengthen the training of professional personnel specializing in the epidemiology of the disease and in the formulation, execution, administration, and evaluation of control programs. The Directing Council had included those principles in the general policy of the Organization.

The cost of anti-tuberculosis activities had been considerably reduced, and methods of immunization, diagnosis, and treatment were today so simple that they could be readily taught to auxiliary personnel. However, that knowledge would not be of any significant value unless it was used in the national programs and unless programs were properly coordinated and supervised and provision was made for adapting the methods to the requirements of each epidemiological and socio-economic situation.

Physicians were often well equipped to handle the problem of tuberculosis in an individual, but poorly trained, or not at all, to handle the problem of tuberculosis in a community. The control of tuberculosis required trained administrators and supervisors, and therefore trainees had been sent to the inter-regional courses in Prague and Rome and training had been encouraged on the national level. However, with a view to solving more rapidly the scarcity of technical personnel capable of formulating and coordinating programs and of assuring the proper utilization of available health services, action had also been taken to establish a regional
training center for Latin America in which a realistic type of instruction, geared to the epidemiological structure of the developing countries, could be offered. That situation justified the relevant increase in the budget, which was directly related to human resources.

Referring to the question of the Representative of Uruguay concerning atypical mycobacteria, he said that arrangements were being made to conduct a study under the sponsorship of the World Health Organization and with the participation of a central tuberculosis laboratory in Rio de Janeiro, which would do the initial collection of samples and send them to three reference laboratories, two in the United States of America and one in Prague.

Dr. Mondet (Argentina) said that the amount budgeted for tuberculosis control, $272,563, was small in comparison to the vast amounts spent by the countries but that it assumed greater significance by virtue of being invested in educational activities, which had long-lasting effects. He objected to the sending of trainees to such places as Prague and Rome, where Latin American trainees encountered language problems and said he would rather have the consultants used by persons from the Region. If qualified persons residing in nearby or even neighboring countries were used to provide that training, a reduction in costs would be achieved, and, at the same time, something would have been done to combat the exodus of professional personnel.

An analysis of the tuberculosis problem showed it to be, basically, a problem of human resources. Moreover, a major task of the Organization was the training and preparation of human resources.

Dr. Martínez (Mexico) asked why it was that the budget estimates for 1970 showed an increase in the allotment for communicable diseases in spite of the fact that the six Zone epidemiologists and 58 short-term consultants had already been appointed and the seminar scheduled for a later date had been held in 1968. Furthermore, if the current status of epidemiology made it possible to convey the basic knowledge to a person of limited training there was no reason for spending so much money in sending physicians to other countries for training. It would make better sense to use the money for training in the country itself.

Dr. Villas Boas (Regional Adviser in Tuberculosis, PASB) explained that in the case of auxiliary personnel it was possible to simplify the method for conveying the minimum knowledge required, but that in the case of physicians what was needed was to change the mental attitude of tuberculosis specialists to enable them to adapt their attitudes toward tuberculosis control programs by relating them to the community rather than to individuals.

Dr. Martínez (Mexico) said that although he shared the views that had been expressed, he failed to see the need to conduct such courses in a way requiring distant travel from all the countries in the Hemisphere. It was evident that physicians specializing in tuberculosis generally did not attend those courses; as for epidemiologists, they could be better trained at the national level.

Dr. Horwitz (Director, PASB) said that the remarks of the Representative of Mexico showed exactly why the courses under discussion were important and why the countries were not prepared. While there were few places in the Hemisphere where such courses could be given, some were being offered in Santa Fe, Argentina, where they would probably continue for many years due to the magnitude of the problem. Also, an understanding had recently been reached with the Government of Venezuela for holding two other courses, one in tuberculosis bacteriology, which was responsive to some of the needs indicated by the Representative of Uruguay, and the other on the epidemiology of tuberculosis, for physiologists and administrators. The reason for designing the course for physiologists and administrators lay in the fact that it was the local administrator who bore the ultimate responsibility for the program under the guidance of the tuberculosis control departments of the ministries of health, or perhaps, in very large countries or those with a federal form of government organization, under the guidance of the respective units on the state, regional, or provincial level.

In short, a start was being made on a task which, as in the case of all chronic diseases, would continue for many years, until each country developed a group capable of directing the available resources into more effective channels, i.e., toward the community rather than individual cases.

As for general projects, Dr. Horwitz referred the Representative of Mexico to page 424 of Official Document 85, where those projects were listed, and requested Dr. Bica to explain them.

Dr. Bica (Chief, Department of Communicable Diseases, PASB) explained that the increase in that item of the budget was due primarily to the establishment of six posts of epidemiologists to assist the Governments in the organization or improvement of their epidemiology services. It was also due to the organization of the seminar held on that matter and to the assistance frequently requested by the Governments for general control
programs against communicable diseases. Countries which had recently asked for that type of assistance included Cuba, Ecuador, Chile, and Argentina, as well as Trinidad, which requested the Organization's assistance in organizing an epidemiology division. Programs such as those in Cuba, Chile, and Ecuador were regarded as general programs since they did not refer to any specific disease. Those projects explained the increase in the item in recent years.

Dr. Martínez (Mexico) said he was not sure to what extent the course should be international. He recognized that it had been approved by the Governing Bodies, but he maintained that, generally speaking, educational activities should be carried out by the countries themselves and not as international programs.

Dr. Blood (United States of America) said he would be very interested to learn how the smallpox eradication program was proceeding, whether it was on schedule, and how the progress achieved in the Americas compared with that in other WHO regions.

Dr. Bica (Chief, Department of Communicable Diseases, PASB) said that 18,629 cases of smallpox had been reported in the Americas during the five-year period from 1964 to 1968 and that that was approximately 25 per cent fewer cases than in the preceding five years. In 1968, 3,812 cases were reported to the Bureau, of which 29 per cent, or 3,809, were in Brazil, the country representing the principal focus of smallpox in the Americas. Of the three remaining cases, two were in Uruguay and one in French Guiana and all were imported from Brazil, which indicated that Brazil was the key factor in eradicating the disease from the Americas.

Colombia, Paraguay, and Peru, where there were cases in 1966 and 1967, had since been freed of smallpox. Both WHO and PAHO had endeavored to encourage the countries by cooperating with them in the organization, execution, and evaluation of vaccination campaigns, supplying equipment and materials for the preparation of freeze-dried vaccine and cooperating in field activities. In 1967 and 1968, agreements were signed with Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Peru, and Uruguay for the purpose of organizing and carrying out eradication campaigns or maintenance and surveillance services. In 1968, with a single exception, all the countries mentioned had begun their respective campaigns.

The Bureau was primarily interested in the production of adequate quantities of a good-quality potent vaccine capable of withstanding the various storage problems prevalent in the rural areas. The efforts of the Bureau and the countries had yielded impressive results: in 1968, close to 100 million doses of smallpox vaccine were produced in the Americas, including 17,500,000 doses of glycerinated and 83 million doses of freeze-dried vaccine. It was expected that the latter type of vaccine would be the one used in the Americas in the next few years. Two or three countries that were producing glycerinated vaccine had requested assistance in shifting to freeze-dried vaccine. The two countries producing the largest amounts were Brazil, with 50,000,000 doses in 1968, and Argentina, with 17,000,000. A sufficient supply would therefore be available to meet the needs of the Americas. A stockpile had been established in Zone V consisting of 3,000,000 doses donated by the Government of Brazil and 5,000,000 by Argentina to meet the needs of the countries requesting freeze-dried vaccine. The Organization was trying to ensure that the vaccine was produced according to the standards laid down by WHO. In some countries, the vaccine was not sufficiently stable but it was hoped to solve that problem very soon. The agreement concluded between the Organization and the Connaught Laboratories of the University of Toronto, under which various countries were now receiving technical assistance as well as access to a reference laboratory, should be useful in that regard. The laboratories were sending two technicians each year to the countries to tackle the problems of vaccine production. The countries were expected to submit batches every six months, in case there were changes in production techniques, but the results were still not satisfactory.

In all vaccination programs in which the Organization extended its cooperation, jet injectors were being used to vaccinate large population groups and to bring epidemic outbreaks under control. There was increasing use of the two-pronged needle, which saved large amounts of vaccine and made it possible to inject almost identical doses.

Increasingly greater attention was being paid by the Organization, through the Bureau's epidemiological and statistical services, to improving the notification of smallpox cases, particularly in the maintenance phase, in various countries served by the Zone Offices. Especially good results had been obtained in the vaccination campaign in Brazil, where the notification of cases had improved considerably. The country was publishing a weekly bulletin on the results of the campaign. Copies would be distributed to the Committee, and it was expected that other countries conducting eradication campaigns would present reports.

Laboratory diagnosis, especially in the more advanced phases of the campaign, was another important
aspect. In a seminar held in Lima in 1956 it was recommended that the public health laboratories of all the countries be equipped to do diagnostic tests for smallpox.

In 1966-1967, the Bureau, assisted by the Health Department of the State of São Paulo, through the Adolfo Lutz Institute, and by the National Communicable Disease Center of the United States Public Health Service, conducted three courses in laboratory diagnosis at which 25 participants from 13 countries received training and a manual setting forth in detail the indicated methods was prepared. The Organization maintained continuing contact with that group, and at the present time there was a network of 18 laboratories in 13 countries of the Americas which were equipped to diagnose smallpox by the three basic laboratory methods for identifying the virus; some laboratories could do more complete examinations such as electronic microscopy and serology. The WHO had prepared an excellent handbook and guide for that diagnosis, which had been translated into Spanish and Portuguese. It had also designated the Connaught Laboratories as a WHO smallpox reference center.

In connection with the methodology for eradicating that disease, it was important to note that, according to observations made, particularly in Asia and Africa, in programs carried out with the cooperation of WHO, smallpox occurred more often in the form of local outbreaks than as a wider epidemic spread over larger areas, and transmission resulted primarily from close contact between persons, mostly in hospitals and houses, and only to a lesser extent from casual contact in markets, buses, etc.

Accordingly, the chain of transmission could be more readily determined than was thought possible in the past, and the control measures could be organized more effectively. The number of cases and the period needed for eradication could be reduced considerably through notification of smallpox cases and by investigating them immediately, at the same time as the activities were under way for controlling the outbreak by isolating the cases and vaccinating all contacts during a small outbreak. That method should be applied at the same time as the systematic and continuing vaccination activities were in progress, so that it made possible to establish an immunized buffer zone against the entry of the virus into a community, a system already in use in Brazil. A short course on the method of conducting such surveys was offered, and 12 teams of workers were already applying the system with very satisfactory results.

The problem had high priority for Brazil, where the principal focus of propagation had shifted from the northeast to the southeastern region. Indeed, 63 per cent of the cases located in 1968 were in the southeast, which might be explained by the fact that the eradication campaign was started in that part of the country. Although the incidence continued to be high, almost 4,000 cases, the figure could be considered encouraging; progress was the result of a better system of notification which was now covering practically all the states. The vaccination teams were discovering many cases, which made it necessary to revise the statistics continuously. The campaign was established in 1965 and technically and administratively organized in 1967 with the decided support of the Government. The Bureau, for its part, had complied with all its commitments under the agreement signed with the Government: in 1968, 12,254,000 vaccinations were administered, and in recent months the average rate had increased considerably. In addition, 5,200,000 vaccinations were administered by the country's various health units. It was hoped that the number of vaccinations could be raised to 2,000,000 per month so as to achieve eradication on schedule, by 1971.

Dr. Bica presented two graphs to illustrate his report on the incidence of smallpox and seasonal variations in Brazil, as well as the percentages of cases by age groups. He ended his statement by saying that an effort was being made to establish the system of prevention and blockage of epidemic outbreaks in Brazil so that by 1971 smallpox would have ceased to be a public health problem for Brazil and by 1972 the country would be entirely free of the disease.

Dr. Belchior (Brazil), supplementing the information presented by Dr. Bica, pointed out that the smallpox eradication campaign which had replaced the national smallpox control program was organized in 1966. The work plan, based on the agreement between PAHO and the Ministry of Health and under which the Organization was supplying vehicles, materials, and equipment for the campaign, was approved in 1967.

The number of vaccinations, which totaled 6,440,212 in 1962-1966, increased to 6,595,646 in 1967 and 12,223,926 in 1968. In 1969, with the continued expansion of field services, the number of vaccinations had exceeded 7,000,000 by May and was expected to reach 20,000,000 by the end of the year.

Dr. Mondet (Argentina) said that neither his Government nor his country considered Argentina to be free of the disease and that the country itself, rather than the Bureau, was responsible for that because if all the people were vaccinated there would be no smallpox. But the fact was that it was a very easy matter to obtain a smallpox vaccination certificate, which was compulsory, from physicians in his country. Moreover, there were
certain periods in which the vaccine was so poor in quality that it was producing reactions and infections that were alarming the people. The situation had improved because of the production of freeze-dried vaccine with the assistance of PAHO and WHO. Vaccinating the population against the disease—even in countries where it did not exist—was of vital importance because of the imperative need to give attention to the prevention of smallpox, and not only to its treatment. Dr. Mondet delivered a copy of the report of Argentina for duplication and distribution to the Committee.

The session rose at 5:40 p.m.
FIFTH PLENARY SESSION

Wednesday, 25 June 1969, at 9:12 a.m.

Chairman: Dr. Orontes Avilés (Nicaragua)

Consideration of Pending Draft Resolutions

Study of the Preparation of Drugs and Biological Products, Production, and Maintenance of Equipment and Instruments for Health Programs

The Chairman announced that the Rapporteur would read a draft resolution concerning a study on production and maintenance of equipment and instruments for health programs, presented by the Representative of Mexico.

The Rapporteur read the following draft resolution:

The Executive Committee,

Considering the heavy financial burden on the economy of the countries of the importation of equipment, instruments and other necessary elements for the efficient conduct of health programs; and

Bearing in mind that it is desirable to encourage, with the support of national and international financial institutions, the national production of specialized equipment and instruments so as to improve their quality and reduce their cost and thereby strengthen the national economies and alleviate the balance of payments problems,

Resolves:

1. To request the Directing Council to ask the Director to assist the countries in making a study of their capacity to produce and maintain equipment, instruments, and other necessary elements for the efficient conduct of health programs as well as of the imports and exports of those products and their repercussion on the national economy.

2. To request the Director to submit progress reports to the Governing Bodies and the countries.

Dr. Blood (United States of America) asked the Director whether the resources already available to the Organization would be adequate for the purposes of the proposed activity, or whether it would entail additional costs.

Dr. Horwitz (Director, PASB) said that the basic problem was not in the study itself but in its scope, which naturally would make it necessary to consult the experts on the economy of the countries. He pointed out that the study raised a number of problems, for example, whether, in relation to domestic production, it should be limited to indicating the volume of supply or whether it should also take the quality of the product into account. Other problems lay in ascertaining whether each industry was strictly national and subsidized by the Government or was operated by foreign capital, and in determining the relationship between the volume of production and domestic demand and correlating those figures with the volume of exports. It would also be necessary to determine whether a continuing system should be established. Industry, like every human activity, was subject to constant change and it was possible that the information provided today would be irrelevant in the future. That would require the Organization to maintain a system of continuous flow of data for distribution to the Governments. It was also possible that the Governments would inquire as to the use to which that activity would be put by the Organization and whether the latter would guarantee the quality of the products to be traded between the Governments.

The Director was of the opinion that the survey would require advance approval by the Governments. It would also require certain specialized personnel, because the representatives or technical staff of the Organization were not equipped to gather economic data. Perhaps those data could be obtained from the Central American Common Market or from the Latin American Free Trade Association (LAFTA), but in any event that type of work would require technical personnel in that field which was probably not available in the Organization.
A study of the health industry would also include the maintenance of equipment. The Director noted in that respect that the Latin American Center for Medical Administration was starting a course in maintenance engineering and that the United Nations Development Program had already approved a project, to be carried out in Venezuela, which would result in the establishment of a center for the training of engineers in maintenance of high-quality equipment used in hospitals. He felt that in that field it would be possible to conduct a survey on the situation prevailing in many countries—a deplorable situation in his opinion—in which thousands of units of equipment were abandoned for lack of a relatively insignificant part. He suggested, finally, that the Governments study the possibility of conducting the survey, so that assurances would be available in advance that they were prepared to reply to the questionnaire to be submitted to them.

Dr. Blood (United States of America) suggested that, in view of the information provided, it might be advisable to include in the draft resolution a provision requesting the Director to submit to the Directing Council an outline of the proposed study, together with an estimate of its cost, so that that body might decide on the priority to be accorded to it.

Dr. Martínez (Mexico) supported the suggestion of Dr. Blood and proposed that the draft resolution be amended accordingly.

The Chairman said that the Rapporteur would draft an appropriate amendment to the draft resolution, which, once amended, would be submitted later for consideration by the Committee.

**Item 6: Proposed Program and Budget Estimates of the Pan American Health Organization for 1970 (continuation)**

The Chairman announced that the Committee would continue its examination of Table 2, Title I, Health Protection, appearing in Document WP/1 on the budget. He underscored the importance of infectious diseases, many of which could be prevented through vaccination. He cited tuberculosis and smallpox and, in regard to the latter, said that the countries in greatest need of vaccination were those which were free of the disease. A situation such as that invariably raised questions of priority, as the administrators were reluctant to give priority to a disease which was not present in the country.

Dr. Martínez (Mexico) requested a report by Dr. Bica concerning the status of the vaccination program in countries of the Americas which were free of the disease.

Dr. Bica (Chief, Department of Communicable Diseases, PASB) said that the top priority in the smallpox eradication program approved by the Governing Bodies of the Organization was given to those countries in which the disease was present; second priority went to countries which were free of the disease or that had managed to eradicate it but were adjacent to other countries which had the disease; and the lowest priority was given to countries free of the disease but which needed to raise the level of immunity and where vaccination was generally not considered important, particularly in view of the absence of the disease. In certain countries the number of vaccinations was very small and the Bureau was trying to supply those countries with vaccine, particularly those that did not produce it.

The number of vaccinations administered in 1968 in the Americas was well below the 20 per cent required to maintain an 80 per cent level of immunity. Dr. Bica noted that there were some exceptions, such as Mexico, Venezuela, and Chile, as well as Ecuador and Bolivia, where the campaigns against smallpox were only recently terminated. According to the Bureau's figures for 1966-1968, 9,271,951 vaccinations were administered in all the American countries in 1966, rising to 25,973,228 in 1967, and 26,825,820 in 1968, but the total number for all the countries was still considered insufficient.

Dr. Sáenz (Uruguay) agreed with Dr. Bica's remarks and said that in Uruguay the problem of smallpox had passed through several phases. The first law on compulsory vaccination of children was enacted on 12 June 1850, but it was not until after the epidemic of 1910 that an effective scheme of compulsory vaccination throughout the country was actually established. Since then there had been isolated outbreaks. During the period from 1961 through 1965, 36.3 per cent of the population was vaccinated; while that was a low proportion, efforts were being made to raise the level to 80 per cent. In addition, the conventional vaccine would be replaced by freeze-dried vaccine. The Institute of Hygiene was working on cultivating the virus in chorioallantoic membrane.
Dr. Martínez (Mexico) was of the opinion that the Executive Committee should instruct the Bureau to draw the attention of the countries to the risk of gradual loss of immunity so that they would examine the level of immunity of their population.

The Chairman added that that suggestion be sent in writing to all the ministries of health and their epidemiology services, since a resolution was often overlooked.

Dr. Blood (United States of America) requested a brief report on the status of malaria eradication, with particular reference to the results derived from certain inter-country projects involving the use of computers.

Dr. García Martín (Chief, Malaria Eradication, PASB) reported that 174,500,000 persons, or 36 per cent of the 484,000,000 inhabitants of the Americas, were currently living in areas which originally had malaria. Of that group, 117,999,000 persons lived in places where the program was in the maintenance or consolidation phase. In areas in the attack phase, however, there were 56,000,000 persons who were still exposed to the disease. Another 217,000 persons were as yet without any protection whatever because of the difficulty of reaching the places where they lived.

Dividing the Hemisphere into regions, it was found that all of North America was now in the maintenance phase. In Middle America, 56 per cent of the area that originally had malaria was in the maintenance or consolidation phase, and 43 per cent of the inhabitants of the area indicated lived in places where the campaign was in the attack phase. In South America half the population of the area which originally had malaria lived in areas undergoing the maintenance or consolidation phase and the other half in areas in the attack phase. The changes since 1967 had been positive: 6,000,000 persons were brought into the maintenance or consolidation phase, and in 1968, total coverage was achieved for the first time in the attack phase through the application of eradication measures throughout the entire area that was originally malarious, except for 56,000 km² where the 217,000 inhabitants of the area already mentioned lived.

The campaign encountered the traditional problems—entomological, parasitological, and anthropological—the latter often being administrative, operational, or technical. The Organization sponsored a meeting of an advisory group in the first part of March to determine the status of the campaign and the means by which eradication could be achieved most rapidly. The group concluded that 5 per cent of the 117,000,000 persons living today in areas where an active eradication campaign was under way had strong possibilities of achieving eradication within a short time, that the outlook for another 54 per cent was good, that 17 per cent would encounter some technical and operational problems, 13 per cent would meet with serious administrative difficulties, which were partly being solved, and the remaining 11 per cent would have serious technical problems. It was also concluded that the progress of the campaign would depend not only on adequate financial support but also on supplementary attack measures so intensive as to radically alter the strategy followed up to now in the campaign. The latter 11 per cent was principally in Central America.

There was a need for a change in the attack measures and in that regard a new insecticide, carbamate or OMS-33, had been tested during recent months in a part of El Salvador and had practically succeeded in breaking the cycle of transmission in the small area where it was applied. Staff members of PAHO, WHO, NCDC, UNICEF, and AID were scheduled to hold a meeting, beginning the 30th of the following month, to study the possibility of replacing DDT with the costlier OMS-33 in all the areas in which Anopheles albimanus had shown resistance to the former insecticides.

Referring to the administrative situation, he noted that the contributions of the Governments had increased from $20,000,000 in 1957 to $50,000,000 in 1969 and would probably rise to $70,000,000 in 1970.

In regard to inter-country activities, many projects had been eliminated and only those AMRO projects that were considered really necessary had been retained. With respect to the study of the use of electronic computers, the speaker explained that the study of the data tabulation system was in its initial phase and that PASB had sent a specialist to work with the program in Brazil for that purpose. It had not yet been possible to examine mathematically-epidemiological matters on the basis of the new epidemiology of malaria introduced by McDonald. It was hoped that the specialist now in Brazil could apply the experience acquired to the general tabulation of all the data sent by the countries. The data storage capacity and the speed of operation of the electronic computers permitted a more complete and rapid analysis of existing data.

Dr. Blood (United States of America) asked whether the project in question was considered to be of fundamental importance to the future success of malaria eradication.

Dr. Horwitz (Director, PASB) expressed appreciation to the Government of Brazil for having allowed the Bureau to study the application of systems analysis to a large-scale program in a country as extensive as Brazil,
where more than 30,000,000 were exposed to the risk of malaria. It was believed that the analysis of a program as large as that required the use of methods much more complex than the traditional statistical methods, so as to reach conclusions which were beyond the scope of the usual type of observation. The Director noted the sizable investment which that activity represented for Brazil and asked Dr. Belchior to urge the Ministry of Health to continue the efforts. He noted that the program was reaching a stage that would require increased investment in order to ensure the gathering of all the data that would later make it possible, through the use of simulation models or other types of analysis, to obtain currently unavailable information on malaria.

Dr. Olguín (Argentina) said that the malaria eradication activities were typical of long-range programs which had to be extended beyond the period originally foreseen, particularly in view of the persistence of that health program and its significance from the socioeconomic standpoint. All the countries desired to reach a satisfactory stage, and a critical study of the world strategy for the campaign would provide useful information for more effective orientation of activities, not only in the difficult areas but also in those where other factors were responsible for the persistence of the problem. The allocation of 10.7 per cent of the consolidated budget was therefore justified. The increase in that allocation between 1968 and 1970 undoubtedly reflected an intensification of activities, particularly in regard to new approaches to field work. The effectiveness of the new insecticides and the important studies being made in Brazil on data-gathering techniques were very interesting developments. It was important to emphasize the need for coordinating the application of measures in countries with common problems and frontiers and in those where malaria continued to be endemic on a tragic and alarming scale. The speaker said that the work begun in the River Plate Basin, where the countries in the area had entered into official agreements on bilateral arrangements and had established an informal system of cooperation and mutual support, was giving genuinely satisfactory results.

Dr. Horwitz (Director, PASB) pointed out that the allocation of $3,037,520 for 1970, shown in Table 2, was slightly less than the amount for 1969. Taking into account the portion that would be assigned to PAHO and WHO in the voluntary contribution provided by the Government of the United States of America for malaria eradication, if an agreement could be reached on the proposed plan until 1973, the figure for 1970 would perhaps be reduced by $200,000 or $300,000. The Director drew the Committee's attention to Table 4 of the same document, in which the item for malaria provided for 148 professional posts for 1968, dropping to 112 for 1969 and 104 for 1970, with the possibility of further reductions in future years. In the proposal for 1973, the number of posts was reduced to 72 since there was no other way of maintaining the current rate of activities for the entire program of the Organization. By the time of the next meeting of the Executive Committee, definite figures, reflecting the agreements mentioned above, would be available.

The Chairman announced that the next matter to be considered was the examination of the budget items for foot-and-mouth disease and other zoonoses.

Dr. Blood (United States of America), noting that a very considerable proportion of the funds for the Pan American Foot-and-Mouth Disease Center was devoted to the training of the persons who would eventually carry out national programs, asked whether the cost of such training might not be covered in part by the international loan funds being channeled to the countries.

Dr. Acha (Regional Adviser in Veterinary Medicine, PASB), replying to Dr. Blood's question, said that the percentage of the 1970 budget of the Center devoted to training activities, whether for fellowships or international courses, was 2.6 per cent and that that took into account the technical assistance allocations included in the development loans made to the countries by the Inter-American Development Bank. Those allocations amounted in 1969 to 3.5 per cent of the budget and were entirely insufficient. The vaccination campaigns in the South American countries had increased to such extent that the number of doses administered had risen from 180,000,000 in 1966 to 360,000,000 in 1968. The loans granted to Chile, Paraguay, and Argentina had helped to ease the difficult situation of the Center, particularly as regards training. Dr. Acha pointed out that the proceeds of those loans were administered by the Governments receiving them and that the training did not necessarily have to be carried out in the Center itself and were subject to approval by the Bank and the country concerned. The Organization would, however, play a direct part in the use of those funds by advising the Governments involved and the Bank regarding the places in which training should be given. The budget increase indicated in Table 2 would not provide any specific resources for increasing the training activities of the Pan American Foot-and-Mouth Disease Center but would
only make provision for increasing the salaries of the staff. The rest of the 1970 allocations for the Center had
actually been reduced.

The Chairman announced that he considered the appropriations for communicable diseases to be
sufficiently discussed. He commended the staff of the Bureau for the reports presented and said that the next
item of business was the allocation for environmental sanitation.

Dr. Martínez (Mexico) requested a justification of the increase in the amounts for the projects in the 2100
series, concerning general health activities.

Dr. Horwitz (Director, PASB) noted that the figures for the projects in the 2100 series were given on page
443 of Official Document 85, where the differences between those for 1969 and 1970, summarized in
Document WP/1 could be found. He requested Dr. Hollis to report in greater detail.

Dr. Hollis (Chief, Department of Environmental Sciences and Engineering, PASB) said that, as scientific
advance and accelerated technological change remade man's physical environment, it brought with it an array
of stresses and problems which affected not only the health but the general well-being of man. As a result, a
major reorientation of the modest resources of the Organization in the environmental field in Latin America
had been necessary. Thus, the 2100 series was regarded as a general program resource from which to provide
the engineer, assigned to the staff of the Country Representative, who would be concerned with not only
health but also with health-related problems.

That new trend was evidenced by the recent requests from São Paulo for top-flight consultants to work on
that city's super-polluted water supply during the expected summer drought; by Mexico, to assist in meeting
problems concerned with the laying of 10 kilometers of 48-inch waterpipe of the lockjoint type in difficult
soil conditions; and by other countries generally, to assist in problems resulting from the involvement of
ministries of health in the disposal of solid waste which accounted for 30-45 per cent of the municipal budgets
of at least four major cities. Assistance from the Organization on ordinary day-to-day problems of basic
sanitation was currently of less importance. Accordingly, it could give greater attention to such activities as the
initiation of mass rural water programs such as were being undertaken in Mexico and in Venezuela.

The assignment to countries of the generalist engineer under the 2100 program series was a direct result of
the tie-in between the program of environmental sanitation and that of environmental health. When the
Directing Council some years earlier had instructed the Bureau to concentrate on drinking water supplies, it
had been concerned primarily with reducing infant mortality. That mandate had been seen in Latin America as
an opportunity to go further and provide a firm foundation for present and future environmental programs.

The Inter-American Development Bank, through its foresight in setting conditions on the loans it made,
had been a major factor in the success of the water supply program. Of the $500 million or $600 million that
had been devoted to that effort under the stimulus of the Charter of Punta del Este, over $425 million had
come from that Bank. Currently a 1.5 billion dollar water supply program was under way, some $900 million
being provided by the countries and some $600 million representing loans. However, banks were not welfare
agencies, and loans could not be obtained unless projects were soundly presented. In that regard again, the
generalist engineer to whom he had referred could assist in the preparation of loan requests and the
dissemination of information to the countries on the changing requirements of the banks.

A second and crucial aspect was that of protecting that great investment, which could well total 2 billion
dollars by the end of the decade. Care was being taken to avoid situations such as had occurred in the United
States of America in the twenties where, as a result of the failure to train managers and operators of water
systems, there was very little return on the huge capital investment made.

