



**Executive Board**  
**10<sup>th</sup> Session**  
**12 – 13 May 2009**  
**WHO Geneva, Switzerland**

**Resolution n°1**

**Financial Commitments**

The Executive Board notes that in accordance with the Hosting Agreement between UNITAID and the World Health Organization (WHO), UNITAID must adhere to the Financial Rules and Regulations of the WHO.

The executive Board further notes that:

- Rule no 106.4 of the Revised Financial Rules of the World Health Organisation states that, **“Proposals for expenditure, including procurement of goods and services, shall be rejected if they do not comply with the Financial Regulations, the present Rules, and the following conditions: (a) funds are available...”**
- **“Proposal for expenditure”** means that the UNITAID Secretariat wishes to enter into a legally binding financial commitment with a third party (for example, an MoU with a Partner organisation)
- **“funds are available”** means that UNITAID has a total fund balance (cash plus confirmed contributions) in excess of existing financial commitments plus the total value of the **proposal for expenditure**.
- The UNITAID Secretariat must **reject** the signing of a **proposal for expenditure** (or legally binding financial commitment) until **funds are available**.

The application of this Rule does not preclude the UNITAID Executive Board from approving project proposals, provided that it is clear the Secretariat cannot implement the project proposals until **“funds are available”**.

The Executive Board requests the Finance and Administration Committee to prepare guide lines for financial commitments, taking into account the implications on the UNITAID Strategy and priorities.

The Executive Board requests that the Finance and Administration Committee develop policies on multi-year commitments from donors to be presented to the Board in November 2009.

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