The need for thousands of such operators and managers in Latin America in the seventies had been
foreseen, and the Organization was proud of the network of training centers in that part of the world,
including 36 universities in 22 countries. Initiated by a modest investment on the part of PAHO, the program
currently involved an expenditure of some $2 million per annum, of which the Organization provided about
10 per cent. As a result, thought could be given to the solution of the newer problem areas of water pollution
and river basin development; for example, the threat posed by the use of isotopes in commerce and industry
and the development of the petro-chemical industry.

The new problems he had described demanded a broader educational base of technical and professional
staffs, and the training network would be supplemented by a continuing education and graduate level program
in sanitary engineering. He agreed with those representatives who had stressed the need for some of that
training to be kept at the national level; 10 universities in Latin America had graduate level programs. As a
result of the excellent training provided, the number of full-time professors in the engineering departments of universities had increased from 10 to 75. That development in turn had made possible graduate studies and the extension of applied research.

The problem of sewerage and the treatment of wastes alone would involve an expenditure of $500 million a year for 10 years, but the extent to which ministries of health should be involved in those new problem areas had still to be clarified. Though there was as yet no precedent that the countries of the Americas had, he believed, the knowledge and professional skill to determine what the bridges between the health agencies and the public works agencies should be, for one could not ignore the impact on health of the activities of those agencies. The recent announcement by the Secretary-General of the United Nations on the magnitude of the international effort required was evidence of the world-wide concern about the environmental situation. Finally, it was to be emphasized that not new funds, but rather a reorientation of existing resources, was being sought to meet the changing situation.

The session was suspended at 10:50 a.m.
and resumed at 11:20 a.m.

Dr. Hollis (Chief, Department of Environmental Sciences and Engineering, PASB), referring to the increase in the proposed expenditure for 2100, General, as shown in Table 2 under Environmental Health, said that it was the result of the creation of three additional professional posts and the addition of 31 short-term consultants, the latter accounting for some $75,000 of the increased provision for 1970. They were intended to meet the demands of the countries for assistance in regard to the disposal of solid wastes, river basin development, and general sanitation programs. Of the three new posts, one was for Paraguay-2100, where a generalist engineer of the type he had described earlier was being provided; one for Brazil-3109, for the Amazon region; and one for Brazil-3110, for the southern part of Brazil.

Dr. Alvarez Gutiérrez (Mexico) noted that the General item showed an increase of 31 man-months of short-term consultant services between 1969 and 1970 and that 10 of those man-months were assigned to the Sanitary Engineering Center. He requested more information on that Center and on the assistance being received from the Government of Peru in that regard.

Dr. Hollis (Chief, Department of Environmental Sciences and Engineering, PASB) said the creation of the Center was a response both to the need to reorient resources to meet new problems, and to the requests of countries for assistance in such matters as industrial hygiene and occupational health. Originally an engineer had been assigned to Peru but subsequently he had been transferred for some years to Chile as manager of the United Nations Development Program there. Following the instruction of the Directing Council to place more emphasis on water and air pollution, with its kindred aspect of soil pollution, a regional consultant had been assigned to Peru. Upon the termination of the UN activity in Chile, the engineer he had mentioned had returned to Peru, and subsequently an interim decision was made to put those two engineers and an expert on housing and urban problems together. The proposal to form the Pan American Sanitary Engineering and Environmental Sciences Center had been discussed by the Committee in 1968, but the matter of site had been left open. The Government of Peru had offered resources and facilities, but an overriding reason for the establishment of the Center there had been that a center on urban problems was proposed for Venezuela and there were proposals at the UN and elsewhere for the location of a major center on water resources somewhere in Latin America. It was felt that the work of those centers would be closely related. The staff of the new Center, totalling three, occupied the premises left vacant in Lima when the Zone Office had been moved. The 1970 budget also covered the appointment of an administrator, and the creation of an additional post, probably in connection with water pollution.

The purpose was to provide a center where specialists would be on hand to provide prompt high-level assistance in support of the Zone staff and the country staff. Some 125 requests for consultant services by the countries were currently being met, and it was thought that they could be dealt with much more effectively by having high-level specialists in particular fields available to serve the Hemisphere as a whole, for instance, on such specialized matters as water rate structures.

Additionally, provision was made for 10 short-term consultant-months to cover situations where the particular problem raised was not within the competence of the small group of specialists at the Center.

Dr. Mondet (Argentina) wondered whether matters of a general financial or economic nature, such as water rates, could properly be included within the activities of the Organization and said that it might be well to
restrict the Organization’s participation in such matters. Argentina was aware of the importance of the water problem and was indeed on the point of establishing a cabinet department to deal specifically with that matter, but in any event there seemed to be other problems in that field which were more directly related to the functions of the Organization. By way of example, he cited the problem of detergents as one deserving priority attention; in Argentina a decision was taken not to authorize the establishment of plants to manufacture hard detergents, and it might be advisable to suggest that the other countries do likewise, since manufacturing soft detergents was no more costly than manufacturing hard ones and would avert the danger inherent in the latter, as shown by experience in other parts of the world.

Dr. Belchior (Brazil) reported that an agreement had just been signed in Rio de Janeiro between the Ministry of the Interior and the Ministry of Health, at the initiative of the latter, under which a joint commission would be established to deal with the problems of water supply and sanitary engineering. That agreement was proof of the importance given the matter and should make it possible to increase the amount of funds and improve the administrative structure for handling it.

Dr. Alvarez Gutiérrez (Mexico) again referred to the Pan American Sanitary Engineering Center and said that he regarded it more as an advisory group than as a Center in the full sense of the word. He inquired whether the Center would, as a result of operating through a Zone Office, concentrate on a given specific region, in which case it would not be truly Pan American in the scope of its operations.

Dr. Horwitz (Director, PASB), replying to the question by Dr. Alvarez Gutiérrez, said that the methods of operation of the Center were in line with those approved by the Governing Bodies at previous meetings, since although the multinational program resulted from an agreement with the host Government, they were subject to approval by the Organization. He acknowledged that perhaps the term Center was a somewhat ambitious description of the institution as presently constituted and that if such were the case it would be more appropriate to call it a program. In spite of the offer of the Government of Peru to provide university lands to the Organization as a site for the Center, it might be more advisable to house the Center in the Zone Office. At the request of the Peruvian authorities, including the Minister of Housing, with whom the Director had personally discussed the matter, the Secretariat was preparing a report on the contribution which the Government of Peru was expected to provide for the Center. There was increasing awareness in the Hemisphere of the complex environmental problems posed by an industrial society, and the Center, whose field of activity would cover all the Americas, was designed to offer solutions to problems raised by the Governments in that field. Referring to certain statements by the Representative of Argentina, the Director emphasized the dangers of contamination of the environment caused by human beings, a problem with which the Organization would have to deal and which was exemplified by the pollution caused by detergents. The Secretariat was prepared to do any studies or carry out any other work which the Committee and the Directing Council entrusted to it. The important thing to bear in mind was that the Organization had taken the initiative in working with the national agencies responsible for environmental sanitation and that its goal was to bring about the improvement of those services, for which purpose teams of experts had been sent to various countries. The problem of water rates had presented itself, particularly in the urban centers, and that was inevitable since, in the last analysis, those services must be made self-supporting. The Secretariat was providing assistance in that respect because it understood that the matter was part of a comprehensive approach to the water problem. In any event, operations in that connection represented a very small part of the total activity of the Organization.

Dr. Mondet (Argentina) said that the healthy misgiving he felt arose from the fear of a progressive expansion of the Organization’s sphere of activity. Although he recognized that that was a difficult problem, he felt that the criterion that should prevail in the examination of the proposed program and budget estimates should not be restricted to momentary considerations and the Committee should bear in mind that it was senseless to try to limit the rise in expenditures while increasing the number of activities. The general position of his Government in relation to international organizations was that in many cases it was more advisable to utilize national services or strengthen the operations of existing institutions than to place advisers or experts at the disposal of organizations for each individual matter.

The Chairman announced that the next item for consideration was the program of health promotion appearing in Table 2 of Document WP/1.
Dr. Yglesias (Costa Rica) requested information on the item for health and population dynamics. In view of the varying amounts of funds assigned for 1968, 1969, and 1970, he wished to know the source of those funds and whether the Organization was administering funds provided by other agencies. Since various countries had funds for that type of program, he also inquired whether the Organization should be assigning such large amounts as those proposed or whether the allocations could be reduced.

Dr. García Gutiérrez (Chief, Department of Special Technical Services, PASB) replied that the funds allotted to health and population dynamics came primarily from grants of the U.S. Agency for International Development, which made it possible to carry out activities that would otherwise be restricted by the difficulty of obtaining funds from regular sources. The activities of the Organization in that field were guided by resolutions of the Directing Council going back to 1963 and directed to assisting Governments at their request in accordance with policies adopted by them.

Dr. Alvarez Gutiérrez (Mexico) said that the amount assigned to health and population dynamics seemed to be slightly large in terms of the percentage distribution of funds for specific programs. He wondered if the size of the allocation was based on the amounts involved in applications actually received from the Governments or was simply an amount made available in the expectation of such requests.

Dr. García Gutiérrez (Chief, Department of Special Technical Services, PASB) replied that the Governments had submitted requests to the Organization before it had those funds available and that the allocations for 1969 and 1970 were largely for a project being carried out in Colombia. Moreover, the activities in that field were for maternal and child care and included family planning.

Dr. Alvarez Gutiérrez (Mexico) said he would like to know the nature of the family planning projects.

Dr. García Gutiérrez (Chief, Department of Special Technical Services, PASB) replied that those projects were intended to provide medical care for pregnant women and for children from the time of birth. They were also aimed at teaching the mothers the advantages of spacing the birth of their children and at providing services enabling the mothers to use the necessary methods to achieve that purpose.

Dr. Horwitz (Director, PASB), referring to the grants which had been mentioned, drew the attention of the members of the Committee to the fact that, as shown in Table 1 of Document WP/1, the grants or extra-budgetary funds were equal to 18.1 per cent of the Organization's budget for 1970. The breakdown by sources was as follows: Special Malaria Fund, 5.4 per cent; Community Water Supply Fund, 0.2 per cent; INCAP and related subsidies, 3.5 per cent; other grants and contributions, 7.7 per cent; Malaria Eradication Special Account, 0.7 per cent; and grants and other sources (from the World Health Organization), 0.6 per cent. The Director considered it appropriate to seek contributions from sources other than the Governments, even though provided in the form of loans made available for a specific purpose, as in the case of those for family planning.

Dr. Henry (Trinidad and Tobago) noted that his country had not adopted a population program until 1967, when its high growth rate began imposing undue pressure on medical services, school accommodation, housing, employment, and the like. Two advisers had been provided by PAHO and assistance had come recently from AID also. He was glad to report that the program had been very successful.

*The session rose at 12:25 p.m.*
SIXTH PLENARY SESSION

Wednesday, 25 June 1969, at 3:40 p.m.

Chairman: Dr. Orontes Avilés (Nicaragua)


The Chairman opened the session and requested the Rapporteur to read the draft resolution on the item, with the changes made by the Secretariat at the request of the Representative of Mexico.

The Rapporteur read the following draft resolution:

The Executive Committee,

Having examined the Financial Report of the Director and the Report of the External Auditor for the fiscal year 1968 (Official Document 91);

Recognizing that the Organization continues to be in sound financial condition;

Noting that compared with 1967 the percentage of quota collections was about equal for current quotas but higher for arrears, thereby increasing the level of the Working Capital Fund and the reserves for termination costs;

Noting that, despite the high percentage collection, the number of Governments in arrears more than two years had increased to seven when on 31 December the unpaid quotas for 1968 became classified as "arrears"; and

Observing that the expenditures for the program of work of the Organization recommended in the authorized budget for 1968 are necessary to improve the health of the people of the Americas and to promote economic and social development,

Resolves:


2. To commend the Director for having achieved and maintained a sound financial condition through the consistent application over the years of the policies for maintaining budgetary expenditures within income, building up the Working Capital Fund, and creating reserves for termination costs.

3. To thank the External Auditor for submitting, in accordance with the provisions of Article 12.6 of the Financial Regulations, the necessary and appropriate observations with respect to the efficiency of the administrative, financial, and accounting procedures and controls.

Decision: The draft resolution as amended was unanimously approved.

Item 6: Proposed Program and Budget Estimates of the Pan American Health Organization for 1970 (continuation)

The Chairman invited the members of the Executive Committee to continue examining the item. He reminded the Committee that the procedure being followed was not to examine the budget items strictly in the order in which they appeared in Document WP/1 and that it was even allowable to return to items already examined.

Dr. Yglesias (Costa Rica) requested information on the activities financed under the heading 4200 (Nutrition) appearing in subtitle B (Table 2) of the document before the Committee.

Dr. Blood (United States of America) said that, like Dr. Yglesias, he wished to have more information as a basis for the discussion of other agenda items that would come up later. He would like an appreciation of what was the best approach to the problem of nutrition in the Americas not from the standpoint of particular institutions but from that of the Organization. Clearly there would be a need for training, research, and
consultations with the countries but he wondered which of those functions could best be done by the Organization and which by a particular institution such as INCAP or some other regional or inter-country institution.

Dr. Álvarez Gutiérrez (Mexico) said that the questions raised by the Representatives of Costa Rica and the United States of America were of equal interest to him and that, in view of the substantial amount earmarked for nutrition programs, he would be interested to know what proportion of the $2,289,646 was for INCAP.

Dr. Kevany (Regional Adviser in Nutrition, PASB) drew the attention of the members to Table 2 of Document WP/1 (p. 2). Under Part II, Item B, it would be seen that the nutrition budget for 1970 amounted to $2,289,646. Of that amount $1,468,584 was earmarked for INCAP and $170,356 for the Caribbean Food and Nutrition Institute. The remaining $650,706 were for the regional nutrition program, and represented 2.2 per cent of the total PAHO budget for 1970 and 28 per cent of the nutrition budget.

Table 3 (p. 3), Part II-B, showed that the increase for advisory services was from $569,481 in 1968, $694,687 in 1969, to $768,094 in 1970; for development of human resources, which included fellowships and other training activities, there was a decline from $832,237 in 1968 to $780,339 in 1970; and for research there was a similar decline from $912,240 in 1968, $813,661 in 1969, to $741,213 in 1970. Those figures gave some indication of the current trends in the nutrition programs of the Organization.

In the course of the past 10 years, every country of major size in the Region had established a nutrition unit within its health services. The Organization itself had elaborated guidelines covering food and nutrition policy, nutrition activities in local health services, the training of nutritionists and dietitians at the university level, nutrition education and teaching in medical schools and schools of public health as well as the selection of texts and reference books for nutrition education at the professional level. In the field of nutrition research, guidelines had been provided on the prevention of endemic goiter, nutritional anemias, hypovitaminosis A and its ocular manifestations. In the decade, 17 countries had conducted applied nutrition programs, which would shortly be evaluated under project AMRO-4210.

As for the future, high priority would be accorded to the promotion of the systematic planning at the national level of food supplies in relation to population needs. A proposal for a data retrieval and analysis center was approved by the Directing Council in 1967 and confirmed by the Special Meeting of Ministers of Health in 1968. That activity would be supported by a more extensive use of short-term consultants, which in part accounted for the proposed rise in the cost of advisory services.

A second priority was the incorporation of nutritional activities into health planning. Steps were being taken to evaluate nutrition as an element in the health problem and as a contribution to the level of health, and nutrition would be incorporated into the 1969 health planning course in Chile. Extensive use would also be made of the results of the Inter-American Investigation of Mortality in Childhood, which had for the first time provided accurate information on the contribution of moderate and severe malnutrition to death from common infectious diseases in persons under the age of five years.

The third priority was support for schools for nutritionists and dietitians. Of 20 schools, 18 had already adopted the new recommended four-year curriculum leading to a university degree. INCAP had greatly contributed in the past to the training of the staff of the schools of nutrition and dietetics and would continue to do so in the future. Short-term consultants had also been used to advise the schools on the improvement of their curriculum.

A fourth priority was the development of nutrition activities as an integral part of local health services. That activity accounted for a major part of the increase in advisory services, five public health nutritionists having been appointed at the project level.

The strengthening of nutrition teaching in schools of medicine, nursing, and public health was the fifth priority and was being undertaken with assistance from AID. In that area also, staff training of personnel from medical schools and schools of public health was an important element and there again INCAP had played an important part and had recently initiated an academic program in public health nutrition for pediatricians. One of the major problems in improving nutrition education in schools of medicine was lack of funds for appointing another full professor or assistant professor to devote himself exclusively to the teaching of nutrition. It was therefore considered advisable for professors of pediatrics to be taken out of the schools for a year or so and given fundamental training in nutrition so that, in addition to their normal duties, they could stimulate, improve, help to supervise, and evaluate the teaching of nutrition.

Finally, a very broad priority for the future was the application of technology in the field of nutrition sciences, including the better utilization of protein resources, the development of food courses in industry, the
promotion and development of food enrichment, and other activities. As food supplies struggled to keep up with the expanding population, it would become more and more important for national Governments to undertake regular and systematic dietary intake surveys to find out whether or not food supplies were adequate not at the national level but at the household level as well. A third area of importance in the application of technology was that of educational and promotional techniques leading to the improvement of the diet, especially at the lower socioeconomic levels. For that purpose three major resources were envisaged: the further training of scientists in research techniques; the conduct of research itself; and the availability of specialized consultants.

Those priorities tended to underline the areas of interest to the Organization, in which increased attention would be given to the development of nutrition activities in health services; the improvement of specialized resources facilities in the Region; and the development of what might be called applied or adaptive research, the application of nutrition science knowledge under varying circumstances of socioeconomic development. The changes in the budget were largely accounted for by the progressive increase in personnel assigned to health service projects in the field of nutrition, the training budget having remained more or less stable with a slight increase in 1970; and the decrease in research budget reflecting a decrease in grant funds available for that purpose. That decrease did not reflect a change in the priority assigned to research by granting institutions, but financial restrictions imposed by the Government or Governments of the countries providing the research funds.

Dr. Blood (United States of America) said he would like to hear more about an institution known as the "Centro Regional de Capacitación en Economía Elementaria y Nutrición Aplicada" (CRECEENA) recently set up in Colombia with the assistance of FAO, UNICEF, and WHO.

Dr. Kevany (Regional Adviser in Nutrition, PASB) replied that the Center did not appear in the PAHO budget since PAHO had no financial commitment to it. The Food and Agriculture Organization was interested in the orientation of agricultural extension workers and home economists and CRECEENA was a center for training in human nutrition for personnel of that category. PAHO's involvement had been largely in the planning of the courses in terms of structure and content of the curriculum and the provision of short-term consultants, where indicated, for the teaching of public health nutrition. As had been noted, the Center was situated in Colombia, a country which was well advanced in the development of nutrition programs and had considerable resources in terms of trained professional personnel with academic experience. The professional staff of the Nutrition Institute in Bogotá had been drawn upon for the teaching of the public health nutrition courses at the Center. The Bureau had been kept fully informed of the use of national resources within the area and the Center had been periodically visited by the Zone nutrition adviser stationed in Lima.

Dr. Olguín (Argentina) remarked that the Regional Adviser in Nutrition, in his statement on nutrition activities, had made reference to a resolution of the Directing Council of the Organization, later ratified by the Meeting of Ministers of Health in Buenos Aires, concerning the need to establish a system for the collection of data on which the countries could base their nutrition policies. He considered that an important initiative for a Hemisphere where there was malnutrition and other related problems, since a policy that took into account the conditions in all the sectors involved would permit better use of resources and lead, accordingly, to improved nutrition. He recalled that the Government of Argentina had offered at the Meeting of Ministers to participate, even to the extent of providing a national contribution, in the establishment of a data gathering, tabulation, and processing system to facilitate the exchange of information among the countries, a system in which such other international organizations as the United Nations Development Program and FAO could play an important role. Dr. Olguín said that he was aware that the Bureau was seeking support for establishing such a system and that Argentina would provide all necessary support.

Dr. Horwitz (Director, PASB) said he was pleased to know that the Government of Argentina maintained its offer to sponsor such a system of data collection to enable the Governments to establish or improve their food production and nutrition policies. That proposal had been made two years before by the Minister of Social Welfare of Argentina and had gradually taken shape, eventually leading the Organization to sponsor, jointly with FAO, a meeting of a group of experts, whose report would be distributed to the Governments within a few weeks. The Organization had already held direct consultation with FAO and the Government of Argentina for the purpose of giving specific form to the proposal. As soon as an initial understanding was reached involving a contribution to the Organization, the Executive Committee and the Directing Council would be informed and the Governing Bodies would take a decision concerning investments. PAHO attributed
great importance to the proposal, aware as it was that the health experts were prevented from properly meeting their responsibilities in the phase of malnutrition by the lack of timely information on the supply of essential foods and by the consequent inability to schedule food and nutrition programs in the health sector as part of the regular activities of the local organizations. If a system of data reporting could be organized and the Governments provided the pertinent data, the ground work would then be laid for reconciling the biological and economic interests of each country, i.e. for determining the essential volume of food imports and the volume of exports taking into account the consumption requirements of each country. That at the present time was not being done in the Americas. While that was an ambitious goal and one requiring time to achieve, the present situation, in which there were food-exporting countries with tremendous levels of malnutrition and infant mortality, could not be allowed to persist. That was the reason why it was necessary to adopt a more rational approach to the problem.

Dr. Henry (Trinidad and Tobago) said that the Caribbean Food and Nutrition Institute was progressing satisfactorily. It was currently conducting a nine-month course which was attended by members of various disciplines such as public health nurses and inspectors, and staff from the agricultural sector and the Ministry of Community Development. The stated objectives of the Institute were such that it might be considered a minor edition of INCAP although it played no less an important role in the Caribbean area. It was supported by FAO, PAHO, the Williams-Waterman Fund, the University of the West Indies, and by the Governments of Trinidad and Tobago, and Jamaica.

Dr. Alvarez Gutiérrez (Mexico) asked what distinction was made between maternal and child health projects, for which $580,351 was included in the program, and the health and population dynamics projects, which, as pointed out, were focused primarily on maternal and child health.

Dr. Drobny (Chief, Department of Health Services, PASB) explained that the distribution of the work had made it necessary to separate the maternal and child health services from the health and population dynamics services despite their close inter-relation but that the two departments maintained continuing contact to coordinate the programs. The budgetary allocation for Item 4100 was relatively small because the greater part of the maternal and child health work was funded from the general public health projects, which were listed as projects 3100. Dr. Drobny outlined the history of the maternal and child health services up to the present stage of regionalized and integrated services which included the prevention of disease and also medical care. The 4100 projects were directed specifically to mothers and children and were primarily programs in which the regional advisers provided technical advisory services specifically for the training of physicians and midwives. As examples of such programs, Document CE61/5 included project 4101 in Colombia and another in Chile, both of which consisted of annual courses for physicians in various aspects of clinical and surgical pediatrics. The speaker emphasized the important role of the countries themselves, which was the basis for those activities, through institutions such as the School of Public Health in Medellin, Colombia, and the School of Medicine in Chile.

Other activities organized were programs of residencies in pediatrics and seminars on pediatrics for different types of officials, as well as training centers in obstetrical nursing. The 4900 projects operated through the general health services and, particularly, through maternal and child health services.

Dr. Alvarez Gutiérrez (Mexico) inquired in what country the Perinatal Center operated and requested information about it.

Dr. Drobny (Chief, Department of Health Services, PASB) said that the Perinatal Center was in Montevideo and represented a recently inaugurated program headed by Professor Caldeyro Barcia of the School of Medicine of the University of Uruguay.

Dr. Alvarez Gutiérrez (Mexico) said he would like to know how the Center was financed.

Dr. Horwitz (Director, PASB) referred the members of the Committee to Official Document 85 (pp. 404-405) under the heading Uruguay-4101, "Research in Maternal and Child Health." That project was a contribution of the Organization to the Department of Physiopathology of the School of Medicine of the University of Uruguay and was carried in conjunction with the Departments of Obstetrics and Pediatrics. The amount shown in the budget had been made available and a number of fellowships had been granted from general fellowship funds. Consultations were well advanced with the Ministry of Health and the University of Uruguay, which had offered all their human and material resources to help establish what might be termed an
Institute of Perinatology, devoted basically to the study of pregnancy, partum and newborn children and to human development. The Institute would continue research which was already in full development and would concern itself with the training of obstetrical pediatricians and nurses and provide advisory services to the Governments. The objective was to apply currently available knowledge in that fundamental field and improve obstetrical care and the care of newborn children. There were good prospects of obtaining funds from other organizations. PAHO's contribution was not included in the present volume of the Official Documents but would appear in the next edition, to be published after the World Health Assembly, either under the same heading or as a special AMRO project to be entitled “Institute, or Center, of Perinatology and Human Development.” In the meantime a statistician was engaged in designing the experiments and research activities to be carried out by the Department of Physiopathology of the University of Uruguay. That was another expenditure of the Organization that would be shown in the next budget document.

Dr. Blood (United States of America) said that, according to Official Document 85, project Uruguay-4101, a sum of $30,000 was budgeted for 1970, and he would like to know what the new budget estimates were and whether that amount would be a global subsidy or would be specified for the kind of expenditure the money could be used for in that particular center or research institution.

Dr. Horwitz (Director, PASB) said that while there was no assurance that the plans could be carried out, an effort was being made to obtain some $400,000 for the next five years and that that would make it possible to hire six consultants: a director and five experts. Although the posts would be filled on a competitive basis as usual, it would be difficult to replace the Head of the Department of Physiopathology, who was a person of world renown and a linguist. That staff would engage in the training of pediatricians, obstetricians, and obstetrical nurses. The professionals would attend a course of approximately one year, and about 15 professionals would receive academic instruction and training in research each year. The course for obstetrical nurses were shorter: there would be advanced courses for graduate nurses so that the knowledge acquired could be used immediately. It was hoped to be able to offer two courses a year for obstetrical nurses. The Directing Council would receive a detailed report, since a meeting had recently been held by the PAHO Advisory Committee on Medical Research and there was also a two-day symposium at which a number of papers of basic importance to that field, and which there was great interest in disseminating because of their practical value, were presented. The publication of those papers would serve to point up the criteria to be followed in the research work of the future center or institute as well as in other countries, and the same personnel would render advisory services to the Governments. The Department of Physiopathology demonstrated beyond a doubt that the Governments were spending vast amounts on the provision of oxytocin to accelerate childbirth, in a completely needless way and with serious risks for the mother and child. It was a fact that 2 per cent of the newborn children were suffering incurable brain damage as a result of poor care of the mother at the time of birth. If the Organization obtained the funds to which reference had been made, its present contribution of $80,000 would be gradually increased over a period of five years to $90,000, including the post of statistician, $30,000 for research, and provision for fellowships. Once the decision of the organizations consulted was known, the Executive Committee would be asked to approve the project.

Dr. Sáenz (Uruguay) thanked the Director for his remarks concerning the Head of the Department of Physiopathology of the University of Uruguay, whose research would undoubtedly inaugurate a new stage in the specialty of pediatrics.

The session was suspended at 3:45 p.m.
and resumed at 4:25 p.m.

Dr. Cortés Vargas (Costa Rica) said he would be interested to know why project 4400 (Public Health Dentistry) was assigned a smaller amount for 1970 than was budgeted for the previous year, in spite of the obvious importance of those activities. He cited the case of his own country, in which in 1968 12 per cent of the school-age children between 6 and 13 had lost permanent teeth and 27 per cent had lost temporary teeth. In the same age group, 70 per cent were found to have caries in their permanent teeth and 77 per cent in their temporary teeth. Similar situations doubtless existed in other countries, and that was related to important aspects of nutrition, which would indicate the advisability of increasing the budgeted amount instead of reducing it.
Dr. Restrepo (Regional Adviser in Dental Health, PASB) said he was pleased that the Representative of Costa Rica had expressed that concern. He then outlined certain aspects of the Organization's program of dental health. The program was begun in 1955 as an attempt to establish a much-needed policy of dental protection to meet the community's requirements in that respect. In the early stages of the program a dentist and several short-term consultants had visited those countries where dental programs were in progress. Thanks to the cooperation of a philanthropic foundation, it had been possible to lay the groundwork for a modest program, which could now be further developed if certain budgetary difficulties could be solved.

The present task consisted primarily in the identification of problems. It was estimated that there were between 50,000 and 60,000 dentists in Latin America. The Hemisphere had 101 dental schools: 40 in Brazil, 11 in Mexico, 6 in Argentina, and smaller numbers in other countries. The number of dental students was increasing; graduate dentists were cooperating in the health programs of many ministries and frequently were appointed assistant directors of local health centers. One country, Venezuela, was doing pioneer work in studying the magnitude of dental problems, as a result of which it was hoped to establish a methodology and determine the proper place of dental health within the total public health program.

As activities of that project, it could be pointed out that the Organization had, between 1958 and 1969, through a regional program with headquarters in São Paulo, Brazil, assisted in the training of more than 180 public health dentists, a figure in sharp contrast to the one for 1938-1959, when only 13 public health dentists were trained in the Hemisphere and only 4 or 5 of these became involved in the health programs. There was also another program in the Province of Buenos Aires, Argentina, in which it was hoped to obtain useful experience in the administration of dental services.

In regard to the prevention of dental diseases, the Organization initiated a fluoridation program for the Americas, following the general lines of the study presented to the Directing Council at its 1964 meeting. The Government of Colombia, with the assistance of the Kellogg Foundation, began a national fluoridation program. Because of the important role played by sanitary engineers in the promotion of water supply policies, the Organization believed it necessary to cooperate in their training, and special courses were now being offered for them. The initial activities in Cincinnati (USA) were followed by the stage of international courses. One was offered in Puerto Rico for English-speaking personnel; one in Guatemala for Central America and Panama; one in Venezuela, followed by an international course; and two courses were given in Colombia. Similar courses would be conducted in other countries. A total of 150 technicians had been trained in those courses.

The Organization hoped that in the forthcoming Twenty-Second World Health Assembly in Boston, which would examine the question of water fluoridation at the request of several Governments, recognition would be accorded to the role of PAHO/WHO, the only intergovernmental organization which had adopted a specific policy for fluoridation. That procedure was being used more extensively in the Region than in Europe, and Latin America was second only to the United States of America in that respect. It was anticipated that the problem of dental caries would decline substantially as a result.

The Bureau continued to study other preventive techniques, as exemplified by the research being done in Colombia on fluoridation of salt. The requests for assistance in the field of fluoridation and other aspects of dental health had far exceeded the resources available to the Organization for meeting such requests. In spite of that substantial demand for technical assistance, the amount budgeted had not been increased, as noted by the Representative of Costa Rica.

Dr. Horwitz (Director, PASB) pointed out that the dental health projects not included in the proposal submitted to the Executive Committee, which represented a total of $54,200 for 1970, were listed in Official Document 85 (p. 536). That amount, plus the $81,200 for dental education projects, listed on page 539, made a total of $135,400, which was practically as large as the amount actually budgeted for dental health activities for 1970. In other words, the demand was twice as large as the figure it had been possible to include in the proposed program and budget estimates. The initiative taken by the Organization in that regard was well advised, and had been welcomed by the Governments, because dental health was not only an oral problem alone but one affecting the entire organism. Many diseases of the digestive tract were simply a reflection of poor dental health of one kind or another. Although fluorine was very helpful in solving the problem of caries, the periodontal diseases were perhaps more frequent and serious than caries, leaving aside the question of esthetics. The government dental services were resolving only a minimum part of the problem, and the same could be said for fluorine, although it produced very important results. The Organization would like to go further in that respect, but as in other cases its activities were limited by lack of funds.
Dr. Bersh (Colombia) said that in his country the study of human resources and morbidity showed that, generally speaking, owing to the shortage of dentists and the attitude of the population itself, those professionals were devoting a considerable part of their time to extractions. The Government had therefore begun an extensive program of prevention. A program had been developed for the fluoridation of the water supply for the large cities, which would eventually reach 50 per cent of the population, and the fluoridation of salt was also being investigated. In regard to the dental problem, he wondered if there were a proper relation between the size of the problems and the share of the budget devoted to them. He even wondered if it might not be necessary to rearrange some priorities. Another example could be found in the case of venereal diseases, to which only 0.1 per cent of the total budget—the smallest of its appropriations—was being devoted. That would in no way mean that the problem of venereal diseases was the least important of the health problems in the Hemisphere. While it was true that they were normally not a cause of mortality, or were only an indirect cause, it was a well known fact that venereal disease was on the rise in the Americas as in other regions of the world. The amount budgeted for venereal disease programs in 1969 was $60,516; the 1970 appropriation was only half as large. In regard to that problem, as in the case of dental activities, it would be wise to examine the budget not only from the standpoint of negative criticism directed to its reduction but also, in certain cases, with a view to increasing it in those areas where required.

Dr. Mondet (Argentina) regarded the proposal of the Representative of Colombia as interesting but felt that it needed some clarification. A proposed program of the Organization was not comparable to a proposed program of a country, insofar as priorities were concerned. He offered as an example the case of venereal diseases in his own country, whose incidence had changed since the emergence of contraceptive pills. With the almost total abandonment of the use of male contraceptives, which also prevented the transmission of venereal disease, the epidemiology of those diseases had changed and it was now essential to improve the process of health education for both sexes. It was possible that when the countries had more funds available for venereal disease control it would no longer be necessary for the Organization to make a contribution, particularly since the cost of treating venereal diseases had diminished in recent years. Perhaps that case was not comparable to that of dentistry, but in any event it might be necessary to apply a different approach to priorities, determining them on the basis of the requests presented by the Governments in line with the country's needs and the public health importance of each problem.

Dr. Horwitz (Director, PASB) said that the question could be examined on an international basis or, as in that case, a hemisphere-wide basis. It was theoretically possible to consider the Hemisphere as a single unit and, with the available information, try to establish a continental scheme of priorities, as was attempted three years back. That was only a theoretical exercise because of the possibility that the Governments would not accept the resulting order of priorities. At a later stage another, a more logical system was applied: that of encouraging national planning so that the Governments themselves would establish the order of priorities and determine the sectors for which international cooperation was required. The budget estimates now being examined were a result of the latter approach. If the budget estimates were examined on the basis of percentage distribution, it would be found that the larger allotments were assigned to the fundamental problems. The agenda included an item entitled “Long-Term Planning” which presented a new method for projecting the activities of the Organization on a continuing basis, by four-year periods, according to the decisions of the Governments. It would seem advisable to examine the proposal of the Representative of Colombia on behalf of the Directing Council and determine whether the projected approach would be acceptable to the Governments or whether it should be changed in accordance with the opinions of the members of the Executive Committee. That procedure would be based on an improvement of international programming as national health planning came into wider and more effective use.

Dr. Bersh (Colombia) explained that his comments on venereal diseases and others were intended to apply to the program in general and that his only purpose in mentioning the small amount budgeted for dentistry was to encourage a greater interest in that problem. He agreed that an order of priorities had to be established but wondered if the problems of dentistry were not sufficiently important to merit a larger percentage of the budget than the 0.5 per cent now assigned. He agreed also that when the countries had formulated their health plans it would be possible to make a more orderly arrangement of requests for assistance and there would doubtless be many problems that could be handled through intercountry activities. That would enable the Organization to determine its investments more logically, although obviously a lengthy process was involved.
The Rapporteur insisted on the need to carry out a thorough examination of the budget so as to have the certainty that the funds were being spent in ways ensuring their best possible utilization. As for the prevention of dental caries, he pointed out that the studies carried out had demonstrated to the satisfaction of the Costa Rican social security agency that if the Organization undertook a fluoridation program the country could, over 10 years, economize $7,000,000 in dental care, an appreciable amount in relation to the total health budget of Costa Rica, which was 25,000,000 colones, not to mention the important potential savings for the families involved. Another important factor to be taken into account was the steady decline in the number of dental students, a problem which was likely to become more serious with the passage of time and which necessitated certain measures involving much larger expenditures.

Dr. Horwitz (Director, PASB), referring to dental care, explained that although the amount budgeted for the 4400 projects was about $138,062, it should be kept in mind that another $145,089 was budgeted for the development of educational institutions under the 6600 projects, which made the total for 1970 about 1 per cent of the budget. In other words, the direct services under the 4400 projects should be added to the educational services under the 6600 projects. The resulting 1 per cent of the budget acquired some significance if the developments of the last few years were taken into account. That was not intended to mean that the Organization failed to recognized the importance of the problem for the Hemisphere.

*The session rose at 5:30 p.m.*
Consideration of Pending Draft Resolutions

The Chairman announced that the Committee would proceed to examine the pending proposed resolutions.

Study of the Preparation of Drugs and Biological Products, Production, and Maintenance of Equipment and Instruments for Health Programs (continuation)

The Rapporteur read the following proposed resolution, presented by the Representative of Mexico, concerning a study on production and maintenance of equipment and instruments for health programs:

The Executive Committee,

Considering the heavy financial burden on the economy of the countries of the importation of equipment, instruments and other necessary elements for the efficient conduct of health programs; and

Bearing in mind that it is desirable to encourage, with the support of national and international financial institutions, the national production of specialized equipment and instruments so as to improve their quality and reduce their cost and thereby strengthen the national economies and alleviate the balance of payments problems,

Resolves:

1. To request the Director to examine the feasibility of a project designed to assist the countries in appraising their capacity to produce and maintain equipment, instruments and other necessary elements for the efficient conduct of health programs as well as of the import and export of those products and their repercussions on the national economy.

2. To request the Director to prepare an estimate of the resources required to carry out the above-mentioned study and to submit his conclusions to the Directing Council.

Eradiation of Aedes aegypti

The Rapporteur read the following proposed resolution on the item, submitted by the Representative of Mexico:

The Executive Committee,

Recalling that in 1947 the countries of the Americas pledged themselves to take the necessary measures to eradicate Aedes aegypti from the Hemisphere, which pledge was subsequently confirmed at the XVII Meeting of the Directing Council;

Recognizing that the reinfestation of countries that have already eradicated the vector, on several occasions, is a serious threat to health and occasions heavy financial losses; and

Having been informed that two countries have decided to suspend their eradication programs for financial reasons, thereby increasing the risk of reinfestation of neighboring countries,
Resolves:

1. To bring to the attention of the Directing Council the seriousness of this situation for the health of the people of the Hemisphere.

2. To request the Director to draw to the attention of the Governments that have suspended their eradication programs the serious consequences of that decision for the remainder of the Hemisphere and to request them to reconsider their decision for the sake of hemispheric health.

3. To recommend to the health authorities of the countries conducting *Aedes aegypti* eradication programs that they take such measures as may be necessary to achieve that goal with the shortest possible delay.

4. To emphasize the need for countries that have eradicated *Aedes aegypti* to strengthen their surveillance services so as to ensure the early detection of any focus that may arise.

5. To request the Director to keep the Governing Bodies informed of the progress of his negotiations and of the development of *Aedes aegypti* eradication programs.

Decision: The proposed resolution was unanimously approved.

Proposed Criteria for Multinational Centers

The Rapporteur read the following proposed resolution, submitted by the Representative of Mexico, regarding the item:

*The Executive Committee,*

> Considering that at present there are a number of multinational centers in the Americas to the financing of which a considerable amount of the funds of the Organization are allotted;

> Noting that the countries in which these multinational centers are situated benefit more directly than others from the advisory training, and research activities carried out in them,

Resolves:

1. To recommend to the Directing Council that it request the Director of the Bureau to appoint a study group to draft regulations governing the establishment and operations of centers and programs intended for several countries and sponsored by the Organization.

2. To recommend that the draft regulations cover, *inter alia,* the following aspects: (a) Financial assistance to the host country or countries on which specified limits should be set; (b) Determinate or indeterminate duration of programs; (c) The influence of the center or program in the development of similar programs at the national level; and (d) Previous approval of the center or program by the Directing Council or the Conference.

3. To recommend that the draft regulations be submitted to the 64th Meeting of the Executive Committee.

Dr. Blood (United States of America) said that although he was fully in accord with the intent of the draft resolution, he felt that the representatives had envisaged the drawing up of “criteria” rather than “regulations,” which would have the force of law. Again, instead of making mandatory the appointment of a study group the Director might be asked to prepare a set of criteria or guidelines and appoint a study group only if he felt it necessary. Also, he believed that the second operative paragraph did not define clearly, in the English version at least, the principles agreed upon. The paragraph should perhaps be redrafted.

Dr. Martínez (Mexico) agreed with Dr. Blood and said that the term “reglamento” (regulations) could be replaced by “principios” (principles) in the Spanish text.

Dr. Bersh (Colombia) reminded the Committee that the intention had been to have the draft resolution refer not only to the financial assistance to the host country but also to the economic and technical obligations the country was to assume in connection with the maintenance of a center of that kind.

Dr. Martínez (Mexico) said that he shared the view of the Representative of Colombia and requested that a new proposed resolution be drawn up.
The Chairman requested the Rapporteur to take note of the suggestion of Dr. Bersh and submit a revised text of the proposed resolution at a later session.

Dr. Horwitz (Director, PASB) noted the importance of having the representatives determine the specific content of paragraph 2 of the resolution. He wondered if the provision to set a specified limit on the financial assistance to the host country (or group of countries) should be interpreted to mean that the amount of international assistance was to be set in proportion to that of the national expenditures. The Director pointed out that in many cases financial assistance was received from other international organizations, for example the United Nations Development Program, and that the proportion could not be determined because the amount of such assistance was determined by the organization concerned on the basis of its own objectives, functions, etc. As to the determinate or indeterminate duration of programs, he expressed the belief that that would also depend on the function involved. There were cases in which public or private sources established a definite period for their contribution but also lay down the condition that the program continue beyond that period. Regarding the influence of the center or program on the development of similar programs at the national level, the Director felt that it was necessary to accept the basic premise that all those activities, whether currently under way or planned for the future, would be intended to benefit the Governments. He expressed particular concern over the requirement that the center or program be approved in advance by the Directing Council or the Conference, as he believed that would delay the execution of projects.

Dr. Martínez (Mexico) made it clear that the purpose of paragraph 2 was simply to set forth a series of aspects for consideration by the study group, for example, whether it would not be advisable to limit the proportion of financial assistance, whatever its source, to 10 per cent. The same held true for the question of duration. As to the influence of the center on the development of programs, it was very important that multinational centers be so organized as not to impede the development of national activities. Dr. Martínez also expressed the belief that advance approval by the Governing Bodies would be helpful in avoiding any problems with the Governments.

Dr. Horwitz (Director, PASB) cited the particular case of the center responsible for gathering the data required for a food and nutrition policy. The idea had been proposed by the Directing Council at its meeting in Trinidad and discussions were now in progress with FAO for its implementation. The Argentine Government had expressed interest in providing headquarters for the program because the latter was part of its agricultural and nutrition policy.

Dr. Olguin (Argentina) said that Argentina had decided to lend support to the program mentioned by the Director, because of its importance, by offering headquarters for the program. But it should be decided upon in time whether it would actually be a center as such or some other system for the collection and exchange of information operating through a specific program. As for the draft resolution under discussion, while it was important for the study group to have some guidance for its work and the preparation of its report, paragraph 2 was too specific and, therefore, somewhat limiting; the text should be drafted along more general lines.

The Rapporteur suggested that the words “taking into account the observations made by the members of the Committee” be added to paragraph 1 and that paragraph 2 be deleted entirely.

Dr. Bersh (Colombia) agreed with Dr. Olguin and Dr. Martínez that it was useful to provide some guidance. He expressed the opinion that the specific scope of the document should be left to the judgment of the study group.

The Chairman proposed that a working party composed of the Rapporteur, Dr. Horwitz, Dr. Bersh, and Dr. Martínez be established to draft the new proposed resolution.

It was so agreed.

Proposed Criteria for the Programs of the Pan American Health Organization

The Rapporteur read the following draft resolution on the item proposed by the Representative of Mexico:

"The Executive Committee,

Seeing that the projects and programs of the Organization should always have well-defined goals to be achieved within specified time periods;"
Noting that many programs included in the preliminary draft of the budget estimates of the Organization have been in operation for some time; and
Noting that it is essential to establish criteria that will enable the Governments and the Organization to evaluate the usefulness of the programs in which they are collaborating,

Resolves:

To request the Directing Council to instruct the Director to organize a study group to formulate and submit to the 64th Meeting of the Executive Committee a set of principles that will ensure that the programs of the Organization run for specified periods, thus averting their indefinite continuation, and have built into them a system of continuing evaluation.

Dr. Yglesias (Costa Rica) said that the period of duration for any program should be established in terms of its goals, and not only of time. It was possible for a given project to reach the end of its assigned period of duration without having accomplished its objectives, and it was also possible for a project to be authorized for a specified time and for its goals to be achieved before the end of that period. Consideration should also be given to the advisability of establishing certain programs for an indefinite duration.

Dr. Blood (United States of America) suggested that a distinction should be made between programs or projects and what might be termed “services,” such as the collection, classification, and reporting of disease statistics, for which the Organization was originally established.

Dr. Horwitz (Director, PASB) said it was his understanding that the study group would be composed of experts not of the staff of the Bureau, who would have to be paid a fee for their services. The Committee should determine the number of members of the group and the source from which their fees would be paid. The Secretariat could prepare a report for submission to the Executive Committee before its 64th Meeting, at which time the Committee would decide if a study group was actually needed.

Referring to Dr. Blood’s remarks, the Director said that the programs of the Bureau which had continued for many years were of course carried out in response to mandates given the Organization. Examples of that were the eradication campaigns, in which international collaboration had been considered necessary, although, in the case of malaria, that cooperation had been progressively reduced, to such an extent that the number of international posts had dropped from more than 120 in 1968 to 72 in 1973. A similar reduction had taken place in the program of Aedes aegypti control. Moreover, the concept of indefinite duration of a program was misleading, since the original activity was replaced by others and did not continue indefinitely. If the proposed resolution was understood to call for measuring the national efforts and, on that basis, determining the need for international assistance, its meaning was quite clear. The Director drew the attention of the representatives to the fact that, if the resolution was adopted, it was important for the Committee to state that the study group was indispensable and to define the purposes of that set of principles more precisely.

Dr. Martínez (Mexico) said that he was generally in agreement with the observations made in the course of the discussion. As to the composition of the study group, he felt that its members could be drawn or not from the staff of the Organization, depending on what was considered more useful. It was the Director’s responsibility to determine whether it was necessary to assign new funds to the undertaking or whether it should be entrusted to the Bureau itself. It was also the Director’s responsibility to determine the most appropriate terminology to be applied to both aspects, the international and the national. As for the distinction between “programs” and “services,” the latter term, in Spanish at least, had a continuing connotation, whereas programs or projects were understood to be field activities.

The Chairman said that if the study group was to be composed of members of the Bureau’s staff, it would be well to make it clear that those should be experts in planning and not Secretariat personnel.

Dr. Bersh (Colombia) referred to the minutes of the third plenary session, where the possible membership of the study group had been specified.

The Chairman said that, in view of the observations of Dr. Bersh, it was necessary for the Committee to decide whether the study group should consist of members of the staff of the Bureau.

Dr. Martínez (Mexico) proposed that the membership of the study group be left to the Director’s
discretion, so that he would be entirely free to designate its members in whatever manner he considered most advantageous.

Dr. Belchior (Brazil) suggested that, since a working party had been appointed to draw up a revised draft resolution, the same group be given the task of preparing both proposed resolutions.

It was so agreed.

Item 6: Proposed Program and Budget Estimates of the Pan American Health Organization for 1970 (continuation)

The Chairman announced that the next item of business was to continue the analysis of the budget by examining the estimates for venereal diseases and treponematosis, and asked Dr. Bica to report on the matter.

Dr. Bica (Chief, Department of Communicable Diseases, PASB) said that venereal diseases had a high incidence in the Americas, although the exact size of the problem was not known because reporting systems varied from country to country and even within a single nation. In any case, everything indicated that the venereal disease problem in the Americas was of much larger proportions than were reflected in the available data. Thus, for example, in the United States of America, where an excellent venereal disease control service was in operation since 1940, a recent survey among private physicians showed that they were reporting only 11 per cent of the cases of infectious syphilis to the public health services, that 38 per cent of the cases of syphilis in other phases were being reported and that only 11 per cent of the cases of gonorrhea treated by them during the period of the survey were reported. In the case of gonorrhea the reporting was much more incomplete.

The persistent and significant rise in the incidence of venereal disease throughout the world, as confirmed by a recent WHO survey covering the period from 1950 to 1960, was a matter of grave concern. Of the 105 countries returning their completed survey questionnaires, 75 reported a steady rise in the incidence of venereal diseases.

In many countries the incidence of syphilis was close to the level recorded prior to the Second World War, before the introduction of penicillin. Another important problem was that the increase in that incidence was even greater among the younger age groups.

Dr. Bica cited the factors which had contributed to that increase, including the introduction of penicillin, which, because of its low cost and ease of administration created a false sense of security; the scant attention given to courses on those diseases; defective diagnosis and treatment; and behavioral changes, particularly greater sexual freedom. Along with those factors, the increasingly larger movements of population through the world and the absence of effective control measures were contributing to the spread of venereal diseases. With the decline in incidence, many countries ceased to be concerned with those diseases and the funds until then assigned to them were shifted to other programs that appeared to be more important.

In view of that continuous rise in the incidence of syphilis and gonorrhea in various countries, the Organization had tried to give more attention to that problem. Thus, in 1963, a seminar was conducted in Washington for heads of venereal disease control programs and for directors of public health. As a result of that meeting, the Bureau began to receive requests for assistance. That was provided in the form of consultants to study the problem and help in the planning, execution, and evaluation of control programs on the basis of modern techniques, including laboratory diagnosis facilities, treatment, and the search for contacts. Attention was also given to health education and the integration of all those antivenereal activities within the general public health services. Another activity was cooperation in the training of personnel. Courses of short and long duration were organized, and reagents and equipment were provided. The Organization had also sought to encourage the countries to participate in the program for the evaluation of the serological diagnosis of syphilis which was done each year by the WHO Serological Reference Laboratory at the National Communicable Disease Center in Atlanta.

Dr. Mondet (Argentina) reported that a survey of the so-called “villas miseria,” or slums, in his country, which were gradually being eliminated, showed a 5 per cent rate for syphilitic infections. The contacts were investigated and it was found that the high percentage of them were prostitutes living in those districts. Owing to the willingness of the cases to be treated, it had been possible to keep the rate at less than 5 per cent. Dr. Mondet asked how it had been determined that the incidence of venereal diseases was equal to or greater than
that in the period before the Second World War and whether the apparent increase could not be due to more
effective notification.

Dr. Bica (Chief, Department of Communicable Diseases, PASB) expressed the opinion that the increase
could not be attributed to that factor because there were still many cases that were not being reported.

Dr. Horwitz (Director, PASB) said that it would be useful to take into account the reports of the attending
physicians concerning the reappearance of phagedenic chancres and on chancres that had almost disappeared.
Those phenomena would naturally be followed with interest at a time in which the production of penicillin
had increased to a large extent and the product was within the reach of the entire world. Nothing could be
stated with absolute certainty since there was so much under-reporting, even in the United States of America.

The Chairman announced that at the request of the Representative of Mexico the Committee would now
examine Part III, Development of Educational Institutions, particularly the medical projects in series 6200.

Dr. Villarreal (Chief, Department of Human Resources Development, PASB) said that in the field of the
development of human resources for health, the decision had been taken to assist the Governments in the
planned development of those resources. The aspect of medical education, to which the 6200 projects
referred, was of great importance. The problem was being approached from a multidisciplinary standpoint,
since a multidisciplinary group was best equipped to cope with the problems of health. The training of that
personnel should also be done on an integrated basis. The programs of cooperation with the medical schools
were based on resolutions of the Governing Bodies and were summarized in a document submitted to the
Meeting of Ministers held in 1968. The resolution issuing from that Meeting was later adopted by the Directing
Council and served as a guide for the medical education programs carried out by the Organization.

There were three fields of activity. The first was special surveys. The Organization cooperated with the
Governments in activities designed to provide a clear understanding of the existing human resources situation
and of the needs that should be filled within a specified period. While that activity was part of the general
planning process of a country, it had often served as an initial step in the establishment of a national health
plan. The speaker cited the activities of that kind being carried out in Colombia and Argentina, in the
English-speaking areas of the Caribbean, and in Venezuela and Chile. As part of its special surveys activity, the
Organization had conducted a survey on the teaching of preventive and social medicine in 130 Latin American
medical schools. The survey covered the structure and operation of those schools, particularly in regard to
administrative systems, teaching staff, the students, curriculum, budgets, etc. The project was now in the phase
of analysis and tabulation and by next September the Organization expected to have sufficient data available
to provide a basis for some of the decisions it proposed to make in that field. The survey included also an
analysis of the attitude of the students toward the teaching of medicine and, particularly, of preventive
medicine.

The second field included the strengthening of educational institutions and comprised 34 projects listed
under 6200 for which assistance was rendered in 1968 to 40 medical schools in 19 countries of the
Hemisphere. That assistance took the form of technical advisory services, fellowships, preparation of curricula,
and establishment of administrative methods. The number of fellowships had risen to such an extent that, in
1968, 150 were granted for the training of instructional personnel. The textbook program was also part of the
Organization's cooperation with medical schools.

The third field of activity was the dissemination of information, a task carried out primarily through an
annual meeting with representatives of various international organizations and private foundations conducting
projects for cooperation with medical education in Latin America. That was the activity designated as the
Medical Education Information Center, which had been extremely useful in bringing about concerted efforts
in that field. The other means of dissemination was the quarterly journal Educación Médica y Salud.

From the survey of the medical schools, and from direct experience with the problems expressed by the
countries, it had been concluded that the main problems confronting Latin American medical education at
that time involved questions of financing, administrative structure, programs of study, and teaching personnel.
None of those problems was likely to disappear in many of the countries. Consequently, the proper course of
action was not to insist on the traditional patterns but to seek other approaches to the training of physicians.
There were obviously more economical ways of solving the problem of medical education, perhaps by making
greater use of the outpatient departments in the teaching of clinical medicine, rather than concentrating that
activity in the hospital itself. That would undoubtedly reduce costs. Another procedure might be to change the
teaching of the basic sciences by offering only a preliminary grounding in basic sciences in the early part of
the medical course and later adding to that basic knowledge in a gradual way as required.

The speaker concluded his remarks by noting that the number of medical schools in Latin America had almost doubled in the last 10 years.

Dr. Mondet (Argentina) said that the reports he had just heard were evidence of the fact that the Organization’s activities were in a constant state of evolution.

He drew attention to two very significant facts. One was the pronounced tendency of people in almost every country to take less and less interest in the study of medicine. That was perhaps because in most countries medicine had ceased to be a means of economic improvement or there were other professions which were now, for the first time, making it possible for a person, regardless of the social stratum from which he came, to achieve a position of social prestige. The other significant aspect was that concerning the sex distribution of medical students. In the medical schools of Buenos Aires, only 5 per cent of the students were women in 1940, whereas in 1968 52 per cent of the students enrolled in the School of Medicine of Buenos Aires were women. The importance of that lay in the need to take into account the approach of women physicians to their profession. A survey in the United States of America showed that as many as 40 per cent of the women entering the profession were abandoning their practice for reasons of marriage, maternity, etc. All of that should be taken very carefully into account in the performance of surveys such as those described. A decisive step had been taken toward preparing physicians not only for dealing with individual cases of disease but also for treating an entire community and protecting its health.

Dr. Henry (Trinidad and Tobago) noted that the purpose of the recent meeting in his country of Ministers of Health of the Caribbean, which PAHO representatives had attended, was to seek regional cooperation between territories having a common background and a total population of some 3.4 million. Traditionally the practice had been to go to Britain for one’s medical education but an increasing number of students were studying in Canada, the United States of America, and also in India. Also, the University of the West Indies, which had extended its campus to include Barbados and Trinidad and was providing clinical training at the general hospitals of Port of Spain and Georgetown, was turning out medical graduates of its own. A new Department of Social and Preventive Medicine under Professor Standard has been established, but the scarcity of medical and public health personnel persisted. He had been glad to hear Dr. Hollis mention that efforts should be made to obtain, with the assistance of the Organization and sources in Canada, a sanitary engineer for the faculty of the University since professional personnel in that field were little seen in the Caribbean but obviously much needed.

Recently the Minister of Health of his country, Dr. Awon, had been considering the advisability of establishing a College of Health Sciences to train physiotherapists, radiographers, occupational therapists, and medical and laboratory technicians, since if sent abroad for training, they frequently did not return.

The session was suspended at 11:00 a.m.
and resumed at 11:35 a.m.

Dr. Blood (United States of America), noting that project 4800 (Medical Care) under Table 2, represented 4.7 per cent of the funds from all sources, asked what percentage of the regular budget was devoted to medical care.

Dr. Horwitz (Director, PASB), referring to the efforts made in the Caribbean region in the field of human resources, as mentioned by the Representative of Trinidad and Tobago, said he was pleased to announce that the Milbank Memorial Fund would provide a grant of $200,000 over a four-year period beginning 1 January 1970, to supplement the resources assigned by the Pan American Health Organization and the World Health Organization and that the Government of Barbados had offered to extend the necessary facilities for establishing in that country the small group that would be responsible for training activities in the Caribbean area. Those activities were expected to include coordination and integration of current education and training activities, surveys of human resources and their availability, programs of education and training for specific purposes decided upon by the interested Governments, and general technical assistance. The Director said that that was another example of the efforts made by the Secretariat to obtain resources additional to those of the Organization. He believed it advisable for the Organization to establish contacts with the universities for the purpose of fostering the adoption of uniform criteria as to modern methods for the training professional personnel. An attempt would be made to obtain information on reforms already put into practice, to determine their salient features and to request the opinion of educators in the Region for inclusion in a
document to be prepared for submission to the universities. The Director said he would like to have the Executive Committee offer the Secretariat some guidance in that matter; if it were decided that the task should be done, an advisory committee would be established to carry it out.

Dr. Martínez (Mexico) said he believed it would be more appropriate to do that work through the Pan American Federation of Medical Schools, which he thought was doing effective work. He requested more information on the possible tasks and their financial implications. He expressed the opinion that, before considering modern techniques for the training of physicians, it might be more advisable to try to do something to bring professional training more into line with the social realities of the Continent.

Dr. Horwitz (Director, PASB) noted that the Secretariat was already in direct contact with the President of the Federation, that it was that, indeed, which had led to an initial outline of ideas on the matter, and that the President of the Federation had of course taken it for granted that the Federation would work along with the Organization in that field. The Director believed that the cooperation should extend to the aspects related to the programming of activities, selection of teaching personnel, and preparation of working documents.

Dr. Mondet (Argentina) said he attached great importance to that matter and that he agreed with the Representative of Mexico that, in view of the characteristics of the task envisaged, the lead should be taken primarily by the Pan American Federation of Medical Schools, rather than by a special group established for the purpose. The Organization would provide whatever assistance the Federation considered necessary.

Dr. Martínez (Mexico) said that he understood the Director had placed that question before the Executive Committee in order to learn the views of its members and not to obtain a definite pronouncement in the form of a resolution. He inquired what the Director’s position would now be.

Dr. Horwitz (Director, PASB) replied that he understood the Executive Committee believed the idea to be worth putting into practice. Regarding the role of the Pan American Federation, he noted that the initiative for the activities on training of professionals had come from the Organization but that the work would be done in consultation with the Federation. As to its financial implications, consideration was being given to establishing a faculty composed of 10 professors, at most, from the Hemisphere and that an estimate of the cost involved could be developed. If the Executive Committee so decided, a proposal could be submitted to the Directing Council, based on the outlined already prepared in consultation with the President of the Federation and supplemented by an estimate of anticipated expenditures and an indication of possible sources of funds.

Dr. Martínez (Mexico) explained that it had not been his suggestion that the Organization carry out that activity jointly with the Federation, but rather, that it apprise the latter of its interest in the suggested study and restrict itself to collaborating with the Federation and participating in its deliberations. In that way, a collective concern would not be considered exclusively by a small group.

Dr. Mondet (Argentina) supported the position of the Representative of Mexico and observed that by following the procedure proposed by the latter, the Organization would be showing its regard for the activities of the Federation.

Dr. Horwitz (Director, PASB) said that the President of the Federation had already been informed of the Organization’s interest in that matter. He understood that the Executive Committee was not in favor of devoting funds to that purpose; if such were the case, he would inform the President of the Federation that the Executive Committee was of the opinion that the tasks envisaged were within the competence of the Pan American Federation of Associations of Medical Schools.

Dr. Martínez (Mexico), clarifying his intent, said that the Director should inform the Federation that the Committee considered it advantageous for the Federation to concern itself with the problem and should offer to provide the assistance of the Organization, if requested.

Dr. Mondet (Argentina) expressed agreement with the statement of the Representative of Mexico and said that his earlier remarks had not been based entirely on budgetary considerations, in spite of the fundamental importance of those. He expressed the view that PAHO should undertake that activity only in the event that the Federation did not have the necessary resources to accomplish the work or decided not to do so.
Dr. Bersh (Colombia) noted that the problem of professional training had not, in his country, been examined jointly by the educational institutions and the Government ministries concerned and that the attempt to do so on a unilateral basis had been unavailing. He therefore felt there were dangers in having the survey done exclusively by the Federation.

Dr. Mondet (Argentina) said that the risk of applying a unilateral approach was averted by the provision for extending the cooperation of the Organization and that, in any event, his Government considered that international organizations should not assume responsibilities going beyond the scope of their possible action.

Dr. Horwitz (Director, PASB) explained that the initiative of the Secretariat was aimed at eliminating the existing disparities in the approaches applied by the educational institutions and the organizations employing the professionals. He requested the Committee to decide whether the Secretariat should continue that activity as already started or restrict itself to simply drawing the attention of the Federation to its interest in the training of physicians.

Dr. Martínez (Mexico) said that while the direction of the work should be in the hands of the Pan American Federation of Associations of Medical Schools, the Pan American Health Organization should encourage that work. With that in view, it might be advisable for the Director to suggest to the Federation that it consider the possibility of relying on the participation not only of representatives of the Organization but also of the Governments themselves. In the event that the Federation was unable to take charge of the matter, it would then be appropriate for the Director to bring the matter once again before the Governing Bodies.

Dr. Yglesias (Costa Rica) noted that, however the proposed activities were carried out, the Executive Committee should bear in mind that at a given stage the Organization would have to assume financial obligations and that, accordingly, a pronouncement by the Committee would be useful.

Dr. Belchior (Brazil) said that he agreed with the way in which the Director was handling the matter under discussion.

Dr. Gehrig (United States of America) considered most praiseworthy the initiative of the Director in identifying the problem and said that the fundamental issue, leaving aside the aspects of evaluation and budgetary implications, was, as the Representative of Mexico had indicated, that of encouraging the Director to use the important resource that had been mentioned in solving the problem.

Study of the Preparation of Drugs and Biological Products, Production and Maintenance of Equipment and Instruments for Health Programs (conclusion)

The Chairman said that the last item of business would be the consideration of a new draft resolution on the item.

The Rapporteur read the following draft resolution:

*The Executive Committee,*

Considering the heavy financial burden on the economy of the countries of the importation of equipment, instruments, and other necessary elements for the efficient conduct of health programs; and

Bearing in mind that it is desirable to encourage, with the support of national and international financial institutions, the national production of specialized equipment and instruments so as to improve their quality and reduce their cost and thereby strengthen the national economies and alleviate balance of payments problems,

*Resolves:*

1. To request the Director to examine the feasibility of a project designed to assist the countries in appraising their capacity to prepare drugs and biological products and to produce and maintain equipment, instruments, and other necessary elements for the
efficient conduct of health programs as well as in determining the import and export of those products and their repercussions on the national economy.

2. To request the Director to prepare an estimate of the resources required to carry out the above-mentioned study and to submit his conclusions to the Directing Council.

Decision: The draft resolution was approved.

*The session rose at 12:35 p.m.*
EIGHTH PLENARY SESSION

Thursday, 26 June 1969, at 2:40 p.m.

Chairman: Dr. Orontes Avilés (Nicaragua)

Consideration of Pending Draft Resolutions

Fluoridation of Public Water Supplies

The Chairman requested the Rapporteur to read the proposed resolution on the item presented by the Representative of Costa Rica.

The Rapporteur read the following text:

The Executive Committee,

Recalling that an exhaustive examination of dental problems in the Americas was made at the XV Meeting of PAHO Directing Council, held in Mexico City in 1964; and

Noting that that meeting recognized the importance of the fluoridation of public water supplies in reducing problems caused by dental caries and that the Council approved Resolution XXIII instructing the Pan American Sanitary Bureau to promote fluoridation programs in the Hemisphere,

Resolves:

1. To recommend to the Director that he prepare a report on the present status of the program including its financing by countries that are adding fluoride to public water supplies.
2. To recommend to the Directing Council that it include an item on this subject in the agenda of its next meeting.

Dr. Blood (United States of America) said that, since fluoridation of public water supplies was an item on the agenda of the World Health Assembly, he wondered how consideration of it there would affect its subsequent consideration by the Directing Council. He would like to have the benefit of the Director's advice on that point.

Dr. Horwitz (Director, PASB) said that he seemed to recall that the proposal had been presented by the Delegation of the United Kingdom. The question had then been included in the agenda for the Twenty-First World Health Assembly. He understood that PAHO had sent information on the Region of the Americas for inclusion in the document to be presented by the Director and that the draft agenda for the Directing Council meeting included an item calling for examination of the resolutions of the World Health Assembly of interest to the Regional Committee. If not, PAHO could include such an item as the point of departure for the presentation, which could be based on either the entire document submitted to the World Health Assembly or simply the part on the Region, brought up to date with whatever additional information could be collected by that time.

Dr. Blood (United States of America) replied that as long as the resolution lent itself to a presentation of the matter in a logical sequence, which it seemed to do, he would urge its approval.

Decision: The draft resolution was unanimously approved.

Smallpox Eradication

The Chairman submitted for consideration by the Executive Committee the following draft resolution on smallpox eradication, presented by the Representative of Mexico.
The Executive Committee,

Cognizant of the status of the smallpox eradication campaign in the Americas; and
Considering that as long as endemic foci persist in the Hemisphere the disease continues
to be a serious problem,

Resolves:

1. To recommend to the countries that have not yet completed their smallpox
eradication campaigns that they adopt measures to ensure the successful completion of those
campaigns with the shortest possible delay.

2. To urge the Governments of the countries in which smallpox has already been
eradicated to intensify their efforts to raise the level of immunity of the population and to
make provision, inter alia, for adequate epidemiological surveillance services capable of
detecting and promptly controlling any outbreak of the disease.

Dr. Yglesias (Costa Rica) said he was pleased that a draft resolution on smallpox had been submitted, as
that was proof of the Committee's preoccupation with the disease, which had not been eliminated from the
entire Hemisphere but only from certain countries. Modern transportation services facilitated the transmission
of smallpox, as had been recognized by the Central American Public Health Council at its recent meeting in
San José, when it refused to adopt, for Central America at least, a resolution calling for elimination of the
international certificate of smallpox vaccination as a required travel document.

Decision: The draft resolution was unanimously approved.

Item 6: Proposed Program and Budget Estimates of the Pan American Health Organization for 1970
(continuation)

Dr. Bravo (Chief, Department of Medical Care Administration, PASB) said that the largest extra-budgetary
contributions were devoted to medical care, so that if the PAHO budget estimates were examined alone, the
percentage distribution would change. As could be seen in Table 2 of Document WP/1, under item 4800 in
Chapter II.B, Medical Care, the amount budgeted for medical care for 1970 was $1,346,566, or 4.7 per cent of
the total budget. However, if the allocation from WHO, the W. K. Kellogg Foundation's contribution of
$111,000 for the program of intensive care units, and the Argentine Government's contribution of $180,000
to the Latin American Center for Medical Administration were deducted, the remaining amount of
funds—those to be charged to the budget of PAHO—would be $627,415, which was 4.4 per cent of the PAHO
budget. Moreover, almost 50 per cent of the proposed expenditures for the nursing program, which
represented the medical care provided by nurses in other programs, was included in item 4800 (Medical Care).
The item also included all the provision for cancer and chronic diseases which were handled by other
departments; those funds, from an administrative point of view, were not for the medical care administration
program. If the item for the Department of Medical Care Administration were reduced by the amounts
included therein which were not for its program, it will be found that PAHO was providing $417,655, or 2.9
per cent of the budget for the program.

Dr. Blood (United States of America), noting that Dr. Bravo had discussed certain components of Item
4800 (Medical Care), asked whether the representatives could be assured that the item, as shown for 1968,
1969, and 1970 had the same components.

Dr. Bravo (Chief, Department of Medical Care Administration, PASB) said that the item included the same
components for the three years.

Dr. Sáenz (Uruguay) requested figures on the problem of cancer, which in Uruguay was the second most
important cause of death, being responsible for 25 per cent of all deaths in a population of 2,500,000
inhabitants. Although the country's general death rate, 9.04 per thousand, was one of the lowest and, in fact,
approximated that in the developed countries, the birth rate was also low. Uruguay was becoming a country of
older persons, which explained why half the persons who died were more than 60 years of age. The two
leading causes of death were cardiovascular diseases and cancer, in that order. Hence his interest in discussing
the problem.
Dr. Horwitz (Director, PASB) said that the Regional Adviser in Cancer would take the floor to answer that question but that first he wished to explain, in reply to a question by the Representative of the United States of America, that Table 2 of Document WP/1 was an attempt to break down the budget by functions rather than by professions. The combination of apparently diverse activities under a single heading was the very essence of a budget arranged by programs and functions. In the case in question, the total amount budgeted for all services involving medical care administration, whether relating to acute, chronic, or other diseases, had been lumped together and in the case of staff members performing various kinds of activities, the proportion of their time devoted to medical care was included under that heading. That method was applied to various items of the budget, and the total volume of funds was broken down in various ways to reflect those aspects which the Governing Bodies were particularly interested in examining.

Dr. Joly (Regional Adviser in Cancer, PASB), replying to the question of the Representative of Uruguay, said that although the Organization had not established a specific cancer control unit until 1968, its concern with the problem went further back. In 1963 a conference on the epidemiology of cancer in Latin America was held in Lima, Peru. From the standpoint of primary prevention of the disease, there were few resources now available, other than the drive to reduce the cigarette smoking habit and the programs for the detection of cancer in the cervix uteri. As for secondary prevention, which was reduction of mortality, disability, and sequelae after the onset of the disease, the problem was basically one of medical care and PAHO concentrated on the training of specialists in diagnosis and treatment, X-ray therapists, cytopathologists, and cytotechnologists. Rather than having a specific program for cancer, the Organization sought to promote better medical care in every aspect and to assist in the development of programs for the control of cancer in the cervix uteri particularly through programs for the protection of mothers and children and through birth control programs. In the latter two kinds of programs, the Organization emphasized the need to have all the participating women tested for the detection and control of that type of cancer. Other specific activities were the development of epidemiological research on cancer and the organization of a seminar on cancer reporting to be held in Cali, Colombia, during the present year. An international meeting would be held at PAHO Headquarters in August to prepare a manual of clinical radio-dosimetry suited to the needs of Latin America. In addition, advisory services were extended, examples being the aid rendered during the present year to Guyana, Trinidad and Tobago, and Barbados, where a consultant in X-ray therapy was sent to advise the Government on the best use of the resources available for that purpose.

Dr. Horwitz (Director, PASB) pointed out, by way of information, that Dr. James Banta had been added to the staff of the Organization three months before to engage in work essentially related to cardiovascular diseases and their epidemiology and to various chronic diseases. The findings of the Inter-American Investigation of Mortality, which were published and widely distributed, evidenced the importance of that kind of work in the larger cities of the Hemisphere and showed that much remained to be done to apply existing knowledge and investigate the dynamics of diabetes, accidents, etc.

The Chairman reminded the Committee that the Acting Chief of Administration had begun to examine Document WP/1 and said he believed that Chapters IV, V, and VI had been sufficiently discussed.

Dr. Horwitz (Director, PASB) pointed out that in Chapter VII, Increase to Assets, which referred basically to the Working Capital Fund, the Fund had been assigned only $30,000 in 1969, whereas the amount allocated in Official Document 85 was $330,000. The difference of $300,000 was earmarked for increasing salaries during the present year, once the Executive Committee gave the required authorization; it was for that reason that no provision had been made in the 1970 estimates for using the Working Capital Fund for that purpose; instead, the program had been reduced by $200,000, which explained the increase to 13 per cent in the level of the Working Capital Fund. In 1969 the Organization had not established a supplementary quota but had simply used the Working Capital Fund, in view of the United Nations decision and the resulting need to deal with an unexpected situation.

The Chairman suggested that the Executive Committee meet a few days before the Directing Council meeting, to examine the WHO budget.

Dr. Blood (United States of America) said that since the only opportunity to consider the PAHO and WHO budgets for 1971 together would be at a meeting of the Committee held just prior to the next Directing Council meeting, he would urge that that course be followed.
Dr. Horwitz (Director, PASB) said that the program included a matter which had budgetary implications, namely that of placing the Institute of Nutrition of Central America and Panama at the service of all the countries of the Hemisphere. The Organization had been instructed to perform a study of the objectives, structure, and financing of the Institute, and the Director suggested that the matter be examined before acting on the proposed resolution concerning the over-all budget for 1970.

Dr. Blood (United States of America) said he wished to present the following draft resolution for consideration:

The Executive Committee,

Having studied in detail the provisional draft of the Proposed Program and Budget of the Pan American Health Organization for 1970 (Official Document 85) and the modifications thereto appearing in Document CE61/5 prepared by the Director;

Recalling that the XVIII Directing Council of the Pan American Health Organization in Resolution XI instructed the Committee to submit its recommendations thereon to the XIX Meeting of the Directing Council;

Considering that the programs in the aforementioned documents are soundly conceived and much needed public health projects;

Recalling, nevertheless, the need for fiscal restraint and financial prudence at a time when all international organizational budgets are increasing, thus placing heavy monetary drains on Members, many of whom also face internal budgetary problems and balance of payments difficulties;

Recognizing that the program and budget for the Pan American Health Organization for 1970 must be considered within the context of the requirements of all international organizations designed to improve the well-being of mankind;

Acknowledging that the Director, with his broad overview of the operations and particularly those of a multinational or regional nature is in the best position to determine where program and budget modifications may be most judiciously made; and

Bearing in mind Article 14-C of the Constitution of the PAHO and Financial Regulations 3.5 and 3.6,

Resolves:

1. To commend for favorable consideration of the XIX Meeting of the Directing Council a proposed program and budget for the Pan American Health Organization for 1970 at a level of $13,760,000, which represents an increase of 9.25 per cent over the level for 1969.

2. To request the Director to report to the XIX Meeting of the Directing Council where the program and budget should be modified to sustain a program and budget level of $13,760,000 for 1970.

Dr. Blood added that his Government's proposal should in no way be taken as reflecting any dissatisfaction with the Organization. It was necessary only because of the fiscal problems which the Government of his country and those of other Member States were experiencing at that time.

The Chairman announced that the draft resolution presented by the Representative of the United States of America would be translated and distributed for examination at a later session. He suggested that the Committee set the date for its meeting prior to the Directing Council.

Dr. Alvarez (Mexico) proposed that that decision be postponed until more information was available for determining the duration of the meeting.

The session was suspended at 4:00 p.m.
and resumed at 4:20 p.m.

Dr. Belchior (Brazil) inquired whether the proposal he had presented during the second plenary session, on establishment of a working party to find an intermediate solution to the budget problem was still under consideration by the Chair.
The Chairman replied that that was the case and proposed that the working party be composed of Drs. Belchior (Brazil), Blood (United States of America), Henry (Trinidad and Tobago), and the Rapporteur, Dr. Cortés Vargas (Costa Rica), which would provide representation for all the regions of the Organization. He offered to make available to the working party the advisory services of the Bureau's staff, if that were desired.

Dr. Martínez (Mexico) said that, while he regarded the appointment of the working party as a very desirable step, he would prefer to have the action postponed until the draft resolution on the proposed program and budget estimates, presented by the Representative of the United States of America, was distributed.

Dr. Belchior (Brazil) noted that he had formulated his proposal before the draft resolution of the United States of America was presented, but after hearing the opinion of the Representative of that country that the increase in the level of the budget was somewhat excessive, and also after the Representative of Mexico said that an intermediate solution between the proposal submitted by the Bureau and the reduction requested by the Representative of the United States of America should be found.

Dr. Bersh (Colombia) agreed that it would be useful for the working party to meet and study the problem taking into consideration both the opinions expressed by members of the Committee and the draft resolution presented by the Representative of the United States of America.

Dr. Blood (United States of America) replied that there were two possible ways of dealing with the situation; the working party might wish to consider the draft resolution in the light of the discussion by the Committee or, alternatively, the Committee as a whole might wish to consider the proposed resolution and then the working party might determine or assist the Director, as appropriate, in any matter of adjustment that might be necessary. It was up to the Committee to decide which was the most appropriate method.

Dr. Horwitz (Director, PASB) said that there was a point in the draft resolution which was at variance with the Financial Regulations of the Pan American Health Organization, which appeared in Official Document 88. Financial Regulations 3.4, 3.5, and 3.6 respectively, read as follows: "The Director will present the annual proposed program and budget estimates to the Executive Committee for examination;" "The Executive Committee shall examine the Director's proposed program and budget and shall make such recommendations thereon as it deems appropriate;" and "The proposed program and budget shall be submitted to the Conference or the Directing Council for consideration, together with the recommendations made thereon by the Executive Committee. The proposed program and budget shall be sent to all Member States at least thirty days prior to the meeting of the Conference or of the Directing Council." According to the Regulations, especially 3.6, the proposal of the Secretariat should be examined by the entire Directing Council. The Executive Committee had authority to propose reductions, and in such event the Directing Council would take into account the proposal of the Secretariat and the report of the Executive Committee. In the light of those provisions and possibilities, the working party could be asked to consider the Financial Regulations and the draft resolution of the Representative of the United States of America and then to recommend a course of action to the Executive Committee for final determination.

Dr. Martínez (Mexico) said that the terms of reference of the proposed working party would depend on prior approval of the draft resolution presented by the United States of America, as the latter would determine the eventual definition of the tasks to be performed by the group.

Dr. Belchior (Brazil) was inclined to think that the Financial Regulations did not authorize the Committee to reduce the budget but simply to propose a recommendation to the Directing Council. Under those circumstances the most that could be done was to request the working party to formulate recommendations to the Executive Committee and the decision taken by the Committee itself would also be a recommendation.

Dr. Blood (United States of America) said that it was his understanding that Dr. Belchior's suggestion was in support of the position of Dr. Martínez, namely, that the Committee was responsible for making recommendations.

He therefore suggested that the proposed resolution should first be discussed by the Committee and, on the basis of its determination, the working party should take appropriate action.
Dr. Mondet (Argentina) rose to a point of order. The Committee, he said, should begin by deciding whether it accepted the draft resolution submitted by the Bureau. If the votes were affirmative, there would be nothing more to consider in that regard. Otherwise it would be possible to submit the draft resolution of the United States of America to a vote. If the United States draft resolution was carried, a working party could then be established to consider the best way of carrying out the budgetary reduction. In other words the Executive Committee should begin by deciding whether it wished to submit the draft resolution to the Directing Council as presented by the Director of the Bureau or whether it wished to submit an amended version thereof.

Dr. Blood (United States of America) said that he wished to raise a point of order, namely, that the United States draft resolution was the only resolution before the Committee and should therefore take precedence.

Dr. Bersh (Colombia) pointed out that the proposal of the Representative of Brazil had been presented to the Committee before the draft resolution of the United States of America.

Dr. Mondet (Argentina) withdrew his point of order to facilitate the discussion.

Dr. Yglesias (Costa Rica) noted that while the proposal of the Representative of Brazil had been distributed first, its text had not yet been distributed and therefore that of the Representative of the United States of America, which had been read, took precedence.

Dr. Bersh (Colombia) expressed the view that an examination of the budget by a working party would be pointless if carried out after the draft resolution of the United States of America had been put to a vote.

Dr. Blood (United States of America) suggested that, since Dr. Belchior was the person who proposed the establishment of a working party, he might wish to specify whether he had intended the resolution to be considered by it before or after it was discussed by the Committee.

Dr. Belchior (Brazil), explaining the reason why he had proposed the establishment of a working party, pointed out that although several representatives had instructions from their Governments to oppose budgetary increases, they also recognized that the Director was under the obligation of carrying out the program required to achieve the purposes of the Organization. In view of that, he could not support the draft resolution of the United States of America without first knowing which of the Organization's projects would be impaired by a further reduction of the budget.

Dr. Henry (Trinidad and Tobago) noted that the proposed working party did not include a member of the Secretariat and asked whether that was by accident or design, since the Committee was seeking a compromise solution.

The Chairman explained that since the working party would be composed of members of the Executive Committee, it would of course have access to all the assistance and advice of the Bureau's staff that was needed.

Dr. Bersh (Colombia) suggested the possibility of having the working party composed of alternate representatives, so that it could meet at the same time as the Committee held its sessions.

The Chairman said that actually no specific candidates had been suggested to make up the working party and he had accordingly taken it upon himself to determine its membership but that the latter could be changed if the Committee so desired.

Dr. Martínez (Mexico) was of the opinion that the same result could be achieved by authorizing the members of the working party to designate their alternates.

The Chairman decided that the Committee would begin by examining the draft resolution presented by the Representative of the United States of America when it was distributed at a subsequent session.

**Item 10: Objectives, Functions, and Financing of the Institute of Nutrition of Central America and Panama**

Dr. Béhar (Director, INCAP) noted that Document CE61/12 was based on Resolution XXIII, approved by the XVIII Meeting of the Directing Council in Buenos Aires.
As a basis for performing that study the following factors were taken into account: the magnitude, far-reaching importance, and complexity of nutrition problems; the necessity of having those problems studied through the use of national resources, human as well as material, and the development attained by INCAP in its 20 years of existence, especially in regard to the training of specialized personnel. The basic desire was to have the Institute systematize and improve the planning of its cooperation with the countries in the Hemisphere outside the Central America area without in any way supplanting the activities of national organizations already active in the field of nutrition.

The Institute, so reoriented, would devote itself to three fields of activity—research, training, and advisory services—in all of which it would act in cooperation with the Governments and through the Pan American Sanitary Bureau.

In the field of research the fundamental purposes would be those indicated in Document CE61/12 (p.4). According to the three general goals set forth, provision would be made for three levels or types of research: basic studies to clarify cause-and-effect relationships and action mechanisms; ecological, epidemiological, and clinical studies to determine the magnitude and nature of problems; and applied methodological research to provide solutions to those problems. The chart on page 5 illustrated the chain of factors influencing the nutritional levels of a population, namely the availability of food in relation to biological requirements and the problems that came to the fore when considering the consumption of food and the utilization of nutrients.

Taking that scheme of three levels and four working areas as a point of departure, the table on page 6 of the document gave an idea of the kind of programs that could be undertaken, for example, to solve the most serious of the problems present in the region, namely, protein deficiency. As a first stage, the Institute, in cooperation with the responsible national organizations, would investigate different ways of increasing the availability of foods which were adequate sources of protein.

A second stage would provide for supplementing the foods composing the staple diet with protein concentrates using amino-acids or other substances locally available. As a third possibility, new protein-rich foods could be prepared from non-conventional sources. A fourth possibility worth mentioning would be the improvement of staple foods through genetic selection. Finally, new protein sources which had not been utilized in either human or animal nutrition would be used. Research would also be done on the factors determining the volume of consumption of those foods, with emphasis on economic and sociocultural factors. That would be a multisectoral investigation in that it would not be limited to health aspects but would also include the agronomical, economic, educational, sociological, and cultural factors, etc.

On page 8 of the document there was a proposal as to the way in which the Institute could extend that cooperation to the rest of the Hemisphere in matters of research: (1) through studies performed in INCAP’s own facilities and with its regular staff; (2) through projects that would be carried out in other centers or institutions of the region and in which it was determined that INCAP could collaborate; and (3) through projects which, by their nature, should be carried out in several countries, and in which INCAP could assume the responsibility of organizing and coordinating the work.

The projected research programs were not intended to be a means of monopolizing all the research work; quite to the contrary, the intention was to place the Institute’s resources at the disposal of the rest of the Hemisphere, since the purpose of the Institute was to promote the development of national programs.

As for the educational activities of INCAP, it was proposed that the Institute continue its undergraduate courses centered on the training of nutritionists and dieticians at the academic level of the licenciatura, equivalent to a B.S. in the United States of America; that it conduct programs on the postgraduate level of a duration of one to two years leading to a master’s degree in nutrition; that it continue to offer tutorial programs for persons requiring intensive training in any of the Institute’s areas of work, and, finally, that it maintain supplementary short-term programs and organize workshops or conferences on specific nutrition topics of interest to the countries. The fundamental orientation of those seminars would be to apply existing knowledge to bring about an improvement of nutritional levels in the population.

The Institute’s third field of activity was the provision of advisory services or, in accordance with the general principles outlined, the services of consultants in specialized fields. INCAP was equipped to extend advisory services in the following matters, among others: (1) definition of a national food and nutrition policy; (2) organization and definition of the functions proper to nutrition departments or institutes; (3) evaluation of the nutritional status of populations through the planning and conduct of nutrition surveys or other specific studies of nutritional conditions; (4) planning and conduct of specific programs of applied nutrition; (5) cooperation with the Governments in their educational programs at the national level; and (6) cooperation with research programs in nutrition or related disciplines carried out in the countries themselves. The program so outlined would have to be adjusted to the needs of the countries and the resources available to INCAP. The
proposal set forth some basic principles which should be given more specific shape with the direct participation of the interested countries.

After referring to the organizational resources and facilities of INCAP, Dr. Béhar presented a proposed budget and financial scheme according to which it was estimated that the program he had indicated would require a budget of $1,391,320, which was $270,000 more than the resources currently anticipated. The breakdown of the current sources of financing, shown in Table II (p.20), indicated that the difference of $270,000 could only be financed through an increase in the anticipated contribution from the regular budget of PAHO. That would amount to $90,000 per year over a three-year period. The Central American countries were of course maintaining their contribution. Their decision to do so was ratified both in the Council of INCAP and at the recent Meeting of Ministers of Public Health of Central America.

One of the most serious problems the Institute had faced in its 20 years of existence was that of having to fund its research programs almost entirely from outside sources. That situation was extremely inconvenient and even dangerous, not only because it precluded long-term planning but also because the external aid was frequently earmarked for specific purposes and was not always available for the matters of greatest interest to the countries. It was proposed, therefore, that the Institute maintain its policy of seeking aid for such research programs as the countries considered necessary but that it also have a guarantee fund of some $200,000 to enable it to continue those programs even when money from outside sources was unavailable. It should not be overlooked in that regard that, without those research activities, the Institute would not be able to conduct its educational activities and provide specialized consulting services on an effective basis.

Dr. Martínez (Mexico) requested the Director of the Bureau to supply the members of the Executive Committee, before the next session, with copies of the documents of the World Health Organization in which the standards and principles for scientific research were set forth, in order to provide the Committee with information on the rules governing the scientific activities of the Regional Office.

Dr. Horwitz (Director, PASB) said that he would be glad to provide that material to the Committee but pointed out that PAHO has its own research programs and that the scientific work of INCAP, for example, had been financed primarily by the Bureau.

The session rose at 5:50 p.m.
NINTH PLENARY SESSION

Friday, 27 June 1969, at 9:20 a.m.

Chairman: Dr. Orontes Avilés (Nicaragua)

Later: Dr. Benjamin D. Blood (United States of America)

Item 10: Objectives, Functions, and Financing of the Institute of Nutrition of Central America and Panama (continuation)

Dr. Yglesias (Costa Rica), after congratulating Dr. Béhar on his report at the eighth plenary session, said that INCAP was an example of a flourishing multinational institution created at the instance of the Governments of Central America and Panama. The Center engaged in pure and applied research and offered training and advisory services. The proposed plans were ambitious, and the countries were requesting an increasing number of services because of the constant need for personnel specializing in nutrition. The budget should therefore be adjusted to accommodate the Center’s projects.

According to the proposed plan, INCAP would enlarge the scope of its operations to the entire Hemisphere without losing its identity as a Central American institution and without impairing the national programs in the same field. Dr. Yglesias felt that the increase of $270,000, which actually represented only $90,000 a year, was justified because the functions of the Institute were being expanded. As for the advance of $200,000 from the Working Capital Fund, he noted that the greater part of the research depended on the receipt basis of grants, which sometimes were not forthcoming on schedule, and were subject to the budgetary variations of the grantor institutions. He then presented the following draft resolution:

The Executive Committee,

Recognizing that nutrition is a first priority in national health services in the Hemisphere;

Seeing that there is a gradual increase in the demand for improved health, in particular for specialized nutrition and consultation services as well as for applied research in this field; and

Considering that over the years INCAP has gained excellent experience in providing needed nutrition services both in Central America and in the rest of the Hemisphere;

Resolves:

1. To recommend to the Directing Council that it instruct the Director to provide INCAP with assistance in reorganizing its structure and in reorienting its present programs in order to meet the needs of the Hemisphere for highly specialized nutrition services, as indicated in the document which the Committee examined on this item (Document CE61/12), and subsequently to make a report to the Directing Council.

2. To recommend to the Directing Council that it instruct the Director to establish criteria for regional programs, taking into account the views expressed, in particular concerning the planning and administration of the program.

3. To recommend to the Directing Council that it approve, for the purpose of implementing the proposals in the preceding paragraphs, an increase in the contribution to INCAP of US$270,000 over a period of three years and that it authorize the Director to make it necessary, an advance from the Working Capital Fund of the Pan American Health Organization of not more than US$200,000 so that the research activities of INCAP are not jeopardized or, if that cannot be done, that it authorize the Director to reduce those activities to a level compatible with the resources pledged.

Dr. Blood (United States of America) said it would be useful to know the status of the annual contributions to INCAP by the original member countries, some of which had apparently made additional payments very recently.
Dr. Horwitz (Director, PASB) said that the Secretariat would provide the requested data.

Dr. Martínez (Mexico) shared the opinion of Dr. Yglesias regarding the work of INCAP and its financing. He considered the problem to be more important from the standpoint of the policy governing the programs of the Institute than from that of financing. He believed that scientific research should be subject to the general rules of the Organization and WHO, as research knew no limits, and that, in the absence of sufficient resources, it was necessary to establish an order of priorities. In its educational activities, the Institute should maintain coordination with the work of other institutions. Referring to the proposal for doing away with the Technical Advisory Committee and transferring its functions to the consultative agencies of PAHO, he doubted that those agencies were qualified to give detailed consideration to the programs of an institution such as INCAP. He wondered whether it would not be more advantageous to have those functions assumed by the representatives of all the nutrition institutions, who would make up the technical policy-making body responsible for studying the programs and submitting them to the Governing Bodies of the Organization for consideration. He also felt that a new agreement should be concluded with INCAP specifying clearly the scope of its activities in the other countries of the Hemisphere.

Dr. Béhar (Director, INCAP) said that he understood and shared the concerns of Dr. Martínez and believed it advisable to describe the situation thus far prevailing and the plans that were proposed. The Institute had been conducting its research programs on the basis of the examination made each year by the Technical Advisory Committee appointed by the Director of PASB, whose membership included representatives of Latin American countries and other international experts. The duties of that Committee were to analyze programs from the standpoint of general policy and their requirements and importance to the countries and to formulate recommendations on those programs to the Director of the Bureau. Up to now those recommendations were being submitted to the highest policy authority of the Institute, the Council of INCAP—composed of the Ministers of Public Health of Central America and Panama or their designees and a representative of PASB—whose duty it was to determine whether the programs of the Institute were in line with the needs of the countries. For that reason, most of the research programs of the Institute were of interest to the entire Hemisphere. Should the proposal be approved, it would obviously be necessary to adopt the program even more closely to the needs of the rest of the Hemisphere. The speaker drew the attention of the members of the Committee to the document on the item (p. 13) which contained a proposal basically in accord with that of Dr. Martínez, namely, that for the purpose of defining the general program of activities of the Institute, officials of PAHO and of INCAP, with the assistance, if necessary, of consultants appointed especially for that purpose, undertake a study, supplemented by meetings of the national experts concerned. That would be the criterion for research activities and in many respects could be applied as well to the training work.

Referring to the proposal of Dr. Martínez for the signing of an agreement, he explained that when the Institute was established an agreement was signed with the six member countries by virtue of which the Pan American Sanitary Bureau became the administrator of the Institute. At a later stage the Governing Bodies of PAHO, recognizing the services being rendered by INCAP outside the Central American area, decided to increase the direct support of PAHO for the programs and budget of the Institute. That was a tacit agreement recognizing the functions of the Institute and providing budgetary support for them. Under the terms of the proposal plan the Bureau would continue to administer INCAP and, in addition, the proposed work program and general budget would be submitted each year to the Governing Bodies of the Organization for consideration and approval. Concluding his remarks, Dr. Béhar mentioned the advisory services rendered by INCAP through highly specialized consultants.

Dr. Martínez (Mexico) referred again to the advisability of consulting the provisions of the World Health Organization regarding scientific research programs with a view to reconciling PAHO's provisions with them. He noted that there was a difference between the policy established for INCAP and that applied to the Caribbean Food and Nutrition Institute. In the first instance, the tendency was for PAHO to assume an increasing role in the affairs of the Institute, while in the second case it was to grant the agency an increasingly large degree of autonomy. It would be well to consider the reasons for that difference.

The Chairman announced that the WHO provisions on research were at the disposal of the members of the Committee.

The Rapporteur said that the trend of the discussion seemed to support the recommendation contained in the proposed draft resolution on standards for multinational centers. The operative part of the draft resolution reflected precisely the points of view expressed by the Representative of Mexico.
Dr. Mondet (Argentina) congratulated Dr. Béhar on his report and said that he shared the views of Dr. Martínez concerning research. He inquired whether it would not be possible to use the resources of the Bureau, such as the Department of Research Development and Coordination, to coordinate the research activities.

Dr. Blood (United States of America) said that the success of the work of INCAP had been recognized throughout the world, and not least by his own Government through the special grants made over many years by its agencies and the National Institutes of Health, in addition to its regular PAHO quota contributions. Indeed, he understood that one of the principal causes for the present financial difficulties of INCAP had been the necessity for his Government to reconsider some of its research priorities, and to retrench grants in general. Similarly, many of the universities in his country which had hitherto received substantial research assistance in the medical and biomedical fields had been obliged to obtain funds from other sources. It was necessary to consider whether PAHO could best spend the money available to it for nutrition, by making up the deficit in research funds hitherto available to INCAP, or whether research should be reduced to accord with financial realities. A rapid calculation indicated that about 65 per cent of PAHO funds for nutrition was devoted to INCAP. The question was whether INCAP was the best vehicle for expending such a high proportion of the available funds.

Dr. Béhar (Director, INCAP) expressed appreciation to the Government of the United States of America for the assistance rendered to INCAP. By far the greater part of the research programs carried out by the Institute was funded through outside grants and involved virtually no use of the quota contributions provided by the Governments, except for the basic support provided by INCAP's organizational structure. Those subsidies had come primarily, as indicated by Dr. Blood, from the National Institutes of Health of the United States of America and from private and governmental agencies in that country. The research needed by the countries in the field of nutrition was applied research or that required for adaptation. Unfortunately the knowledge acquired could not be applied as such to actual Latin American conditions. He clarified for Dr. Blood that while it was true that 65 per cent of the funds from all sources provided for nutrition activities in the Bureau's budget was going to INCAP, the figure included a million dollars of Institute funds which, if not devoted to the Institute, would not be available to the Organization. In the regular PAHO budget the contribution to the Institute was less than 20 per cent of the funds devoted to nutrition.

Dr. Kevany (Regional Adviser in Nutrition, PASB) said that the Caribbean Food and Nutrition Institute had been set up for the specific purpose of serving an area with an English-speaking population and distinct geographic and cultural characteristics. Many of the islands of the region had, for instance, small populations and limited resources, yet all needed facilities for the training of personnel and advice on how best to undertake adequate population-nutrition studies. The ordinary facilities of the Organization, together with those of INCAP, had not been able to meet those needs. The Caribbean Food and Nutrition Institute had moved progressively towards achieving its stated objective of increasing contributions by member governments and thus reducing dependence upon assistance from international bodies. It was hoped that the smaller islands would gradually help to shoulder the financial burden currently largely borne by Trinidad and Tobago and Jamaica.

With INCAP the trend had been in almost the opposite direction. Beginning as a local institute providing local services, it had, over the past 20 years, been expanded to meet regional needs. Consequently, it might be expected that funding would also move progressively from being the responsibility of the Central American countries to being the responsibility of the region. To that end PAHO's contribution had gradually increased, until it amounted to $460,000 annually. The draft resolution before the meeting represented a formal recognition of the wider responsibilities that had been accepted by INCAP, and made some provision for the increasing efficiency and range of those services.

It was proposed to incorporate the program of INCAP, and also that of the Caribbean Food and Nutrition Institute, into a general regional nutrition plan. INCAP had always participated in regional activities at the request of PAHO, but if such a proposal were approved a new agreement would, as Dr. Martínez had pointed out, need to be written to acknowledge INCAP's regional responsibilities, and the entire INCAP program would thus become part of the regional nutrition planning and programming process. Prior consultation with the specialized institutes of the member governments would, of course, have to be undertaken. Thought was being given to a visit by the Bureau's nutrition staff, by INCAP technical staff, and by additional consultants, to selected countries of the Hemisphere so as to identify their needs for inclusion in a broader regional program involving application of the resources of INCAP.
The Chairman announced that Dr. Martins da Silva would provide information on the WHO and PAHO regulations concerning research.

Dr. Martins da Silva (Chief, Department of Research Development and Coordination, PASB) said that it might be useful to describe briefly PAHO’s own research program, initiated eight years previously, and how it was related to that of WHO, which had just completed its second five-year term. Outlining the basic objectives of the PAHO research program, he said that the substance of the current program was: direct support of investigators objectively selected on the basis of their scientific achievement, and of research projects relevant to the health problems of the Region; inauguration of a set of multinational programs designed to make the most effective use of specialized skills and equipment existing in Latin America, and to overcome the handicaps of isolation, by financing cooperative efforts for research and research training; application of operations research techniques to the planning and administration of public health programs to ensure the greatest return from national health investments and from the programs of PAHO; improvement of communication among Latin American biomedical scientists through the recently established PAHO Regional Library of Medicine in São Paulo, Brazil, through an enlarged program of scientific meetings and symposia, and by improving the quality of biomedical journals in Latin America; promotion of the involvement of distinguished biomedical scientists from all parts of the world in the work being planned and conducted by Latin American institutions, and provision of the advice of outstanding experts from Latin America and elsewhere to PAHO. To deliver those services more effectively to the Governments, PAHO had established a Department of Research Development and Coordination.

Within the guidelines provided on a periodic basis by the PAHO Advisory Committee on Medical Research, the Organization’s research program encompassed those areas of biomedical research and research training related to its objectives and included such broad fields as nutrition, communicable diseases, zoonoses, environmental health, multinational centers for research and research training, operations research, scientific communication, and such specific areas as endemic goiter, nutritional anemias, deprivation in psychobiological development, arboviruses, epidemic typhus, Chagas’ disease, vaccines against viral and rickettsial diseases of man, immunology of parasitic infections, environmental determinants of community well-being, life at high altitudes, urban mortality, population dynamics, genetics, migration of scientific personnel, biomedical problems of the American Indian, and perinatal factors affecting human development.

The magnitude of the research program was reflected in a summary of the 100 currently active research projects with which PAHO was concerned, which had been published and presented to the Special Meeting of Ministers of Health of the Americas in Buenos Aires. The problem, method, results to date, significance of the research and publications deriving from the projects were individually and concisely described therein. As would be seen, most of that research was supported by funds other than the Organization’s regular budget, and primarily derived from private and Government sources in the United States of America.

With reference to projects under the direct responsibility of his Department, he wished to report that efforts to have the PAHO Regional Library of Medicine give bibliographic services to the biomedical community, first within Brazil, and subsequently in other countries of South America, had been successful. A total of 1,300 journals were currently received by subscription; 20,000 items, representing journal issues of 871 different titles, had been purchased from the U.S. Book Exchange to complete the Regional Library holdings since 1964; and a basic 1,000 volume collection of monographs, documents, and reference serials had been acquired. Measures had also been taken to optimize the use of the library building for technical services and administrative functions, including the establishment of a post office on the library premises.

In-service training of library staff to ready them for regional services had also been undertaken. The first meeting of the Library’s Scientific Advisory Committee had been held in São Paulo from 2 to 4 September, and steps were taken to implement the Committee’s recommendations. With the appointment of the Director in December, the Library was ready to increase, within Brazil, its interlibrary loan services and provide bibliographic reference work for specialists in the health sciences, thus acquiring the experience and organization necessary to subsequently extend those services throughout South America.

Another project to which he would like to refer was the cooperative multinational research and research training program to study the interrelations between arthropod-borne viruses pathogenic for man and domestic animals and migrating birds, which were suspected to be intercontinental disseminators of viruses. PAHO, Cornell University, and the Governments of Mexico and Guatemala were participating in that project. That research training program was adding significantly to the corps of qualified investigators in the field of arthropod-borne virus research. Although new knowledge was already forthcoming through the research activities of the trainees, for instance, the discovery of Venezuela encephalitis and other arboviruses
potentially important to man and domestic animals in Mexico, British Honduras, and Honduras, the eventual long-term productivity of the trainees, once they had become independent investigators and educators, would provide the really significant rewards of the program.

The exchange of biomedical information in Latin America was rudimentary by comparison with the communication network that tied together the scientific community in the United States of America and Europe. To increase communications among Latin American biomedical scientists, PAHO had sponsored a number of symposia that had had important results. In the last few years his Department had organized 12 such meetings, the proceedings of which had been issued in the PAHO Scientific Publications Series.

With special reference to INCAP, that Institute reported annually to the PAHO Advisory Committee on Medical Research, and at a meeting held in recent weeks the Committee had recorded its recognition of that body as one of the effective mission-oriented institutions of Latin America; and had concurred fully with the PAHO proposal to provide additional funding for its operations and establish it as a regional resource facility by underwriting the basic financing of an expanded program. In addition, the Committee had recommended that PAHO endorse and encourage research in the newer areas of nutrition, particularly those concerned with the adaptation of population groups to diets and with the critical evaluation of dietary standards currently applied to the geographic area in question. Finally, the Committee had expressed a wish to be involved in any future assessment of the INCAP program in relation to regional needs. Accordingly, it had asked that further background information be sent to members as soon as it became available so that they could comment on the program for the coming year, even if time did not permit formal presentation and discussion.

As for the research activity of WHO, in recent years that Organization had also begun to undertake actual research work. The Eighteenth World Health Assembly had established the Division of Research in Epidemiology and Communication Science to promote, coordinate, support, and conduct medical research and research training on major world health problems. WHO research teams, for instance, were engaged in studies of viral diseases at Entebbe in Uganda and the work of the International Institute for Research in Cancer at Lyons in France. At a very recent meeting of WHO in Geneva a resolution designed to broaden such activity on the part of WHO's own research staff had been adopted for submission to the Governing Bodies.

Dr. Martínez (Mexico) thanked Dr. Martins da Silva for the information and noted that the basic difference between the PAHO and WHO regulations derived from the fact that the Americas were doing direct research, while WHO restricted its activities to sponsoring, promoting, and coordinating research. He believed it advisable to have the Technical Committee of INCAP composed primarily of the directors of the nutrition institutes of the Americas. He then expressed the opinion that the Bureau's cooperation with INCAP should be governed by an agreement containing specific provisions as to the matters to be decided by the Executive Committee, since, for example, in matters of finance it was a question of assigning substantial amounts on the basis of a carefully analyzed and established criterion.

Dr. Yglesias (Costa Rica) noted that the proposed resolution was not intended to determine the systems which were to govern the composition of the different committees or councils of INCAP. It was simply a matter of asking the Director of the Bureau to present a plan for formalizing the expansion of the Institute's field of activities in the Americas. As far as research was concerned, the proposal was sufficiently broad to permit a choice between several alternatives.

Dr. Blood (United States of America) said that other alternative solutions to INCAP's financial problem might be: (a) seeking voluntary contributions from private foundations, agencies, institutions, or companies; or (b) opening membership to other countries. He would not propose reduction of the current PAHO subsidy of $450,000 per annum, which he felt was an appropriate recognition of the interests of the Hemisphere in the work of the Center. However, countries seeking an expansion of INCAP's activities might wish to join the six which had participated in its work so admirably over the years. His own Government, if that were the avenue recommended, might wish to give the matter serious consideration.

The Chairman thanked the Representative of the United States of America for his suggestions and requested Dr. Béhar to specify what countries in the Americas and the rest of the world had benefited from the work of INCAP in the fields of education and research.

Dr. Béhar (Director, INCAP) replied that approximately 900 students, including 300 from the six Central American countries, 400 from other Latin American countries, and about 200 from the rest of the world, had taken part in the Institute's training programs. Of the latter 200, the vast majority had come from the United
States of America, and smaller numbers from the countries of Europe, Asia, and Africa. The number of applications for attending those courses was increasing from year to year. At any given time the Institute had more than 120 students attending its various courses. The facilities had been expanded considerably, and that included the new building constructed by the Government of Guatemala at a cost of a half million quetzales, equivalent to US$500,000.

As far as research was concerned, it was impossible to assign an exact value to the contribution of the Institute because of the universal applicability of research work. The results of many of the Institute’s research activities were being applied at the present time in the countries of the Hemisphere and the entire world.

The session was suspended at 11:00 a.m.
and resumed at 11:30 a.m.

Dr. Blood then took the Chair.

Item 15: Long-term Planning and Evaluation

Dr. García Gutiérrez (Chief, Department of Special Technical Services, PASB), in presenting Document CE61/14 concerning the item, said that it described the suggested guidelines to govern long-term planning and the relations between the Organization and the other agencies of the Inter-American System. Summarizing the background material and content of that document, he emphasized that the activities of the Organization were based on the pertinent decisions taken by the countries and by the regional and world organizations. The four-year planning system described in the document was designed to be put into practice through cooperation between national personnel and that of the international organizations. Matters such as the duration of activities and their relative priority would be decided in consultation with the countries. Evaluation activities would of course be of fundamental importance to those decisions. There had always been a desire to collaborate with the OAS and coordinate the activities of common interest to both organizations, among which the speaker made particular reference to the Regional Scientific and Technological Development Program. He also made special mention of the Inter-American Development Bank and its financial assistance for the control of foot-and-mouth disease and other zoonoses.

Dr. Mondet (Argentina) said that the document presented made evident the complexity and far-reaching importance of planning. It was necessary for planning to be flexible since the work of the Organization should be responsive to the actual needs of the countries of the Hemisphere, particularly where research was involved.

Dr. Gehrig (United States of America) expressed the appreciation of his Government for the efforts that were being made to ensure effective long-term planning, a problem so complex that it still defied the application of precise formulas. He noted that the new methodology was to be applied as from the second half of the current year and asked when the results would be seen in the budget presentation.

Dr. García Gutiérrez (Chief, Department of Special Technical Services, PASB) replied that although the Secretariat undertook the study of long-term planning by decision of the Directing Council, it had already had some previous experience in that field. It was hoped to perfect the method and begin to apply it in 1970 in a large number of countries, although that would not be easy to do since it required a change of attitude both on the national and international levels. The Secretariat hoped that the Directing Council would urge the pertinent authorities of the countries to extend their cooperation to the Organization.

Dr. Bersh (Colombia) said that perhaps the Governments could, during the meeting of the Directing Council, express their comments and suggestions regarding planning and evaluation. He proposed that the Executive Committee adopt a resolution recommending approval of the report as an initial step toward a more thorough analysis of the subject.

Dr. Martínez (Mexico) said he would like to enlarge on the suggestion of the Representative of Colombia by requesting the Director to transmit the document to the Governments, urging them, at the same time, to make known their opinions once they had examined it.

The Chairman requested the Rapporteur to prepare a draft resolution, taking into account the suggestions made during the debate.
Item 11: Health Legislation

Dr. García Gutiérrez (Chief, Department of Special Technical Services, PASB) presented Document CE61/4 and, after summarizing its background and content, indicated that it was hoped that the studies on health legislation could be completed in 1970 and submitted to the consideration of the XVIII Pan American Sanitary Conference in September of the same year.

He informed the Committee that an effort was being made to develop a simple system for bringing the study on legislation up to date and that the technical group working on that was composed of an adviser with experience in that field and the study group previously established to examine the matter. That staff was receiving the benefit of information supplied by the Secretariat at Headquarters and by officials of the Organization stationed in the different countries, as well as material available at the Library of Congress in Washington.

Dr. Bersh (Colombia) said that there was a serious shortage in his country of lawyers trained in the field of health legislation and of facilities for training them. He asked the members of the Committee to state their views concerning the situation in their own countries.

Dr. Horwitz (Director, PASB) reminded the Committee that the study had its origin in a proposal of Peru that health legislation be considered a separate branch of law. The comparative analysis made thus far in 20 countries of the Hemisphere showed that there was a wide disparity in the content of the legislation; while in some cases provisions rendered obsolete by modern techniques were still in effect, in others regulations had been adopted to govern matters as up-to-date as organ transplants, which might seem to be premature. Once the study was completed, the Governing Bodies, taking its conclusions into account, might wish to suggest to the universities some measures directed to improving the training of professionals in matters of health legislation and to point out to the Ministries the influence of modern techniques in that field. In any event, the Director was of the opinion that it would be necessary to await the completion of the work before the Secretariat could provide any suggestions.

Dr. Mondet (Argentina) said that he was perfectly aware of the problems which the Secretariat was doubtless encountering in that field and wished to encourage the personnel to continue its efforts. The situation in his country was similar to that described by the Representative of Colombia in that there was a shortage of technical personnel with training in the field of health legislation. The Government was endeavoring to compile and coordinate the laws and other provisions in effect at the national, provincial, and municipal levels. The first fruit of that work would be a national nutrition code, which would be placed in due time at the disposal of the Organization.

Dr. Belchior (Brazil), recalling the Director's remarks concerning organ transplants, wondered whether it might not be a proper responsibility of the Organization to consider a code of ethics for the medical profession.

Dr. Horwitz (Director, PASB) replied that the World Medical Association might have developed some principles in that area. If the Executive Committee so desired, the Secretariat would endeavor to ascertain what provisions or criteria existed in that regard.

Dr. Mondet (Argentina) agreed with the Director that it was still premature to try to regulate matters such as organ transplants. The Government of his own country had not issued any definite pronouncement regarding that matter but had limited itself to publicizing the opinions of the medical and dental organizations, without making them its own.

The Chairman, noting that it was the wish of the Committee that the item should be noted and a later report made to the Directing Council, asked the Rapporteur to prepare an appropriate draft resolution.

The session rose at 12:40 p.m.
Item 6: Proposed Program and Budget Estimates of the Pan American Health Organization for 1970
(continuation)

The Chairman requested the Rapporteur to read the text of the draft resolution presented by the Representative of the United States of America regarding the item.

The Rapporteur read the following text:

The Executive Committee,

Having studied in detail the provisional draft of the Proposed Program and Budget of the Pan American Health Organization for 1970 (Official Document 85) and the modifications thereto appearing in Document CE61/5 prepared by the Director;

Recalling that the XVIII Directing Council of the Pan American Health Organization in Resolution XI instructed the Committee to submit its recommendations thereon to the XIX Meeting of the Directing Council;

Considering that the programs in the aforementioned documents are soundly conceived and much needed public health projects;

Recalling, nevertheless, the need for fiscal restraint and financial prudence at a time when the budgets of all international organizations are increasing, thus placing heavy monetary drains on Members, many of whom also face internal budgetary problems and balance of payments difficulties;

Recognizing that the program and budget for the Pan American Health Organization for 1970 must be considered within the context of the requirements of all international organizations designed to improve the well-being of mankind;

Acknowledging that the Director, with his broad overview of the operations and particularly those of a multinational or regional nature is in the best position to determine where program and budget modifications may be most judiciously made; and

Bearing in mind Article 14-C of the Constitution of the PAHO and Financial Regulations 3.5 and 3.6,

Resolves:

1. To commend for favorable consideration of the XIX Meeting of the Directing Council a proposed program and budget for the Pan American Health Organization for 1970 at a level of $13,760,000, which represents an increase of 9.25 per cent over the level for 1969.

2. To request the Director to report to the XIX Meeting of the Directing Council where the program and budget should be modified to sustain a program and budget level of $13,760,000 for 1970.

The Chairman submitted the draft resolution to the Executive Committee for consideration.

Dr. Sáenz (Uruguay) said that, while he was very mindful of resolutions to that effect and of the questions raised in the preamble to the proposed resolution, he thought it would be advisable to seek a compromise solution whereby the percentage of increase would be raised from 9.25 per cent to 10 per cent, increasing the Organization’s budget for 1970 by $1,259,000. In all other respects, the text of the resolution was fully in accordance with his instructions from the Government of Uruguay.
The Chairman requested the Secretariat to take note of the amendment proposed by the Representative of Uruguay.

After a discussion in which the Chairman, Dr. Belchior (Brazil), Dr. Blood (United States of America), Dr. Bersh (Colombia), Dr. Yglesias (Costa Rica), and Dr. Martínez (Mexico) took part, it was decided to refer the three proposals to the working party consisting of Dr. Belchior, Dr. Blood, Dr. Henry, Dr. Cortés, and Dr. Horwitz with the request that they examine them and submit a report to the Committee.

Consideration of Pending Draft Resolutions

Proposed Criteria for Multinational Centers (conclusion)

The Chairman asked the Rapporteur to read the draft resolution on proposed criteria for multinational centers as presented by the Representative of Mexico, with the amendments proposed by the working party.

The Rapporteur read the following text:

The Executive Committee,

Considering that at present there are a number of multinational centers in the Americas to the financing of which a considerable amount of the funds of the Organization is allotted; and

Noting that the countries in which these multinational centers are situated benefit more directly than others from the advisory, training, and research activities carried out in them,

Resolves:

1. To recommend to the Directing Council that it request the Director of the Bureau to appoint a study group to draft criteria governing the establishment and operation of centers and programs intended for several countries and sponsored by the Organization, taking into account the views expressed by members of the Committee.

2. To recommend to the study group that in drawing up these criteria they take the following aspects into consideration: (a) the proportion of the funds contributed to the project by the Host Government and the Organization; (b) the duration of the Organization's assistance; (c) the implications of the project for similar programs at the national level; and (d) approval by the Directing Council or the Conference.

3. To recommend that the proposed criteria be submitted to the 64th Meeting of the Executive Committee.

Decision: The draft resolution as amended was unanimously approved.

Proposed Criteria for the Programs of the Pan American Health Organization (conclusion)

The Chairman requested the Rapporteur to read the draft resolution on criteria for PAHO programs, as presented by the Representative of Mexico, with the amendments proposed by the working party.

The Rapporteur read the following text:

The Executive Committee,

Considering that the projects and programs of the Organization should always have well-defined goals to be achieved within specified time periods;

Taking into account that many programs included in the provisional draft of the budget estimates of the Organization have been in operation for some time; and

Noting that it is essential to establish criteria that will enable the Governments and the Organization to evaluate the usefulness of the programs in which they are collaborating,
Resolves:

To request the Directing Council to instruct the Director to prepare a report, if necessary with the assistance of consultants, to be examined by the 64th Meeting of the Executive Committee, containing criteria for ensuring that all projects are given specified targets and are established for specified periods and have built into them a system of evaluation to ensure that they are discontinued when no longer necessary.

Decision: The draft resolution was unanimously approved.

Dr. Blood then took the chair.

Item 17: Report on Buildings and Installations

Mr. Moore (Acting Chief of Administration, PASB) said that there were two documents before the Committee: Document CE61/13 and its Addendum. The main document contained a progress report on the status of accommodation. He stated that two buildings in which space might be purchased in Caracas were under consideration, but the investigations of economic and other aspects would have to be completed before a decision was taken.

The Addendum had its origin in Resolution XXII of the XVIII Meeting of the Directing Council on the long-term needs for additional space at Headquarters. It contained a scheme for the acquisition of land and buildings which would not involve any budget appropriation. He drew attention to the fact that the building in question contained 128 one-room apartments suitable for single offices without the need for costly partitions or other remodelling. In fact the only remodelling that would be required would be the installation of modern light fixtures. It was intended to put the building in the hands of a management firm that would continue to rent the building as apartments. As new office space was needed, space would be withdrawn from apartment use and converted into offices. The income from the apartments and from the office space—the Organization would pay rent for the space—would go into a special building fund to replace the US$960,000 worth of securities that would have to be sold to purchase the building. It was estimated that, within a reasonable time, the income from the building would cover the initial outlay, and the original investment could be returned to Government securities. The proposal had been discussed with the Chairman of the Permanent Subcommittee on Buildings and Installations, Mr. Rosenthal, who had gone into the matter with architects and lawyers and had reported that there appeared to be no problems involved.

No budgetary authorization or financial authorization was needed for the purchase, but since it had important implications for the future the Director had considered it necessary to refer it to the Committee whose support would be highly desirable.

Mr. Rosenthal (United States of America) said he spoke as the Chairman of the Permanent Subcommittee on Buildings and Installations which was actually a committee of one, since of the other two members, one had been transferred from the United States of America and the other was on extended leave. However, he had gone into the scheme in considerable detail and it appeared to be sound. He was authorized to state that his Government fully supported the proposal.

Dr. Yglesias (Costa Rica) inquired whether more office space was needed at the present time.

Mr. Moore (Acting Chief of Administration, PASB) replied that the Headquarters Building housed 366 staff members so that the time would soon arrive when extra space would be needed. The advantage of the scheme he had outlined was that the space would be available in the exact amount required at the time it was required.

Dr. Yglesias (Costa Rica) said that he understood there was no present need to include an allocation in the budget for office space and that whenever the need arose it would be possible to assign funds for the payment of office rental in the building in question.

Mr. Moore (Acting Chief of Administration, PASB) replied that rent for the premises would appear in the budget for common services where there was a line for rental and maintenance.

Dr. Sáenz (Uruguay) commended the Bureau for the ingenious plan proposed and asked how much it would cost to make the necessary adjustments permitting the use of the building.
Mr. Moore (Acting Chief of Administration, PASB) replied that, as he had mentioned earlier, the only remodelling required would be to install adequate lighting. No calculation had been made of the cost involved but it would form part of the general cost of maintaining the building and would not be a significant amount.

Dr. Martínez (Mexico) said he was somewhat wary of a proposal that appeared to be so attractive. He suggested that the Director be asked to report on the exact space requirements, the use to which that space would be put, etc., as he felt that an unduly large expansion of the central Headquarters could impair the balanced development of the Organization. He requested the members of the Executive Committee to support his request for information so that the possibility could be considered of establishing some offices of the Organization in other cities in the countries of the Region.

Mr. Moore (Acting Chief of Administration, PASB) said that projections indicated the need for space for between 100 and 200 people in the period of 10 years, although of course space needs would depend upon the future organizational structure of the Organization.

However, he wished once more to emphasize that the purchase of the building would mean that land would be guaranteed for any time in the future and, if not needed, could be sold at a profit. Secondly, space in the building would become available as and when needed and only then. He wished to reiterate that, without the Organization taking any financial risk or without it being committed to any particular organizational structure, the purchase of that building would be an investment in land in the area which might never again become available.

Dr. Mondet (Argentina) said he agreed entirely with the views of the Representative of Mexico. He felt that the various countries in the Region of the Americas were in need of advisory services rendered in the field and that those assisting the Governments should be stationed wherever the activity was carried out. In regard to the acquisition of the building, he had no objection to that but would rather have the space rented out rather than used for offices and the income produced by the building assigned to the acquisition of premises and equipment for the use of those who go out to assist the Governments in the field.

Dr. Avilés (Nicaragua) said he supported the proposal to purchase the building.

Mr. Rosenthal (United States of America) said that the Organization was fortunate enough to have money available. The building in question was part of an estate the heirs to which wished to settle in cash. If the Organization needed to borrow money at that particular point of time when the prime rate was 8 per cent, it would probably have to borrow at 10 per cent or more; but since the Organization was in a position to change its investments from one type of portfolio to another, it was in a position to take advantage of a unique set of circumstances.

Dr. Belchior (Brazil) expressed agreement with the views of the Representative of Nicaragua. He considered the purchase of the building to be a good investment for the Organization and believed that the time would inevitably come when more office space would be needed. Moreover, scattering the different units of the Organization through various parts of the Hemisphere would present problems of an administrative type.

Dr. Martínez (Mexico) said he was not aware that the Bureau was planning to engage in speculative transactions, concerning which he reserved his opinion. His main concern in regard to the plan to purchase a building stemmed from its bearing on the expansion of the Headquarters offices, and in that respect he disagreed with the Representative of Brazil. He believed that various units of the Bureau could well be established in different places without impairing the coordination and cooperation of all the elements involved. He also believed it possible that the Latin American Governments would offer buildings or premises to the Organization. Dr. Martínez repeated his request for further details on the required space and the activities for which the space would be used, as that would permit an objective appraisal of the proposal.

Dr. Horwitz (Director, PASB) questioned the propriety of certain expressions used in the discussion, such as the term “speculation,” which had unpleasant connotations. He doubted that the arrangement under which the W. K. Kellogg Foundation had made possible the existence of the room in which the discussion was taking place merited the use of a word with disagreeable connotations, and that the offers which had made it possible for the Organization, without impairing the development of its programs, to possess buildings in Buenos Aires, Lima, and Guatemala presupposed a speculative state of mind. As for offers of buildings by the Governments, none had been made because they had none to offer. The Organization now had 1,183 staff
members, of whom 919, or 70 per cent, were stationed away from Headquarters. The Headquarters staff consisted of 297 employees, although the number of persons to be accommodated was increased by the constant arrival of groups from the Governing Bodies and of advisers, short-term consultants, field employees who came to present their reports, persons who consulted the library collections, etc. The increase in space requirements derived, in fact, from the progress and diversification of science. The Organization was attempting to help establish modern public health techniques at a time when it was impossible to foresee the advances of science. Only two weeks before, a discussion had taken place at Headquarters on medical education and molecular biology, and it was impossible to foresee the possible effects of that discussion during the next 10 or 20 years, what kind of physicians might be trained, and what kind of health practice they would engage in. The Organization was bound to look to the future if it was to have any future at all; that meant visualizing those sectors of activity which lent themselves to the transfer of technology and the reduction of existing problems. All that required new technical personnel, but nevertheless the Organization had only one tuberculosis specialist, one virologist, and one laboratory specialist at Headquarters because 75 per cent of the staff was in the field. And if the short-term consultants were counted, it would be found that 90 per cent of the paid staff, constituting a representative cross-section, was in the field.

While it was true that the Organization should provide its advisory services in the places where the problems existed, it would not be advisable to break up the central apparatus and scatter it through the field, as that would be tantamount to asking a minister to locate his medical care group in a given province, state, or department and expect it to turn to the ministry whenever guidance was needed. From a practical standpoint, considering such realities as the conditions of the postal service in the Hemisphere, the problems of communications were obvious and made it absolutely necessary to have functional unity, a single doctrine and policy, and common standards of action and interchange. The Governments had both a central political, administrative, technical, and financial organization and a diversified service structure throughout the national territory. The same held true for the Organization, which was a reflection of the structure of the countries. There was no doubt that the space requirements would increase in the future if the Organization maintained its trend toward providing modern working conditions. And even if the Organization continued its attempt to reduce the number of employees and offices in Washington, it was likely that no appropriate site would be available in the area when additional space was needed for expansion. The proposed transaction could be more properly termed ingenious than speculative. It called for acquiring a site and a building under very favorable conditions without any financial commitment, an opportunity which was presented because of the high regard which the present donors of the property had for the work of the Organization. Something similar occurred in the case of the construction of the Headquarters building: a job worth at least $7 million was done for $5 million because the president of the construction firm was impressed with the work of the Organization and wished to contribute to it. In short, the Director said, he would regret it very much if the Organization lost an opportunity, not to speculate, but to serve more effectively.

Dr. Bersh (Colombia) said he was pleased that the matter was being discussed, as that was the way to arrive at a proper solution. He recalled that in 1968 the Executive Committee had examined the report on buildings and had taken note of it or approved it, and that the Directing Council, at its XVIII Meeting, had adopted Resolution XXII on the matter. He wondered whether it was up to the Committee to analyze the report and review the policy established by the Directing Council or whether it should recommend that the Directing Council reconsider the policy. It seemed to him that it would be equally dangerous to have a small body with an enlarged head as to confront the future with an Organization lacking the means to carry out its responsibilities in a logical and reasonable manner.

Dr. Horwitz (Director, PASB) emphasized that it was not a question of asking approval for a new investment. In theory the Secretariat could well have consummated the transaction and limited itself to reporting to the Executive Committee, as that would have been consistent with the practices of the Organization. However, since the matter was of far-reaching importance it was considered proper to bring it to the attention of the Committee and, if necessary, the Directing Council. The Permanent Subcommittee on Buildings and Installations was consulted about the transaction; its Chairman, who was well acquainted with the area, expressed the view that the operation was well conceived and would bring benefits to the Organization. The Executive Committee could either take note of the operation or, what would be much more comforting, approve it; the Committee was certainly also entitled to ask for the information it had requested, but actually the matter had been placed before the Committee despite the fact that the Financial Rules of PAHO and the Rules of Procedure of the Executive Committee did not make it necessary to do so.
Dr. Martínez (Mexico) said he would like to have detailed information because he was still not sure that the Secretariat could acquire the building, or use it for its central offices, without obtaining authorization; if none was needed, the Committee could simply take note of the fact. On the other hand, if the regulations required authorization there were two alternative courses of action: the one suggested by the Representatives of Mexico and Argentina and the opposing suggestion. He felt that a careful study was needed not so much of the question of acquiring the building as of expanding the Headquarters offices in Washington, D.C.

Dr. Horwitz (Director, PASB), referring to the observation by the Representative of Argentina, pointed out that while there was no need to obtain the authorization of the Executive Committee in order to place a unit or group of technicians in a given building or room, it was still up to the Executive Committee and the Directing Council to authorize any funds required for that purpose. Even if it became necessary at a given time to increase the staff of an existing unit by 1, 5, or 20 employees or to establish a new unit, the staff could not be so enlarged, nor could any unit be established or building acquired, if the Committee or the Council rejected the budgetary proposal.

Dr. Mondet (Argentina) made it clear that he was not questioning the advisability of acquiring the building from the point of view of its merits as a financial operation and that he realized that the Committee was at liberty to act or withhold any action, give its approval or even express its gratification with that transaction. The basic question was whether the ratio of 75 to 25 per cent or of 80 to 20 per cent was to be maintained in the future as between the field and Headquarters staff. It was possible that the Executive Committee would decide at some time to establish a communicable disease research laboratory, for example, at Headquarters; that was precisely one of the things he feared. He noted in that regard that while it might have appeared preferable at one time to establish INCAP in Washington, because of the research facilities available, the Institute, established in Guatemala, had a record of 20 years of excellent work and enjoyed worldwide prestige.

Dr. Bersh (Colombia) said he agreed with the Representatives of Mexico and Argentina concerning the need to develop regional centers but that it was also necessary to consider the need to have that development be carried out harmoniously and in such a way as not to impede the necessary expansion at Headquarters. In view of that he believed it advisable to seek a compromise solution. Because of the enormous expansion of human knowledge, in which the health sciences were one of the fields of more rapid growth, it was difficult to foresee with any accuracy which of the Organization's activities it might be necessary to expand, either at Headquarters or in the field, within a given period. It was dangerous for that reason to try to predict whether the proposed acquisition was wise or not or whether the failure to carry it out could be regarded in the future as unwise.

Dr. Avilés (Nicaragua) said he was not opposed to the purchase as such but was concerned about the possibility of bureaucratic growth. Since he believed that the Bureau would require new offices in the future he would vote in favor of the proposed resolution.

Dr. Belchior (Brazil) inquired what was the present status of the negotiations for the purchase of the property.

Mr. Moore (Acting Chief of Administration, PASB) said that the Organization had an option on the property up to 7 July 1969, after which date it would go on the market.

Dr. Belchior (Brazil) suggested that it would be advisable to prepare a draft resolution after the Representative of Mexico obtained the information he had requested.

Mr. Moore (Acting Chief of Administration, PASB) said that more time would be necessary to make the requested projections. In his opinion they were likely to be overstated since each department tended to overstate its case. As he had mentioned earlier, a figure had been given of a total of 195 posts in 10 years. He wanted to stress once more that, regardless of the rate at which the Organization needed space, the important point was to guarantee that the space would be available when needed. In the meantime the purchase of the building was an excellent investment.

Dr. Martínez (Mexico) noted that the statements of the preceding speakers indicated general agreement on the need to study the advisability of expanding the central offices, independently of the matter of acquiring
the building in question. On the other hand, the document under consideration was based on the premise that it was necessary to construct that second Headquarters building for the Secretariat. Those two points of view should be considered separately so that the resolution adopted at the present meeting of the Executive Committee would refer exclusively to the purchase of a new site and the Secretariat would be instructed to study the possible future growth trends of the Bureau.

Dr. Yglesias (Costa Rica) agreed with Dr. Martínez that the Committee should examine the proposed acquisition favorably and leave the matter of future Headquarters expansion for later study.

Dr. Mondet (Argentina) asked whether it was possible to obtain an official appraisal of the building whose acquisition was proposed or whether that had been already done.

Mr. Moore (Acting Chief of Administration, PASB) said that two years earlier the property had been valued by an official company at US$1,300,000.

Dr. Avilés (Nicaragua) said that although a pronouncement by the Committee was not legally required in order to purchase the building, he would still like to have an appropriate resolution adopted to support the action of the Director.

The Chairman, noting that it was the sense of the Committee that the land and building should be purchased, without, however, implying any commitment with regard to the future expansion of Headquarters staff, asked the Rapporteur to prepare a pertinent draft resolution.

Item 16: PAHO Award for Administration

Mr. Moore (Acting Chief of Administration, PASB), introducing the Document CE61/3 on the item said that Dr. Portner, before leaving the Organization, had served on a special OAS Committee and had been paid an honorarium for his services amounting to 9,200 dollars. He had requested that the money be paid to PAHO, and because of his interest in administration, had indicated his desire that the equivalent amount of the investment value, i.e., income from the amount invested, should be used as an award for excellence in administration. That was the proposal before the Committee.

Dr. Avilés (Nicaragua) proposed that the award to be established bear the name of Dr. Stuart Portner, that it be granted to a student in a school of administration in the Hemisphere, and that, if it were desired to recognize the contribution of a professional administrator, that recognition take the form of a diploma or commemorative object rather than cash.

Dr. Bersh (Colombia) inquired whether it was up to the Executive Committee to determine the characteristics of the award for administration or whether the Director of the Bureau should consider those aspects and prepare a set of regulations for submission to the next meeting of the Executive Committee.

The Chairman said the Committee would like to have an explanation of the reason why the item had been submitted to the Committee and what action it was called upon to take.

Mr. Moore (Acting Chief of Administration, PASB) said the award was not intended to be available for anyone connected with the Organization. It was intended for public health officials or students in the countries, and the Awards Committee might decide to give an honorary award to a public health official and a cash award to a student. It was not intended to lay down hard and fast rules for the Awards Committee but to allow it reasonable latitude. It had been thought advisable to obtain the approval of the Committee to establish the award and also to seek its approval for the establishment of an Awards Committee consisting of persons of high standing in the field of public health.

Dr. Yglesias (Costa Rica) moved that the Executive Committee first establish the award and then authorize the creation of a committee to decide upon all the matters relating to its award.

Dr. Avilés (Nicaragua) repeated his previous comments and emphasized that he attached the greatest importance to his suggestion that the award to be established be given the name of Dr. Stuart Portner as a means of acknowledging the Organization's debt of gratitude to the grantor.
Mr. Moore (Acting Chief of Administration, PASB) said that in the working document the award had been referred to as the PAHO Award but if it was the intention of the Committee to change the name to the Portner Award it would be necessary to consult Dr. Portner himself.

As for the Awards Committee and its constitution, the Executive Committee might wish to have a set of criteria presented to it at a future meeting for discussion.

The Chairman suggested that for the guidance of future committees attention might be drawn to the discussions of the Committee. He requested the Rapporteur to draft the pertinent resolution on the item

_The session rose at 5:30 p.m._
ELEVENTH PLENARY SESSION

Monday, 30 June 1969, at 9:30 a.m.

Chairman: Dr. Benjamin D. Blood (United States of America)

Item 15: Long-Term Planning and Evaluation (conclusion)

The Rapporteur read the following draft resolution on the item:

The Executive Committee,

Having considered the report of the Director of the Bureau (Document CE61/14), prepared in implementation of Resolution XIX of the XVIII Meeting of the Directing Council;

Considering that in this way Resolution WHA21.49 of the Twenty-first World Health Assembly is being fulfilled; and

Seeing that efforts have been made to coordinate the assistance plans and programs of the Organization with those of other agencies of the Inter-American System promoting economic and social development activities in the Hemisphere,

Resolves:

1. To take note of the report of the Director of the Bureau (Document CE61/4 on the planning and evaluation of the work of the Organization and to request him to send it to the Governments for study by the competent authorities so that they may make such suggestions as they deem pertinent.
2. To recommend to the XIX Meeting of the Directing Council that it approve the above-mentioned report.
3. To request the Directing Council to urge the countries to collaborate with the Bureau in implementing the proposed long-term planning procedure.
4. To recommend to the Director that he continue the activities designed to strengthen and increase the coordination of health plans with the activities of the Organization and those of agencies of the Inter-American System fostering economic and social development activities.
5. To instruct the Director to submit to the 64th Meeting of the Executive Committee a progress report on planning in the Americas.

Dr. Martínez (Mexico) proposed that, in keeping with the provisions of operative paragraph 1, operative paragraph 2 should be amended to read as follows: "To recommend to the XIX Meeting of the Directing Council that, having taken into account the recommendations of the Governments, it approve the above-mentioned report." He also suggested a drafting amendment to the Spanish text of operative paragraph 5.

Decision: The draft resolution was unanimously approved with the amendments proposed by the Representative of Mexico.

Item 11: Health Legislation (conclusion)

The Rapporteur read the following draft resolution on health legislation:

The Executive Committee,

Having considered the preliminary report of the Director (Document CE61/4) on the steps taken to implement the recommendation contained in Chapter XIII of the Final Report of the Special Meeting of Ministers of Health of the Americas, that studies be made of the health legislation of the countries and of the Pan American Sanitary Code,
1. To take note of the report of the Director (Document CE61/4).
2. To urge the Director to continue the comparative study of health legislation in the Americas and the analysis and review of the Pan American Sanitary Code and to submit them to the 64th Meeting of the Executive Committee.
3. To request the Directing Council that it invite the Member Countries to provide such assistance as may be necessary in carrying out the above-mentioned studies.

Decision: The proposed resolution was unanimously approved.

Item 10: Objectives, Functions, and Financing of the Institute of Nutrition of Central America and Panama (continuation)

The Rapporteur read the following draft resolution on the item:

The Executive Committee,

Recognizing that nutrition is a first priority in national health services in the Hemisphere;
Seeing that there is a gradual increase in the demand for improved health, in particular for specialized nutrition and consultation services as well as for applied research in this field; and
Considering that over the years INCAP has gained excellent experience in providing needed nutrition services both in Central America and in the rest of the Hemisphere,

Resolves:

1. To recommend to the Directing Council that it instruct the Director to provide INCAP with assistance in reorganizing its structure and in reorientating its present programs in order to meet the needs of the Hemisphere for highly specialized nutrition services, as indicated in the document which the Committee examined on this item (Document CE61/12), and subsequently to make a report to the Directing Council.
2. To recommend to the Directing Council that it instruct the Director to establish criteria for regional programs, taking into account the views expressed, in particular concerning the planning and administration of the program.
3. To recommend to the Directing Council that it approve, for the purpose of implementing the proposals in the preceding paragraphs, an increase in the contribution to INCAP of US$270,000 over a period of three years and that it authorize the Director to make an advance from the Working Capital Fund of the Pan American Health Organization of not more than US$200,000 so that the research activities of INCAP are not jeopardized or, if that cannot be done, that it authorize the Director to reduce those activities to a level compatible with the resources pledged.

Dr. Gehrig (United States of America) raised, as a point of order, the fact that certain information on the financing of INCAP, which had been requested by his Government, had not yet been provided, and asked that action on the draft resolution he deferred until that could be done.

Mr. Moore (Acting Chief of Administration, PASB) said that the information requested would be made available during that session.

Dr. Mondet (Argentina) indicated that he was in agreement with the request made by the Representative of the United States of America.

Dr. Martínez (Mexico) proposed that, while awaiting the information requested by Dr. Gehrig, discussion of the items should continue, and emphasized that, in his view, the Institute of Nutrition of Central America and Panama should be under the technical direction of a group of representatives of each of the Institutes of Nutrition of Latin America and the United States of America. At one of the previous meetings of the Directing Council, the Director had already been instructed to consider how the structure of INCAP might be reorganized. The present draft resolution was therefore repetitive.
Dr. Avilés (Nicaragua) asked Dr. Gehrig to specify the nature of the information he wished to have. Should it not directly affect the draft resolution, the latter could be put to a vote.

Dr. Gehrig (United States of America) emphasized that the data requested was of importance to his country’s consideration of the whole subject of INCAP. That information was to be made available shortly and then would be an opportune time to discuss the matters mentioned by the Representative of Mexico.

The Chairman said that, if there was no objection, further discussion of the draft resolution would be deferred until a future session, after the desired information had been circulated.

Dr. Horwitz (Director, PASB) stated that the information required related to the current status of the accounts payable by the Governments of Central America and Panamá.

**Item 9: Within-Country Fellowships**

Dr. Villarreal (Chief, Department of Human Resources Development, PASB), in presenting the item, stated that the report in Document CE61/2 had been prepared pursuant to Resolution XXV of the Directing Council, adopted at its XVIII Meeting, in which the Director had been requested to study the desirability of the award of within-country fellowships, with a view to making better use of the existing training resources of the countries themselves, and to report on the subject to the Executive Committee at its 61st Meeting. The Organization had adopted a policy of extending such training, and of re-examining the within-country training resources available to Latin America, with a view to providing fellows with a training that was better adapted to the places in which they would have to work. So far, assistance to fellows receiving within-country training had taken the form of subsidies to training institutions. Currently, it was proposed to award fellowships directly in the same way as they were awarded to fellows studying abroad.

Dr. Mondet (Argentina) considered that the Organization had taken a very important step in adopting the principle that countries, as they progressed, should make use of their own technical training resources. It had been the outcome of prolonged and extensive efforts by the Pan American Health Organization to decentralize education and to create new training resources. It was most desirable to increase appropriations for the award of fellowships to those countries that most needed them, while reducing the number of fellowships being awarded to countries whose need for such assistance was becoming progressively smaller. Such action would, in effect, amount to no more than an internal budgetary transfer. Finally, he pointed out that those countries that had the privilege and satisfaction of giving more than they received would find their altruism a rewarding experience in itself.

Dr. Martínez (Mexico) agreed with Dr. Mondet on the importance of the item, but believed that it deserved a more thorough examination as it presented something of a dilemma. The award of within-country fellowships should not lead to the attrition of national training resources. Awards of fellowships should be projected and planned over a period of years. He proposed that the Director should inform Governments of the criteria that had been put forward so that the authorities concerned could express their views in the light of the actual situation in each country.

Dr. Gehrig (United States of America) said that his country felt the promotion of within-country fellowships was an excellent idea and one that it could support. On the “brain drain” aspect, he had been pleased to note the reported success of the Rockefeller Foundation in holding to less than 1 per cent the proportion of its trainees who failed to return to posts in their own countries. He asked whether any such information was available on the Organization’s fellows.

Dr. Villarreal (Chief, Department of Human Resources Development, PASB) reported that the information requested by Dr. Gehrig would be available when the program of evaluation of fellowships awarded by PASB had been completed. His impression was, however, that the number of PASB fellowship holders who returned to their countries of origin was very high.

Dr. Mondet (Argentina) pointed out that in Argentina it had created a serious problem when the best young physicians used to go to the United States of America to continue their training as hospital residents. A large number of them had remained permanently in the United States and Argentina had been obliged to take
specific action, which had led to a number of changes for the better. It had taken the form of the creation within the country of numerous posts as residents in hospitals. Of the 2,300 to 2,500 medical students who graduated each year in Argentina, 1,200 obtained resident posts in Argentine hospitals. As a result, the number who went to the United States of America was already much smaller and they were usually physicians who wished to work in highly specialized fields. As far as public health was concerned, not many had gone to the United States, and fewer had remained there. The creation of such institutions as, for instance, the Latin American Center for Medical Administration and the award of within-country fellowships would permit increasing numbers of students from a given country or its neighbors to attend the necessary courses in that country. The migration of professionals would be reduced, or would, in any event, only take place between those countries where the need was greatest and not to countries in which economic conditions or scientific opportunities were better.

Dr. Avilés (Nicaragua) believed that, in the first place, special emphasis should be laid on the selection of fellows. In the second place, the performance of fellowship holders should be reviewed on their return to their countries. The following situations could arise in the case of fellows, whether well or badly selected: the fellow could prove a bad student and fail to make progress; after obtaining his diploma, for instance, in planning, he could return to his country and be offered a post at a low salary with the risk that within a short time, a private firm would take him on at a higher salary; having succeeded in obtaining a good training, and notwithstanding the fact that he was needed in his own country, he might emigrate as he had been offered a better salary outside the country, and finally, he might, of course, remain working in his own country. All those possible situations should be taken into consideration and evaluated in order to ensure that the most effective use was made of fellows within their own countries.

Dr. Sáenz (Uruguay) stated that the brain drain had created the same problems in his country as elsewhere in Latin America. In his view, it was essential to make it clear to a candidate that, when he was selected, the fellowship was not an end in itself, but merely a means to provide him with a better training and equip him to serve his own country. Furthermore, it was essential to give priority, in awarding fellowships, to personnel in the reorganized ministries in each of the countries. It was equally vital that each fellow should have a post assigned to him, in advance, in a government agency, so that his training, which had cost the country so much money and effort, was not lost to it. The Uruguayan Ministry of Public Health was seeking to obtain from its fellows, who were most carefully selected, a statement in writing to return to the country and reside in it for a minimum period of three years, working in their own special fields.

Dr. Yglesias (Costa Rica) praised the altruistic standpoint of Dr. Mondet, and considered that it should apply not only to the field of fellowships, but should be adopted throughout the Organization. It was the wealthiest countries that should part with what they could give. Furthermore, it was very important that fellows returning to their countries should have a guaranteed post awaiting them. The best approach was for each country to prepare the type of contract or document that could most effectively retain the largest number of fellowship holders.

Dr. Belchior (Brazil) said that the fellowship program was being very closely followed by the Brazilian Ministry of Health. For Brazil, the brain drain was a less serious problem than the internal migration of its intellectual manpower within its own frontiers. The actual number of physicians who had remained abroad after receiving fellowships had been very small in Brazil. Before being granted fellowships, candidates signed a statement in which they undertook to remain, for at least two years, in the post assigned them on their return.

Dr. Martínez (Mexico) pointed out that there was also a brain drain as between neighboring states. Mexico lost some 5 per cent of its physicians each year through emigration to the United States of America. It was therefore essential that training should be undertaken to the maximum possible extent in the trainee's own country. Practically all the questions raised in the report were covered in the existing fellowship regulations of the Pan American Sanitary Bureau. He therefore urged that the study should be extended and developed and forwarded in due course to Member Governments for their comments, so that a more effective system could be introduced.

Dr. Henry (Trinidad and Tobago) reported that the brain drain from his own country was to Canada, the United States of America, and to a lesser extent to Britain. Though candidates for overseas fellowships were selected with great care, a certain percentage was still lost to his country. As a result, greater attention was
being given to the development of local programs at the University of the West Indies in Jamaica, Trinidad and Tobago, and Barbados.

Dr. Horwitz (Director, PASB) considered that the discussion, which had been very instructive, turned on three interrelated points. One was the award of within-country fellowships, another the usual procedure for awarding fellowships for studies abroad, and the third, the emigration of specialists in the health field. So far as within-country fellowships were concerned, the general principles adopted should be viewed in the light of those governing fellowships as a whole. It went without saying that any professional or auxiliary personnel studying within a given country should be assured of an appointment by its Government. If the Executive Committee so decided, the present report, which had already been sent to Governments, could be again presented to them accompanied by the General Fellowship Regulations. He recommended the exercise of extreme caution in deciding what proportion of studies should be undertaken within a country and what proportion abroad. It would not be easy to determine that without some years’ experience and it would be unwise to embark, without due consideration, on costly domestic programs. Progressive advances and the process of technological change in the health field would always make it necessary for members of the professions to go out in search of knowledge. They should provide sufficient incentive for stepping up the pace of training, at least in fundamental areas, in every country.

So far as the emigration of health specialists was concerned, the Organization could claim the honor of having prepared, in 1966, the first study ever published on the problem. It had been widely disseminated and frequently quoted. The study had been based on the assumption that each country should devise a method of determining what was actually happening, that was to say, how many professionals were emigrating, who they were, and why they were emigrating. The General impression was that they were invariably the best and most gifted. The information, which was three years old, could be made available if the Executive Committee wished to give serious consideration to the idea of introducing a procedure within each country that would keep Governments fully informed of the situation. He noted that whenever a professional took up residence in another country it was difficult to secure his return and even more difficult to compete with the incentives that swayed his decisions, as they were not merely financial but had to do with research opportunities and intellectual climates: the best course was, therefore, to avoid situations that would lead to emigration.

So far as the usual procedure for the award of fellowships was concerned, at the XVIII Meeting of the Directing Council a plan had been submitted for an evaluation of the program and approved by Resolution XXV. The plan had described the experience of three countries: Costa Rica, Panama, and Brazil. The experimental work done in Brazil had been used to determine how far it would be possible to interview a substantial portion of fellows and obtain from them the data needed for evaluation. The results had been very encouraging. The experimental work in Brazil, together with other studies in particular countries, undertaken in close partnership with the Pan American Association of Medical Schools, would help to provide a clearer picture of what was happening. Although it was inevitable that a fellowship program on the scale of that undertaken by the Organization, which had made 1,005 awards in 1968, would have its weak points, the program had, in fact, made an immense contribution to improving the quality of knowledge available in the health field, and it had been shown that a high proportion of fellows returned to their own countries to apply the knowledge they had acquired.

Dr. Mondet (Argentina) agreed with Dr. Horwitz on the need for prudence as to avoid jumping to the wrong conclusions. He believed that it would be wise to bring the 1966 study up to date so that current trends in the migration of health specialists could be evaluated. The Organization, true to its vital function, should never relax in its search for new approaches and new methods.

The Chairman asked the Rapporteur to prepare a draft resolution on the item.

The session was suspended at 10:35 a.m. and resumed at 11:05 a.m.

Item 6: Proposed Program and Budget Estimates of the Pan American Health Organization for 1970 (continued)

The Chairman noted that the Working Party on the Proposed Program and Budget Estimates had met, and asked its chairman, Dr. Belchior, to report.
Dr. Belchior (Brazil), speaking as chairman of the working party, reported on the latter’s meeting and stated that, as a result of an examination of the current proposals, a draft resolution had been prepared and would be distributed at the next session.

Item 12: Special Fund for Health Promotion

Mr. Moore (Acting Chief of Administration, PASB), introducing Document CE61/15 on the item, said that the agreement with the W. K. Kellogg Foundation on the financing of the Headquarters building provided that what would normally be regarded as repayments should be devoted to a Special Fund for Health Promotion, to be used for expanding the program of the Organization. In essence, the Foundation had provided not a building but additional health programs; to that end, $250,000 per annum, as reflected in Part IV of the budget, was transferred to the Fund. A question for consideration in the future was whether the scope of the Fund which was currently limited to nutrition, water supply, and education, should be extended to include all the activities of the Organization; and, secondly, having in mind the value of the Fund in responding speedily to urgent demands not foreseen in the regular budget, whether it should be augmented still further. Some of the ways in which that might be done were indicated in the paper.

Dr. Martínez (Mexico) said that he would like to know what the relationship was between the Fund under consideration and the one that had been the subject of a special resolution at the Meeting of Ministers in Buenos Aires.

Dr. Horwitz (Director, PASB) explained that the latter fund would be formed with new contributions, distinct from the regular contributions of countries, to be obtained from the budgets of international agencies and in the form of loans from capital-exporting countries and financial institutions. The Secretariat was currently reviewing the activities to which the possible resources of the proposed fund might be allotted. Paramount among them was the provision of minimum services on a national scale. It was known that, with the exception of North America, 57 per cent of the inhabitants of towns with less than 10,000 inhabitants in the Americas did not have access to health services, a situation that, viewed in the light of the cost of providing such services, could not be remedied without large amounts of capital. The Secretariat proposed to bring together a small number of economists from the Hemisphere to obtain their views and also to consult the Inter-American Development Bank and the U.S. Agency for International Development. The outcome should lead to a firm proposal that would not be put to the Governing Bodies before the following year. Governments would have to decide at a later stage whether they were disposed to participate in such an undertaking.

Dr. Gehrig (United States of America) said that he was not sure what was meant by broadening the activities financed by the Fund, unless it meant to apply that resource to the total program of PAHO. In the past, the Fund had been used very effectively for certain areas of concern, and he would appreciate the comments of other members of the Committee on the proposed broadening. He did not believe that his Government would be prepared to support an increase in the regular budget contribution to the Fund nor the use of surpluses and savings for that purpose; they might appropriately be used to reduce the assessed budget contributions of the Governments. The third source suggested, extra-budgetary assistance, including voluntary contributions by public and private agencies, reflected the manner in which the original contribution had been made, and he would certainly see it as the logical course to follow in the future.

Mr. Moore (Acting Chief of Administration, PASB), referring to methods of raising additional revenue for the Fund, said that the three methods outlined were not alternatives, but suggestions. Thus it was not proposed that the amount of the regular budget should be increased, merely that, where possible and advisable, transfers should be permitted within the existing budget. If surplus funds became available at any time, the Governing Bodies might wish to use them for additional programs. In any event, an immediate decision was not essential; the subject was for consideration, to obtain some pointers as an aid to future planning.

The Chairman asked the Rapporteur to prepare an appropriate draft resolution on the item.
Item 13: Amendments to the Staff Rules of the Pan American Sanitary Bureau

Mr. Moore (Acting Chief of Administration, PASB), presenting Document CE61/8, said that it dealt with three sub-items, which he would take up in sequence. The amendments to Staff Rules (sub-item A) were set forth in full in the document. All of the proposals were in accord with changes already introduced into the WHO Staff Rules. He then presented the following proposed resolution on the item:

*The Executive Committee,*

Having as members confirmed the proposed amendment to Staff Rule 230.4;
Having been informed that the Director of the Bureau put the new schedule of annual salaries into effect as of 1 January 1969;
Having considered the other amendments to the Staff Rules of the Pan American Sanitary Bureau contained in the Annex to Document CE61/8 submitted by the Director; and

Bearing in mind the provisions of Staff Rule 030,

Resolves:

1. To note the implementation, effective 1 January 1969, of the amendments to Staff Rules 230.4 and 235 of the Pan American Sanitary Bureau which are included in the Annex to Document CE61/8.
2. To approve the other amendments to the Staff Rules of the Pan American Sanitary Bureau, submitted by the Director in the Annex to Document CE61/8, to be effective 1 January 1969.

Decision: The proposed resolution was unanimously approved.

Mr. Moore (Acting Chief of Administration, PASB), referring to sub-item B, said that traditionally the salary of the Deputy Director had been related to that of a WHO Regional Director. The salary of the Assistant Director was traditionally set $1,000 lower. The proposed resolution on the item was as follows:

*The Executive Committee,*

Having considered that the salaries of the Deputy Director and Assistant Director warrant adjustment comparable to those approved for posts in grades P.1 through D.2; and

Bearing in mind Staff Regulation 3.1 and Staff Rule 230.3 of the Pan American Sanitary Bureau,

Resolves:

To approve the proposal of the Director fixing the salary of the Deputy Director at $22,723 per annum and that of the Assistant Director at $21,723 per annum, effective from 1 January 1969.

Decision: The proposed resolution was unanimously approved.

Mr. Moore (Acting Chief of Administration, PASB), referring to sub-item C, said that certain budgetary adjustments were necessary to meet the increased cost, approximately $300,000, of the new salary scales and amendments to Staff Rules. The Governments had, earlier in the year, approved a transfer from Part V of the Budget, intended for the Working Capital Fund, for that purpose. Members might wish to approve a resolution on the following lines:

*The Executive Committee,*

Having as members confirmed the proposed amendment to Staff Rule 230.4;
Considering that it is desirable to meet the increased costs arising from the Staff Rules changes included in Document CE61/8 from within the authorized budget level; and

Believing that utilization for this purpose of funds from Part V of the Budget intended for the Working Capital Fund would not endanger the financial position of the Organization,
Resolves:

To authorize the Director to transfer a maximum of $300,000 from Part V to other parts of the PAHO regular budget for 1969, as necessary, to meet the above-mentioned additional personnel costs.

Decision: The proposed resolution was unanimously approved.

Item 19: Use of the Resources of the World Food Program for Health Programs – Preliminary Report

The Chairman asked Dr. Coll to present the item.

Dr. Coll (Chief, Office of Special Programs Promotion, PASB) presented Document CE61/17 and said that its purpose was to show the possible source of assistance that might be obtained from the World Food Program, for the health sector, which deserved special consideration by health authorities, although it was not designed solely for the health sector. WHO and PAHO were seeking to cooperate with the World Food Program, where the health field was involved, and with Governments, with a view to ensuring that the fullest advantage was taken of the assistance it could provide. Although it was recognized that any final solution to the malnutrition problem was bound up with development as a whole, the Program was based on the primary assumption that assistance in the form of food could provide immediate aid in emergencies and contribute fundamentally to development programs, attempting to avoid possible inconveniences that the provision of food might create for certain countries.

He believed that aid in the form of food could contribute to the following objectives of the health sector: the diet and training in the principles of nutrition of the most vulnerable groups, including pregnant mothers and preschool children; improvement in the care and treatment of such diseases as tuberculosis and leprosy; the creation of new incentives for health personnel of, for example, malaria eradication programs, water supply activities in rural areas, and in community development programs. He recalled that the Program also provided aid to hospitals, and that the savings thus made could be used for other purposes as such funds should in any case be spent in the health field.

As a result of the association between food and health, agencies in the latter field might find themselves involved in development activities of a more general character, but in which their participation was essential, such as, school meal and land and rural settlement programs. The relationship between the two fields might also help to make it clear whether food should or should not form part of national health programs and might lead to the formulation of national policies and plans for food programs.

He noted that the difficulties to which the utilization of Program resources might give rise should be clearly envisaged and efforts made to resolve them satisfactorily. The fact that such aid might be prejudicial to national economies at an early stage of development and might lead, for instance, to a loss of markets should be considered. The problem of dividing up and distributing the food received also arose, particularly when the necessary resources and facilities were not available; other difficulties would be created by the local outlay required to implement the program and the lack of trained nutritionists. In conclusion, he drew the attention of the Committee to the various forms of assistance that might be provided by the Organization to Governments in connection with the Program, listed on pages 6 and 7 of the Annex to Document CE61/17.

Dr. Yglesias (Costa Rica) said he would like to know when the World Food Program had first been introduced and whether its under-utilization, as referred to on page 2 of the document under consideration, could be ascribed to Governments or to the Organization.

Dr. Coll (Chief, Office of Special Programs Promotion, PASB) replied that the Program had been initiated experimentally in 1962 and 1963, and had assumed a permanent form in 1965. The under-utilization mentioned in the document referred to the efforts made by the Organization to promote the Program. He explained that the term “promotion” was used in the sense of providing the information and technical support that would enable countries to take advantage of the Program.

The Chairman said that the subject was one which warranted considerable discussion. Unless there was a further question which needed an urgent answer he would propose taking the subject up again in the next session.

The session rose at 12:35 p.m.
TWELFTH PLENARY SESSION

Monday, 30 June 1969, at 2:45 p.m.

Chairman: Dr. Benjamin D. Blood (United States of America)

Item 6: Proposed Program and Budget Estimates of the Pan American Health Organization for 1970 (conclusion)

The Rapporteur read the draft resolution on the item, presented by the working party composed of the representatives of Brazil, Costa Rica, Trinidad and Tobago and the United States of America:

The Executive Committee,

Having studied in detail the provisional draft of the Proposed Program and Budget of the Pan American Health Organization for 1970 (Official Document 85) and the modifications thereto appearing in Document CE61/5 prepared by the Director;

Recalling that the XVIII Meeting of the Directing Council of the Pan American Health Organization in Resolution XI instructed the Committee to submit its recommendations thereon to the XIX Meeting of the Directing Council;

Considering that the programs in the aforementioned documents are soundly conceived and much-needed public health projects;

Recalling, nevertheless, the need for fiscal restraint and financial prudence at a time when the budgets of all international organizations are increasing, thus placing heavy monetary drains on the Member Governments, many of which also face internal budgetary problems and balance of payments difficulties;

Recognizing that the program and budget for the Pan American Health Organization for 1970 must be considered within the context of the requirements of all international organizations designed to improve the well-being of mankind;

Acknowledging that the Director, with his broad overview of the operations and particularly those of a multinational or regional nature, was in the best position to determine where program and budget modifications may be most judiciously made; and

Bearing in mind Article 14-C of the PAHO Constitution and Financial Regulations 3.5 and 3.6,

Resolves:

1. To commend for favorable consideration of the XIX Meeting of the Directing Council a proposed program and budget for the Pan American Health Organization for 1970 at a level of no more than $13,852,119, which represents an increase of 10 per cent over the level for 1969.

2. To suggest that the Director report to the XIX Meeting of the Directing Council where the program and budget should be modified to sustain a program and budget level of no more than $13,852,119 for 1970.

3. To recommend to the Director that in complying with paragraphs 1 and 2 he give particular attention to: (a) reducing the amount of the transfer to the Working Capital Fund from the proposed $330,000 to $150,000, or less; (b) absorbing fully the increased costs of the salary and educational allowance increases by program adjustments; (c) utilizing savings that accrue normally from lapses and delays in the initiation and implementation of projects and programs; and/or (d) postponing initiation of projects that he may judge of relatively lesser priority, giving particular attention to possible reduction to intercountry projects.
Dr. Martínez (Mexico) agreed in principle with the draft resolution which represented an intermediate solution. He stated, however, that the wording of the final part of the fifth preambular paragraph should be amended to read: "designed to help the Governments to raise the level of well-being of their people and of mankind," or some other similar variant wording should be adopted. He regarded the wording of operative paragraph 3 (b) as confused and proposed that it should be amended in order to make the meaning clear.

Dr. Mondet (Argentina) considered it was not clear from operative paragraph 3 (d) whether what was being recommended was a reduction of intercountry projects or their exclusion.

Dr. Martínez (Mexico) believed that two separate concepts, the postponement of projects, and a reduction in their numbers, had been treated as one in operative paragraph 3 (d). Moreover, it might be desirable to include the idea of giving particular attention to intercountry programs in subparagraph (b) of the same operative paragraph.

The Rapporteur proposed that subparagraph (d) should be limited to the postponement of projects of lesser priority and that a new subparagraph (e) should be added on the possible reduction of intercountry projects.

Dr. Bersh (Colombia) noted that the Rapporteur's proposal did not include the idea that the Director should judge whether or not to postpone the initiation of new projects.

Dr. Yglesias (Costa Rica) asked Dr. Belchior, as chairman of the working party, whether in drafting operative paragraph 3 (d) it had been their intention to regard the postponement of the initiation of projects and possible reductions in intercountry projects as a single concept or as two separate issues.

Dr. Belchior (Brazil) said that they had regarded the two ideas as being separate.

Dr. Avilés (Nicaragua) proposed that, as the amendments suggested were formal and not substantial, the draft resolution should be put to the vote.

Dr. Horwitz (Director, PASB), said he wished to make a few comments before the Committee voted on the draft resolution. He reminded the members that both the PAHO Constitution and the Financial Regulations made it clear that proposals from the Secretariat should be submitted to the Directing Council for its consideration, and pointed out that the budget to be presented to the Council after two years of careful consideration would show an increase of 13 per cent, notwithstanding the painstaking scrutiny to which it had been subject and the significant reductions that had been made. It would, he believed, be inconsistent to refer in the draft resolution to a "possible reduction" as that would invite questions as to why such a reduction had not been made previously in order to present the Council with a more effectively screened proposal. The reason for his comments was to enable members of the Committee to inform their Governments so that the representatives of the latter in the Directing Council could reach a final decision. It should be noted that in Official Document 85, the amount of the increase for 1970 was shown as 11.6 per cent. By decision of the Governments, taken at the United Nations, some 3 per cent was added to that increase for salaries of professional staff, and the increase that it had been intended to present to the Executive Committee had to be raised to 14.6 per cent. After prolonged discussion, it had been possible to reduce the total budget by US$200,000 and propose an increase of 13 per cent. The Governments of the Organization had proposed new projects totalling almost US$4,800,000 as shown in Annex IV of Official Document 85. In addition, the increase of 13 per cent included the US$200,000 taken over from the voluntary contribution of the Government of the United States of America to the malaria eradication program and he would have been pleased if the Executive Committee had included a recommendation not to reduce the funds for new programs by US$200,000. To sum up, while suggesting an increase of 13 per cent, the Bureau had eliminated US$3,000,000, and had only left 3.4 per cent for new projects. If the increase were to be reduced to 10 per cent there would be no funds left for new projects even though applications for new activities had been received in the course of the current meeting. The Bureau was fully aware of the financing problem being encountered by Governments and of the balance of payments difficulties they were experiencing, and it was for those reasons that it had made every effort to reduce to a minimum the increase in the PAHO program for 1970. The Bureau intended to defend its 13 per cent proposal but if the Executive Committee approved an increase of only 10 per cent, the Organization might well be obliged to substantially reduce the level of its activities in 1970, as compared with that of 1969.
Dr. Avilés (Nicaragua) understood the Director's wish to see an increase of 13 per cent or more approved, but felt that the position of the United States of America, in the sense that, in the event a 13 per cent increase were approved, the Government of that country would not be prepared to pay its quota, had swayed the balance in favor of the 10 per cent increase proposed in the draft resolution, more especially since the United States' quota represented 66 per cent of the total contributions. The Director’s reminder that the original document would be presented to the Directing Council, which would take the final decision, should be borne in mind when the vote was taken.

Dr. Belchior (Brazil) explained that in preparing the draft resolution the working party had taken into consideration all the factors mentioned by the Director and what had influenced them in deciding on the percentage increase proposed, even more than the decision of the United States of America to make its contribution contingent on a set level, had been the instructions received from the respective Governments. The working party was fully aware that the proposed budget and the Executive Committee’s recommendations would have to be put before the Directing Council.

Dr. Bersh (Colombia) fully supported the explanation of the Representative of Brazil that the decision had been taken on its own merits, and had not been influenced by the position of any particular member of the Committee.

Dr. Avilés (Nicaragua) said that his country was one of those that paid the minimum contribution, and that he had received no instructions from his Government with respect to its quota. Nevertheless, as the contribution of the United States of America represented 66 per cent, he believed that the position of that Government was an influential factor.

Dr. Mondet (Argentina) considered it very reasonable that the Director should seek to obtain the highest possible budget in order to meet the requirements of countries for, in the ultimate analysis, increases in the budget were the result of requests from Governments for new programs. With reference to the proposals for contributions from Governments, he suggested that, if the 10 per cent increase were approved, which he would support on express instructions from his Government to make the maximum reductions in the budgets of all agencies, the reduction in country programs should be in inverse proportion to their contributions, as a demonstration of Pan American solidarity. The Organization shared that view, as it was not a benevolent institution, but an agency designed to launch nations along the path to development.

Dr. Yglesias (Costa Rica) stated that he had not received instructions from his Government with respect to the percentages fixed, but he was convinced that the programs had been carefully examined and conceived, and that the budget increases were the result of the applications made by Governments. He noted that there appeared to be general agreement with respect to the need for austerity in face of growing inflation throughout the world, and believed that the resolution paid due regard to both principles in recommending a 10 per cent increase, and giving the Director carte blanche to make such adjustments as he considered possible.

Dr. Gehrig (United States of America) said he wished to reiterate that by originally seeking a 9.25 per cent increase in the budget, his Government was in fact authorizing an increase larger than it had planned for in any other major international organization. The United States of America was pleased to have the opportunity to be part of the working party and, as a result, was prepared to support an authorized budgetary increase of 10 per cent.

The Chairman suggested that the proposed resolution be approved subject to the necessary editorial changes.

It was so agreed.

Decision: The proposed resolution with the suggested editorial changes was unanimously approved.

Item 17: Report on Buildings and Installations (continuation)

The Rapporteur read the following draft resolution on the purchase of property by the Pan American Health Organization:
The Executive Committee,

Seeing that there is a possibility of purchasing land and a building near the present Headquarters Building;

Considering that the purchase of this building does not involve budgetary expenditures or call for financial authorization; and

Considering that with this purchase it would be possible to satisfy future space needs that will be duly considered and approved by the Governing Bodies of the Organization,

Resolves:

To authorize the Director to purchase the property on the terms proposed.

Dr. Horwitz (Director, PASB) considered that the draft resolution should refer to the document that served as a basis for the discussion in order to make it clear what property was under consideration.

Dr. Bersh (Colombia) thought that, since it was indicated in the second preambular paragraph of the proposed resolution, that the purchase did not call for financial authorization, it would be preferable for the operative part to read “to support the action of the Director in seeking to purchase” or some such phrase, rather than “to authorize the Director...”.

Dr. Mondet (Argentina) considered that it should be made clear that what was being purchased was a building and not “land and a building,” an expression that might suggest that it was intended to demolish the building. It should also be made clear that the land in question would provide space essential for the Organization’s future needs.

Dr. Martínez (Mexico) said it would be desirable if the resolution were to set forth the financial procedures to be followed in purchasing the building.

The Chairman designated Dr. Bersh (Colombia) and Dr. Mondet (Argentina) to work with the Rapporteur in redrafting the resolution to include all the points made in the course of the discussion.

Item 10: Objectives, Functions, and Financing of the Institute of Nutrition of Central America and Panama (continuation)

The Rapporteur read the following draft resolution on the item, presented by the Representative of Costa Rica:

The Executive Committee,

Recognizing that nutrition is a first priority in national health services in the Hemisphere;

Considering that there is a gradual increase in the demand for improved health, in particular for specialized nutrition and consultation services as well as for applied research in this field; and

Considering that over the years the Institute of Nutrition of Central America and Panama (INCAP) has gained excellent experience in providing needed nutrition services both in Central America and in the rest of the Hemisphere,

Resolves:

1. To recommend to the Directing Council that it instruct the Director to provide INCAP with assistance in reorganizing its structure and in reorientating its present programs in order to meet the needs of the Hemisphere for highly specialized nutrition services, as indicated in the document which the Committee examined on this item (Document CE61/12), and subsequently to make a report to the Directing Council.

2. To recommend to the Directing Council that it instruct the Director to establish criteria for regional programs, taking into account the views expressed, in particular concerning the planning and administration of the program.

3. To recommend to the Directing Council that it approve, for the purpose of implementing the proposals in the preceding paragraphs, an increase in the contribution to
INCAP of US$270,000 over a period of three years and that it authorize the Director to make it necessary, an advance from the Working Capital Fund of the Pan American Health Organization of not more than US$200,000 so that the research activities of INCAP are not jeopardized or, if that cannot be done, that it authorize the Director to reduce those activities to a level compatible with the resources pledged.

Dr. Martínez (Mexico) said he wished to draw the attention of the members of the Committee to Document CE61/12 relating to INCAP. In paragraph 1 of the operative part of the resolution, on page 3 of that document, the Director of PASB was requested to study the ways in which INCAP could expand its collaboration with all the countries of the Hemisphere, reference being made to a “firmer financial basis” than the Institute at present possessed. He therefore believed that the text of the resolution under consideration should be amended since it made a similar recommendation in its operative paragraph 1. In his view, the fullest possible cooperation between PASB and the Institute and the consequent expansion of its programs on a Continental scale, would be highly desirable, but should be effected by means of a contract between the two institutions. The Technical Committee that formulated the vocational, scientific, educational, and consultant policies of the Organization should include a representative of each of the Institutes of Nutrition of the Hemisphere, so as to be fully informed of their activities, prevent duplication of effort and overlapping expenditures, and achieve effective coordination.

Dr. Gehrig (United States of America) recalled that the working document on the item stemmed from the suggestion of the United States of America that there might be other alternative ways of financing INCAP. He did not wish to go into the financial aspect too deeply but he did wish to draw attention to paragraph 3 of the operative part of the proposed resolution which provided for an increase in the contribution to INCAP of $270,000 over a period of three years. The annual cumulative increase over the three-year period would, if he were not mistaken, be more than that; it would be approximately $540,000. He would therefore like to submit the following draft resolution which incorporated some of the aspects of the resolution before the Committee.

The Executive Committee,

Recognizing that nutrition has a high priority in national health services in the Hemisphere;

Considering that there is a gradual increase in the demand for improved health, in particular for specialized nutrition and consultation services as well as for applied research in this field;

Considering that over the years the Institute of Nutrition of Central America and Panama (INCAP) has gained excellent experience in providing needed nutrition services both in Central America and in the rest of the Hemisphere; and

Acknowledging that the needs of INCAP must be considered within the over-all nutrition program of the Americas and the total resources available to support that program,

Resolves:

1. To recommend to the Directing Council that it instruct the Director to provide INCAP with assistance in reorganizing its structure and in reorientating its present programs in order to better meet the needs of present INCAP members and other countries interested in its services.

2. To recommend that Member States of PAHO give favorable consideration to becoming members of INCAP, and to request the Director to communicate with each PAHO Member State inviting it to membership in INCAP.

3. To recommend that the Director continue to seek funds for INCAP from its traditional sources, including the grant currently budgeted from 1970 from the PAHO regular budget.

4. To recommend that the INCAP program and budget be adjusted to coincide with estimated resources.

The Chairman said the discussion of the item would be taken up later when the members had had an opportunity to study the draft resolution.
Item 16: PAHO Award for Administration (conclusion)

The Rapporteur read the following draft resolution on the item:

The Executive Committee,

Recognizing with appreciation the desire expressed by Dr. Stuart Portner, former Chief of Administration of the Pan American Sanitary Bureau, that the honoraria for his services as a member of the Committee of Experts for the Study of Administrative and Financial Procedures of the Pan American Union be used to promote better administrative management in the field of health; and

Bearing in mind the importance of encouraging a high standard of competence in the administration of health services,

Resolves:

1. To express its thanks to Dr. Stuart Portner for this contribution to the improvement of administrative management in health services.

2. To establish as from 1969 an annual award in the amount of $400 to be known as the "PAHO Award for Administration."

3. To authorize the Director to appoint a committee of not less than three and not more than five members to establish the conditions of the award and to select the recipient(s) each year; and to determine the qualifications and terms of office of the committee members.

4. To request the Director to make an annual report to the Executive Committee on the award(s) made.

Dr. Henry (Trinidad and Tobago) pointed out that the Representative of Nicaragua had suggested earlier that the name of the award be changed to the "Portner Award for Administration."

Dr. Avilés (Nicaragua) explained that he had previously withdrawn his suggestion.

Decision: The draft resolution was unanimously approved.

The session was suspended at 4:05 p.m. and resumed at 4:30 p.m.

Item 19: Use of the Resources of the World Food Program for Health Programs—Preliminary Report (conclusion)

Dr. Yglesias (Costa Rica) said that he understood that several programs undertaken in various countries in connection with the World Food Program had failed and asked Dr. Coll whether he had any information on them, with a view to avoiding such failures in the future.

Dr. Martínez (Mexico) said that he would like to know whether WHO had laid down any policy on the World Food Program applying to programs designed to resolve health problems.

Dr. Coll (Chief, Office of Special Programs Promotion, PASB) said he did not believe that it was correct to speak of a breakdown of programs, as it was merely a case of difficulties and factors that had to be taken into consideration in the light of the wide experience accumulated by the Organization. Such factors did not, however, stand in the way of starting up and conducting such programs. In reply to the second question, he pointed out that all the technical principles established by the Organization took into account the relationship with the World Food Program. The Organization's body of experience was such that it could naturally permit itself a certain degree of flexibility in the light of the particular circumstances.

Dr. Martínez (Mexico) repeated his question, applying it more particularly to problems arising in connection with the distribution of food surpluses. Such a policy, he said, could have unfavorable consequences, both psychological and economic, for the receiving countries, and he suggested that if no clearly defined policy existed, it would be desirable to formulate one so as to establish clearly the relationship between food supply, economic development and health.
Dr. Coll (Chief, Office of Special Programs Promotion, PASB) replied that the Organization already had a well-defined policy with respect to food. Moreover, the World Food Program was of very recent origin, its formal approval dating back to only 1965 and the problems with which the Representative of Mexico was concerned, and which were also a matter of concern for those responsible for the Program, were being handled by liaison at Headquarters level between Geneva and Rome. As programs were developed, a body of knowledge was being built up, which related not so much to food policy, but to the fundamental nature of the relationship between the participating agencies and their programs.

Dr. Horwitz (Director, PASB) declared that, in view of the importance currently attached to food as a factor in well-being, the Organization had decided to transform that part of its program into a regular activity. For that reason, Dr. Héctor Coll had been appointed Chief of a new unit, to be given the name of Special Programs Promotion, which would maintain contact with ministries of health and other agencies in the countries in order to provide technical advisory services for those who requested them and to assist in a better distribution of food both at international and national levels.

Dr. Mondet (Argentina) added that it was not so much a question of subsidizing specific national requirements for food, but of introducing procedures to encourage all countries to understand, modify, and transform their food habits. At the same time, it was necessary to avoid a situation in which such a transformation would result in the adoption of false patterns, which, in the ultimate analysis, would only benefit the country furnishing the aid and not the country that needed it. To deal adequately with such complex problems, it was most important to train personnel in the various countries in a wide range of disciplines.

The Chairman drew the attention of the Committee to Rule 15 of the Rules of Procedure which provided that although resolutions would normally be distributed in writing for consideration in the following session an exception could be made by the Chairman after consulting the Committee. He indicated that, since the meeting was drawing to a close, it would be advisable to consider resolutions as soon as they were submitted.

The Rapporteur read out the following draft resolution on the item:

_The Executive Committee,_

Having considered the preliminary report on “Use of the Resources of the World Food Program (WFP) for Health Programs”; and

Bearing in mind that although the contribution of that Program to the health sector is already of great importance, it can be considerably increased,

_Resolves:_

1. To recommend to the XIX Meeting of the Directing Council that it take note of the preliminary report of the Director of the Bureau on the use of the resources of the World Food Program for health programs.

2. To propose to the Directing Council that it recommend to the Director that he continue to promote the use of the World Food Program along the lines set forth in the working document and that he report the results obtained in due course.

Dr. Martínez (Mexico) requested that, in operative paragraph 2 of the draft resolution, after the words “working document and that,” the following should be inserted, “taking into account the views expressed by members of the Committee.”

Dr. Bersh (Colombia) requested that, should the amendment proposed by the Representative of Mexico be approved, it should be made clear that the views in question were those of some members of the Committee, and not of the Committee as a whole.

The Chairman suggested that the point could be taken care of by wording such as “the views expressed by members of the Committee during the discussion of the item.”

_Decision:_ The draft resolution as amended was unanimously approved.
Item 9: Within-Country Fellowships (conclusion)

The Rapporteur read the following draft resolution on the item:

The Executive Committee,

Considering that the PAHO fellowship program has been and still is of great importance for the programs of the Organization;

Bearing in mind that the award of a fellowship for training in the country of the person to whom it is awarded is, under special well-defined conditions, an advantage to him, in that he will receive training in an environment more similar to that in which he will practice;

Mindful that the award of within-country fellowships is a means of making better use of the personnel-training resources in the countries themselves; and

Seeing that the criteria for the award of within-country fellowships set forth in Document CE61/2 are adequate,

Resolves:

1. To aprove the criteria for the award of within-country fellowships set forth in Document CE61/2.

2. To request the Director to forward the above-mentioned criteria to the Governments of PAHO, together with the current PAHO/WHO fellowship regulations, and to ask them for comments for inclusion in the decision of this Executive Committee that will be submitted to the XIX Meeting of the Directing Council.

Decision: The proposed resolution was unanimously approved.

Item 12: Special Fund for Health Promotion (conclusion)

The Rapporteur read the following draft resolution on the item:

The Executive Committee,

Having studied the information in Document CE61/15 on the Special Fund for Health Promotion; and

Recognizing the desirability of augmenting the size and scope of the Fund, with the objective of further strengthening the health programs of the Americas,

Resolves:

1. To commend the Director for the care and efficiency with which he has managed the Fund.

2. To recommend to the XIX Meeting of the Directing Council that it give consideration to the expansion and augmentation of the Fund along the following lines:
   a. Expansion of the program of the Fund beyond its present fields, to cover any other authorized health activities of the Organization.
   b. Augmentation of the resources of the Fund in the following ways:
      (1) By increasing the amount of regular budget contribution to the Special Fund for Health Promotion (Part IV) in years when the budgetary situation will permit.
      (2) By transferring to the Special Fund for Health Promotion, with the approval of the Directing Council, any surplus which may occur and which is not required to maintain the Working Capital Fund at an adequate level.
      (3) By requesting the Director to seek extrabudgetary sources of funds including voluntary contributions from public and private agencies.

Dr. Gehrig (United States of America) said he would like to reserve the right of his country to speak more fully with reference to that resolution but at that juncture he wished to ask whether the suggestion made on page 4 of Document CE61/15 (paragraph 2B) to the effect that the transfer to the Special Fund for Health
Promotion, with the approval of the Directing Council, of any surplus that might arise was not in contradiction with the mandatory provision of Financial Regulation 103.4 that “any surplus of funds arising from an excess of income over obligations shall be transferred to the Working Capital Fund.”

Mr. Moore (Acting Chief of Administration, PASB) said that the Financial Regulation to which reference had been made was the normal method of dealing with surpluses but that the Directing Council was entitled to decide to make another disposition of the funds available.

Dr. Gehrig (United States of America) stated that his Government could not support the proposed resolution for the reasons he had already given. It also had considerable doubt about the wisdom of making the Special Fund for Health Promotion a general fund to support all program activities of PAHO; there appeared to be considerable advantage in limiting the use of the Fund to certain specified fields. It was the view of his Government that the Director should continue to seek extra-budgetary sources, including voluntary contributions from public and private agencies.

The Chairman put the draft resolution to the vote.

*Decision:* The draft resolution was adopted by eight votes in favor and one against.

**Item 10: Objectives, Functions, and Financing of the Institute of Nutrition of Central America and Panama (conclusion)**

The Chairman stated that there were two amendments to the proposed resolution on the item submitted by the Representative of Mexico and by the Representative of the United States of America.

After a brief discussion on the order in which the amendment should be taken, in which the Chairman, Dr. Martínez (Mexico), Dr. Avilés (Nicaragua), Dr. Yglesias (Costa Rica), and Dr. Horwitz (Director, PASB) took part, the Chairman decided that the Committee would first examine the amendment proposed by the Representative of the United States of America.

Dr. Yglesias (Costa Rica) stated that the amendment in question would completely change the character of the draft resolution submitted by him. In the original draft, importance was attached to the participation in INCAP of all the countries of the Hemisphere, and the request was made for an increase in the subsidy to come out of the regular budget, to both of which the draft amendment was opposed.

Dr. Martínez (Mexico) understood that the draft amendment would enable INCAP to receive assistance in two forms: collective aid from the Organization based on an annual grant, and assistance from those countries that became members of the Institute.

Dr. Yglesias (Costa Rica) considered it essential that the draft amendment should provide for voluntary participation on the part of the Governments and a veto of the additional budget required, and he requested the Representative of the United States of America to make it clear whether that was in effect his position.

Dr. Gehrig (United States of America) said that the suggestion of his Government had been correctly interpreted. It provided for two types of funding: one, that forthcoming from other Members of PAHO that might wish to become members of INCAP; and the other, continuing support from voluntary organizations, all of that in addition to the funds for which provision was already made in the PAHO budget. In other words he was suggesting a system similar to that applied by WHO to the International Institute for Research on Cancer.

Dr. Henry (Trinidad and Tobago) said that it would be somewhat difficult for the countries that supported the Caribbean Food and Nutrition Institute to give favorable consideration to becoming members of INCAP.

Dr. Belchior (Brazil) found it difficult to reconcile his admiration for the splendid work in the nutrition field that had been done by the Institute with the budgetary difficulties of which they were all aware. He believed that the amendment under consideration would suitably resolve INCAP’s problems by encouraging countries to participate voluntarily in its activities, principles that had been applied in the case of the International Institute for Research on Cancer established by WHO at its Eighteenth Assembly. For those reasons he would support the proposed amendment.
Dr. Horwitz (Director, PASB) observed that the proposed amendment left very little of the original text. INCAP was currently passing through a period of serious financial instability principally due to the drastic reduction in grants from various institutions, mainly in the United States of America. That had been the reason that had prompted the Bureau to make the study it had presented to the meeting. According to that study, a minimum of US$1,300,000 was necessary if the Institute was to continue its present work, keep together the teams of experts that were essential, and make use of such appropriations as might be made available to it. It could not depend on voluntary contributions for financing of that order; the case of the Cancer Institute referred to by the Representative of Brazil was different as the initial contribution to it was only within reach of countries that were technologically well-advanced. An unfavorable decision by the Executive Committee might even lead to the closing of INCAP, which had already had to abolish more than 90 of the some 200 posts that it had originally had. The procedure proposed in the draft resolution presented by the Representative of Costa Rica would ensure the future of the Institution, while the system of voluntary contributions would leave it very much in doubt.

Dr. Martínez (Mexico) considered that, since the proposed amendment provided for two sources of financing, PASB and those States that became members of INCAP, the problem boiled down to the sum of US$90,000 to which the Director had referred. In every other way, he regarded the attitude of the Representative of the United States of America as praiseworthy.

Dr. Horwitz (Director, PASB) observed that the figure included in the regular budget for 1970 was $464,496. An increase of 13 per cent had been considered, but as the Committee had recommended that that increase should be reduced to 10 per cent, the resulting figure would be below the US$90,000 that the Bureau regarded as an indispensable minimum.

Dr. Bersh (Colombia) stated that although he did not wish to impair INCAP in any way, in view of the vital importance of the nutrition problem to the countries of the Hemisphere, it was also necessary for the Committee to follow the recommendation of the Directing Council to limit the increase in the budget.

Dr. Martínez (Mexico) suggested that it might be a good idea if the Representatives of the United States of America and Costa Rica were to meet and consider whether they could prepare a text that reconciled their points of view.

Dr. Belchior (Brazil) asked who was responsible for collecting the subscriptions of member countries of INCAP and whether any firm commitment to pay such subscriptions existed.

Dr. Horwitz (Director, PASB) explained that the subscriptions, when they had been received, were administered by the Bureau in the same way as all other funds. In 1965, the subscriptions for each country had been US$25,000 and the countries themselves had agreed to raise that to US$62,424 for 1966. In the current year, there had been difficulties over the collection of the subscriptions which had previously been paid up almost 100 per cent and in addition, the level of subsidies had also been reduced.

Dr. Mondet (Argentina) said that his country wished to transfer to INCAP the funds provided for malaria eradication, and for the tuberculosis campaign, which amounted to US$25,532 and $5,400 respectively in the 1970 budget.

Dr. Gehrig (United States of America) said that he merely wished to point out, with reference to the Director’s comments concerning the recommendation that the proposed increase in the budget be a matter of 10 per cent as opposed to 13 per cent, that there had been no suggestion that the reduction which had been left to the discretion of the Director should be across the board. The Committee had suggested that the Director have full latitude in deciding where to make the appropriate adjustments.

The Chairman said that a suggestion had been made that a working party consisting of the Representative of the United States of America and the Representative of Costa Rica be set up in an attempt to draw up an agreed version. He would like to have the sense of the Committee on that suggestion.

Dr. Aviél (Nicaragua) remarked that in his view the only difference between the draft resolution and the United States amendment was in operative paragraph 3, so that both texts were, in effect, in substantial agreement.
Dr. Yglesias (Costa Rica) did not share the view of the Representative of Nicaragua.

Dr. Gehrig (United States of America) said there was no one with whom he would prefer working than Dr. Yglesias but it had to be admitted that the purposes of the two resolutions were fundamentally different and were not to be solved by a compromise. The problem was one which the Committee had to face.

Dr. Cortés (Costa Rica) said that INCAP had been established as a result of a remarkable effort on the part of the Central American countries to make a contribution to the solution of a serious problem common to all of them, and it would be most regrettable to permit the investment made by the Bureau and the countries themselves to go to waste.

Dr. Mondet (Argentina) again pointed out that his Government took the view that it was essential that INCAP should continue to operate, although he stressed the need to forgo programs that carried a much lower priority than INCAP, and proposed that countries examine their budgets to see whether other transfers, similar to that made by Argentina, would not be possible.

Dr. Martínez (Mexico) praised the generosity of the Representative of Argentina, but pointed out that some problems were not only of importance to individual countries but also of continental significance. He suggested that the Director should invite Governments to make suggestions that would enable him to propose reductions in the budget. The scope of the draft resolutions under consideration should be limited to the administration and structure of INCAP, and the question of the amount of a budgetary increase left aside to be looked at from the larger standpoint by the Director in the same way as all other budgetary questions.

The Chairman asked whether the proposal of the Representative of Mexico was intended to be an amendment to the amendment under consideration.

Dr. Martínez (Mexico) explained that his amendment would involve the insertion of a period after the word "sources" and the addition of a separate paragraph reading: "To approve the grant currently budgeted from 1970 from the PAHO regular budget."

Dr. Gehrig (United States of America) said he would have no objection to the proposed amendment, except that it left untouched the inclusion of the increase in the regular budget as indicated in the resolution of the Representative of Costa Rica and with that his Government could not concur.

Dr. Yglesias (Costa Rica) said that he considered it essential to increase the grant by US$90,000 per year, and that he would regard as unacceptable any resolution that did not include at least some procedure for effecting it.

Dr. Bersh (Colombia) requested the Director to confirm whether at a previous meeting he had stated that, with a 10 per cent increase in the budget, it would scarcely be possible to meet commitments previously entered into, and quite impossible to add to any program.

Dr. Horwitz (Director, PASB) stated that, in effect, if the Directing Council approved an increase of 10 per cent, it would be necessary to eliminate all new programs and review some old ones. Again, if the Executive Committee should decide that the increase of $90,000 for INCAP would have to be found within that 10 per cent increase, it would then be necessary to cut a number of current programs. Such a course was inadvisable, since, as had been pointed out by the Representative of Mexico, at any given stage, there might be problems that particular countries found more urgent than that of malnutrition.

Dr. Bersh (Colombia) expressed the view that, in the present case, the Committee could not, on the one hand, decide against the increase in the budget, and on the other, in favor of a budgetary increase for INCAP. He therefore suggested that it might be possible to consider the amendment proposed by the United States of America up to paragraph 2 and refer the question to the Directing Council, with a specific request that it consider first, the proposed increase in INCAP's budget, afterwards giving consideration to the over-all budget of the Organization.

Dr. Mondet (Argentina) asked whether the US$90,000 requested were needed to further INCAP's development or merely to meet its current operating costs.
Dr. Béhar (Director, INCAP) said in reply that the Institute was faced with a deficit, which could be met in one of two ways: either its activities would have to be cut down and its services to member countries and to the rest of the Hemisphere reduced to a much more limited scale, or it must formally assume responsibilities on a continental scale. Its estimated requirements were based on the second of those two assumptions, but did not provide for an increase, either in terms of new posts or new programs, but merely for the maintenance of the Institute in its existing form and a reorganization that would enable it to serve the entire Hemisphere. On the other hand, if the United States amendment were approved, it was likely that the wealthier countries would show little interest in becoming members of an institution concerned with nutrition problems, whereas the poorer countries, who most needed such services, were precisely those that were able to contribute the least.

Dr. Gehrig (United States of America) said he would like to comment further. The point made in sub-paragraph 2 was that, when other Member Countries of PAHO became members of INCAP, they would assume the same financial responsibilities as the Central American countries. He could say that his Government would look with interest on the opportunity to becoming a member of INCAP but he could not make any commitment at that point since such membership would require legislation. Secondly, sub-paragraph 3 indicated that significant support was forthcoming from the PAHO regular budget and it was not suggested that support should be discontinued. Finally, the crux of the matter was that it was essential to adjust programs to resources, although of course it was to be hoped that increased resources would be forthcoming in the ways he had suggested.

Dr. Martínez (Mexico) suggested that an addition might be made to the text proposed by the United States of America indicating that the Director should give high priority to INCAP's budgetary needs.

Dr. Gehrig (United States of America) said his understanding of the suggestion was that the Director should give high priority to INCAP in his consideration of budgetary adjustments. He believed that such a recommendation would in fact tie the Director's hand since in the resolution on the budget the necessary reductions had been left to the discretion of the Director.

The Chairman submitted the draft amendment to the vote.

Decision: The United States of America amendment to the draft resolution submitted by the Representative of Costa Rica was passed by vote of 5 in favor, 2 against and 2 abstentions.

The Rapporteur read the following amendment proposed by the Representative of Mexico:

1. To recommend to the Director that he establish an INCAP Technical Committee composed of the directors of the Nutrition Institutions in the Hemisphere.
2. To recommend to the Director that PAHO assistance to INCAP be provided under an agreement the terms of which will be reported to the 64th Meeting of the Committee.

Dr. Béhar (Director, INCAP) considered that since the amendment proposed by the United States of America had been approved, the first paragraph of the amendment of the Representative of Mexico was no longer necessary. The second paragraph would also be inapplicable as the Organization would have to sign separate agreements with those countries that voluntarily chose to be members.

Dr. Martínez (Mexico) pointed out that the Organization contributed more than $400,000 per annum to the operation of INCAP, and that those funds should be used in the best possible way, taking advantage of the advice and program expertise of all the Nutrition Institutes of the Hemisphere. So far as the agreements were concerned, he believed that if they were separately made, PASB's support of INCAP's needs could be assured.

Dr. Yglesias (Costa Rica) agreed with the Director of INCAP and observed that the Executive Committee had formally decided that the scope of the Institute should be Central American rather than continental.

Dr. Bersh (Colombia) did not agree with the establishment of a Technical Committee proposed by the Representative of Mexico although in certain aspects it might be advisable; those aspects, however, could not outweigh the reasons for his not supporting the idea.
Dr. Martínez (Mexico) said that he would withdraw his proposal only if it was not intended to continue to invest funds in such activities.

Dr. Horwitz (Director, PASB) pointed out that, since its inception, INCAP had had an Advisory Technical Committee composed of five very high level scientists who had, on some occasions, been directors of Institutes of Nutrition and, on others, held no directing or administrative posts. He believed that the proposal of the Representative of Mexico would create practical difficulties, as the new group would consist of some 20 members and be composed of specialists with very different backgrounds.

Dr. Martínez (Mexico) explained that the crux of his proposal was that INCAP’s Technical Committee should be composed of elected representatives of the Institute.

The Chairman then put the amendment proposed by the Representative of Mexico to the vote.

Decision: The proposed amendment was rejected by 6 votes against, 1 in favor, and 2 abstentions.

Item 17: Report on Buildings and Installations (conclusion)

The Rapporteur read the following draft resolution which included the amendments suggested during the discussion:

*The Executive Committee,*

Seeing that there is a possibility of purchasing a property near the present Headquarters Building (Document CE61/13, Addendum I);

Considering the financial advantages and the timing of this purchase, which does not involve budgetary expenditure or call for financial authorization; and

Bearing in mind that with that building it would be possible to satisfy future needs for space, the use of which will have to be duly considered and approved by the Governing Bodies of the Organization,

*Resolves:*

To express its agreement with the purchase of the property on the terms proposed (Document CE61/13, Addendum I).

*Decision:* The draft resolution was approved.

62nd Meeting of the Executive Committee of the Pan American Health Organization

The Rapporteur read the following draft resolution concerning the item:

*The Executive Committee,*

Considering that prior to the Meeting of the Directing Council it will be necessary for the Executive Committee to review the Proposed Program and Budget of the World Health Organization for the Region of the Americas for 1971, and the Provisional Draft of the Proposed Program and Budget for the Pan American Health Organization for 1971,

*Resolves:*

To authorize the Director of the Bureau to convene a meeting of the Executive Committee to be held on Friday 26 and Saturday 27 September 1969, immediately prior to the XIX Meeting of the Directing Council.

*Decision:* The proposed resolution was unanimously approved.

*The session rose at 7:15 p.m.*
CLOSING SESSION

Tuesday, 1 July 1969, at 4:25 p.m.

Chairman: Dr. Orontes Avilés (Nicaragua)

Statement by Mr. Humberto Olivero, Observer, Inter-American Development Bank

Mr. Olivero (Observer, IDB) extended cordial greetings to the members of the Executive Committee and the Director and staff of the Pan American Sanitary Bureau in behalf of the Inter-American Development Bank and its President, Mr. Felipe Herrera, and expressed his appreciation for the invitation to attend the meeting as an observer. The Bank’s association and joint action with PAHO in health programs for the Americas—particularly those relating to environmental sanitation, water supply and sewerage, to which the countries had devoted the equivalent of $900 million in an eight-year period with the help of more than $400 million in loans, and which had yielded benefits to some 50 million persons—was a source of deep satisfaction. As a result of those programs, the part of the population having access to water supply service had increased from 40 per cent of the total in 1960 to 50 per cent in 1968, in spite of the fact that the Region’s population had grown by approximately 50 million during the period.

If the progress achieved was to be maintained and surpassed in the face of a 3 per cent rate of population growth for the Region, it would be necessary to increase the investment in basic water supply and sewage disposal facilities, as pointed out in resolutions adopted by PAHO and WHO and in policy decisions of the Agency for International Development in 1969. The recommendations during the year to the effect that the problem be attacked on a comprehensive basis, one taking into account its technical, financial, and administrative aspects, continued to have validity.

Mr. Olivero again thanked the Committee for its invitation to participate in the meeting and said he had always considered it a privilege to work with the Governing Bodies of the Organization.

Presentation and Signature of the Final Report

The Rapporteur presented the Final Report (Document CE61/33) which included the 26 resolutions adopted by the Executive Committee.

The Chairman of the 61st Meeting of the Executive Committee, Dr. Orontes Avilés, and the Director of the Pan American Sanitary Bureau, Dr. Abraham Horwitz, then signed the Final Report.

Closure of the Meeting

The Chairman delivered an eloquent speech in which he thanked the observers from international organizations, the Director of the Pan American Sanitary Bureau and the entire Secretariat for their cooperation throughout the meeting and said that the work accomplished would undoubtedly favor the health of all the inhabitants of the Hemisphere, the most prized possession that the Governments were called upon to preserve and improve.

The Chairman then declared the 61st Meeting of the Executive Committee closed.

The session rose at 4:55 p.m.
60th MEETING OF THE EXECUTIVE COMMITTEE
PREMIS MINUTES AND FINAL REPORT
Dr. Horwitz (Director, PASB) suggested that, in accordance with the provisions of Rule 11 of the Rules of Procedure of the Executive Committee, one of the representatives should be appointed to preside the Meeting temporarily since the Chairman and Vice-Chairman were absent.

Dr. Aguilar Peralta (Costa Rica) proposed that Dr. Pedro Daniel Martínez, Representative of Mexico, be appointed.

*Decision:* Dr. Pedro Daniel Martínez, Representative of Mexico, was unanimously elected to preside temporarily over the Meeting, pursuant to Rule 11 of the Rules of Procedure of the Executive Committee.

Item 1: Opening of the Meeting

The Provisional Chairman opened the Meeting and welcomed the members of the Committee and other participants.

Item 2: Election of Chairman and Vice-Chairman

The Provisional Chairman announced that the Committee would proceed to elect the Chairman and the Vice-Chairman.

Dr. Aguilar Peralta (Costa Rica) nominated the Representative of Nicaragua, Dr. Orontes Avilés, as Chairman.

Dr. Belchior (Brazil), Dr. Blood (United States of America), Dr. Mondet (Argentina), Dr. Bersh (Colombia), and Dr. Henry (Trinidad and Tobago) supported the proposal of the Representative of Costa Rica.

*Decision:* Dr. Orontes Avilés, Representative of Nicaragua, was unanimously elected Chairman of the Executive Committee.

*Dr. Avilés (Nicaragua) took the chair.*

The Chairman expressed his appreciation of the distinction conferred upon him and asked all present to assist him in the task entrusted to him, which he would endeavor to discharge to the best of his ability in the service of the health of the peoples of the Americas.

He announced that the Committee would proceed to elect the Vice-Chairman.

Dr. Martínez (Mexico) proposed Dr. Benjamin D. Blood, Representative of the United States of America, for the post of Vice-Chairman.

Dr. Aguilar Peralta (Costa Rica), Dr. Henry (Trinidad and Tobago), Dr. Mondet (Argentina), Dr. Bersh (Colombia), Dr. Belchior (Brazil) supported the proposal of the Representative of Mexico.

*Decision:* Dr. Benjamin D. Blood, Representative of the United States of America, was unanimously elected Vice-Chairman of the Executive Committee.
Dr. Blood (United States of America) thanked the members for having elected him Vice-Chairman of the Committee.

Item 3: Adoption of the Agenda

The Chairman invited the Executive Committee to consider the provisional agenda.

Decision: The agenda for the meeting was unanimously approved.

Item 4: Amendments to the Rules of Procedure of the Executive Committee of the Pan American Health Organization

Dr. Arreaza Guzmán (Assistant Director, PASB) read Document CE60/2 and its Annex, in which, taking into account Resolution II of the XVIII Meeting of the Directing Council, it was proposed to amend three of the Rules of Procedure of the Executive Committee in order to take account of the increase in the number of Member Governments on the Committee to nine. Under Rule 2 the number of representatives required to constitute a quorum was to be increased from 5 to 6; Rule 20 was to provide that a proposal which had been adopted or rejected could be reconsidered only if so decided by an affirmative vote of at least 5 (not 4) representatives; and Rule 36 would require an affirmative vote by at least 5 of the 9 representatives (the rules now in force spoke of 4 and 7 respectively) for the Rules to be modified or amended.

Dr. Mondet (Argentina), supported by Dr. Bersh (Colombia), proposed that the new text of Rules 2, 20, and 36 of the Rules of Procedure be approved.

Decision: The amendments to the Rules of Procedure of the Executive Committee were unanimously approved.

Item 5: Study of the Resolutions of the XVIII Meeting of the Directing Council of Interest to the Executive Committee

Dr. Horwitz (Director, PASB) listed the resolutions of the XVIII Meeting of the Directing Council, of interest to the Executive Committee:

By Resolution II, Article 15-A of the Constitution of the Pan American Health Organization was amended so as to increase to nine the membership of the Executive Committee.

In Resolution V the Annual Report of the Chairman of the Executive Committee was approved and the members of the Committee were commended for the work accomplished.

In Resolution XI, the Executive Committee was invited to submit recommendations to the XIX Meeting of the Directing Council on the PAHO program and budget estimates for 1970.

In Resolution XV it was requested that the Director consider the Rules of Procedure of the Governing Bodies, taking into account the size of the membership of the Organization and that he present the appropriate recommendations to the 61st Meeting of the Executive Committee.

By Resolution XIX the 61st Meeting of the Executive Committee was entrusted with the task of studying the preliminary findings on long-term planning and evaluation of programs.

In Resolution XXIII the Executive Committee was invited to analyze the study on the ways in which INCAP could expand its direct responsibilities in collaboration with the countries.

In Resolution XXV the 61st Meeting of the Executive Committee was invited to review the study on the advisability of granting internal fellowships for the better utilization of the personnel training resources available in the countries.

In Resolution XXVI the PAHO/WHO Governing Bodies were invited to consider conclusions relating to the recommendations formulated by the Special Meeting of Ministers of Health of the Americas.

The Chairman declared open the discussion on the item and, in answer to a request for clarification from the Representative of Costa Rica, said that the Committee was free to delete from or add to the list of resolutions.
Dr. Blood (United States of America) was of the opinion that all the items were important and that if additional items were to be added to the agenda those would be communicated to the Director. The only action to be taken, then, was merely to take note of the matter.

Dr. Horwitz (Director, PASB) said he would prepare the relevant documentation sufficiently in advance, in accordance with the provisions of sub-paragraphs (d) and (e) of Rule 3 of the Rules of Procedure of the Executive Committee.

**Decision:** The proposal submitted by the Representative of the United States of America was unanimously approved.

**Item 6: Date of the 61st Meeting of the Executive Committee**

The Chairman reminded the Executive Committee that, in order to fix the date of its next meeting, it must take account not only of the fact that the Twenty-Second World Health Assembly was to start on 8 July in 1969 in Boston, but also of the fact that the budget and other documents that had to be considered under the agenda would not be ready until the middle of June of the coming year.

Dr. Aguilar Peralta (Costa Rica) proposed that the Executive Committee meet one week before the World Health Assembly.

Dr. Mondet (Argentina) supported the proposal of the Representative of Costa Rica in view of the travel time it would involve.

Dr. Horwitz (Director, PASB) observed that in that case the Meeting could be held from Monday, 30 June to Sunday, 6 July 1969.

There ensued an exchange of views between Dr. Blood (United States of America) and Dr. Horwitz (Director, PASB) on the possibility of working on days traditionally regarded as holidays.

Dr. Bersh (Colombia) suggested that the Meeting begin a few days beforehand in order to give more time for considering in detail the items proposed.

In answer to a question from Dr. Aguilar Peralta, Dr. Horwitz (Director, PASB) said that each Committee had a different way of working and that, it was not possible to predict how long the next meeting would last.

Dr. Blood (United States of America) felt that it was difficult for the Committee to settle the matter and proposed that, taking into account the suggestion that the Committee meet before the Assembly and the number of items to be included to the agenda, the Director be the one to fix exact date for the Meeting of the Committee.

Dr. Mondet (Argentina) supported the proposal of the Representative of the United States of America, on the understanding that when the date of the meeting was fixed it would be borne in mind that in principle the Committee should be convened one week before the World Health Assembly.

The Chairman, Dr. Bersh (Colombia), and Dr. Aguilar Peralta (Costa Rica), also took part in the discussion, and agreed that it was the Director of the Organization himself who should finally decide the exact date on which the Committee's Meeting should begin.

Dr. Martínez (Mexico) formally proposed that it should be the Director who fixed the date of the Meeting, in accordance with the proposal of the Representative of the United States of America and the proviso put forward by the Representative of Argentina.

Dr. Horwitz (Director, PASB) suggested that, as on previous occasions, the Chairman of the Executive Committee should also be consulted when the date of the meeting of that Governing Body was fixed.

*It was so agreed.*
Item 7: Other Matters

Dr. Horwitz (Director, PASB) suggested an addition to the agenda of the item selected for the Technical Discussions to be held during the XIX Meeting of the Directing Council: “Financing of the Health Sector”, and said that by July 1969 the Committee would be able to provide definite guidance on the subject, taking into account the different opinions expressed during the relevant discussions.

Dr. Mondet (Argentina) stressed the importance of the subject and said that there were two fundamental problems which revolved around it: one concerned Government activities and the share of their budgets devoted to health care; the other concerned the effort made by peoples, individually or collectively, to restore health or obtain medical care. In non-socialist countries the Government could take care with its budget of everything traditionally covered by the term “public health,” while a health insurance system could deal with the prevention or cure of disease, on a profit or non-profit basis.

In conclusion he observed that the very serious problem of financing of health care affected all countries, whatever their level of development, and that he was sure each one would provide its own solution.

Dr. Martínez (Mexico) requested that consideration also be given to the problems entailed by financing programs in separate stages, together with other aspects relating to the infinite variety of solutions that could be found for the problem mentioned by the Representative of Argentina.

Dr. Aguilar Peralta (Costa Rica) pointed out the desirability of establishing contact with the technicians who planned the budgets of the individual countries, and suggested it might be possible to include them henceforth in the discussions on health matters.

Dr. Neghme (Observer, Pan American Federation of Associations of Medical Schools) said that account should be taken of the fact that many universities which had university hospitals were contributing to the development of health activities.

Dr. Bersh (Colombia) referred to the special methodology required for the Technical Discussions and suggested that, before the relevant guide was drawn up, comments be invited from the various countries and taken into account.

Dr. Blood (United States of America) stressed the importance of having budget or finance experts present, either as members of delegation or as consultants to the Organization.

The Chairman put forward various procedural considerations with regard to the matters already dealt with and the other members of the Executive Committee concurred with his views.

The session rose at 11:55 a.m.
The 60th Meeting of the Executive Committee of the Pan American Health Organization was held in the Edificio de Congresos, Teatro San Martín, Buenos Aires, Argentina, on 25 October 1968, as convoked by the Director of the Pan American Sanitary Bureau.

The following Members of the Committee and Observers attended the single plenary session:

**Members:**

- Dr. Alberto F. Mondet (Argentina)
- Dr. Victorio Vicente Olguín (Brazil)
- Dr. Murillo Bastos Belchior (Brazil)
- Dr. David Bersh Escobar (Colombia)
- Dr. Guillermo L. Restrepo Isaza (Colombia)
- Dr. Bernardo Moreno Mejía (Costa Rica)
- Dr. Alvaro Aguilar Peralta (Costa Rica)
- Dr. Pedro Daniel Martínez (Mexico)
- Dr. Orontes Avilés (Nicaragua)
- Dr. Mervyn U. Henry (Trinidad and Tobago)
- Dr. Benjamin D. Blood (United States of America)

- Dr. Leo J. Gehrig (Nicaragua)
- Mr. Otis E. Mulliken (Uruguay)
- Dr. Carlos M. Imaz (Uruguay)

**Secretary ex officio:**

- Dr. Abraham Horwitz, Director (Pan American Sanitary Bureau)

**Observer:**

- Dr. Luis Gallardo Alarcón (Bolivia)

**Nongovernmental Organizations**

*Pan American Federation of Associations of Medical Schools:*

- Dr. Amador Neghme R.

**OPENING OF THE MEETING**

In the absence of the Chairman and Vice-Chairman of the Executive Committee, Dr. Pedro Daniel Martínez (Mexico), was elected Acting Chairman.

**OFFICERS**

On the proposal of the Representative of Costa Rica, seconded by the Representatives of Argentina, Brazil, Colombia, Trinidad and Tobago, and the United States of America, Dr. Orontes Avilés (Nicaragua) was unanimously elected Chairman of the Committee.

On the proposal of the Representative of Mexico, seconded by the Representatives of Argentina, Brazil, Colombia, Costa Rica, and Trinidad and Tobago, Dr. Benjamin D. Blood (United States of America) was unanimously elected Vice-Chairman of the Committee.
AGENDA

The provisional agenda contained in Document CE60/1 was approved.

RESOLUTION APPROVED

In the course of the Meeting, the Committee approved the following resolution on agenda Item 4, Amendments to the Rules of Procedure of the Executive Committee of the Pan American Health Organization:

THE EXECUTIVE COMMITTEE,

Taking into consideration Resolution II of the XVIII Meeting of the Directing Council, by which the membership of the Executive Committee is increased to nine Member Governments; and

Considering the provisions of Rule 36 of the Rules of Procedure of the Executive Committee,

RESOLVES:

To adopt the proposed amendments to the Rules of Procedure of the Executive Committee of the Pan American Health Organization included in Document CE60/2.

DECISIONS TAKEN

As a result of its deliberations, the Executive Committee took the following decisions:
1. To take note of the resolutions of the XVIII Meeting of the Directing Council of interest to it.
2. To hold the 61st Meeting at a date to be fixed by the Director in agreement with the Chairman.
3. To include in the agenda of the 61st Meeting an item dealing with the topic of the Technical Discussions (Financing of the Health Sector) to be held at the XIX Meeting of the Directing Council.

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

DONE in Buenos Aires, Argentina, this twenty-fifth day of October, nineteen hundred and sixty-eight. The Secretary shall deposit the original texts in the archives of the Pan American Sanitary Bureau and shall send copies thereof to the Governments of the Organization.

Orontes Avilés
Chairman of the Executive Committee
Representative of Nicaragua

Abraham Horwitz
Director of the
Pan American Sanitary Bureau,
Secretary ex officio of the
Executive Committee