



AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022



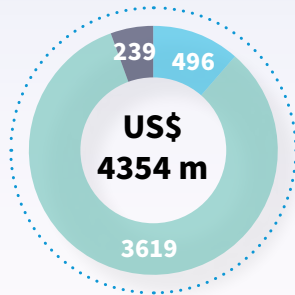
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Financial Statements 2022 at a Glance

REVENUE

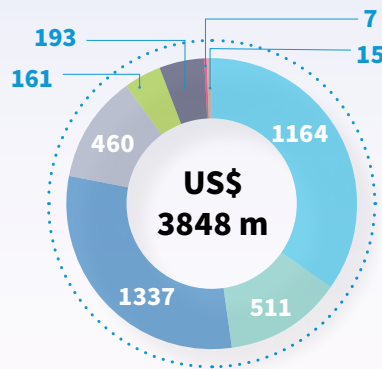
2022: US\$ 4354 m
2021: US\$ 4066 m



- Assessed contributions (PB)
- Voluntary contributions (PB)
- Non-Programme budget (PB)/other revenue

EXPENSES

2022: US\$ 3848 m
2021: US\$ 3718 m

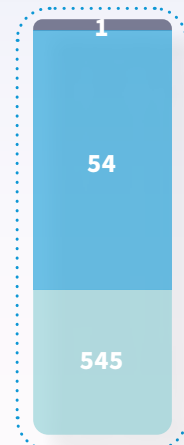


- Staff costs
- Medical supplies and materials
- Contractual services
- Transfers and grants
- Travel
- General operating expenses
- Equipment, vehicles and furniture
- Depreciation and amortization
- Fiduciary Fund

SURPLUS/(DEFICIT)¹

2022: US\$ 600 m
2021: US\$ 351 m

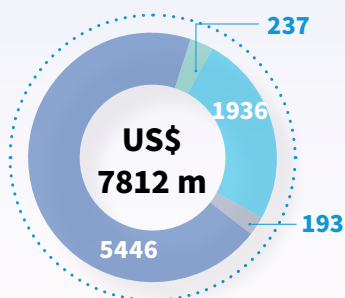
¹ Includes Finance Revenue (2022: US\$ 94m, 2021: US\$ 3m)



- Fiduciary Fund
- Member States - other
- General Fund

ASSETS

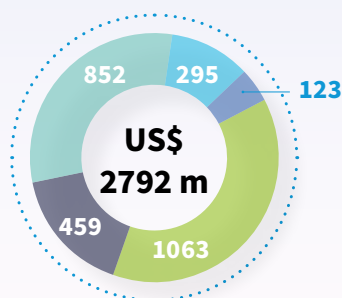
2022: US\$ 7812 m
2021: US\$ 7214



- Financial Assets
- Fixed assets
- Receivables
- Other

LIABILITIES

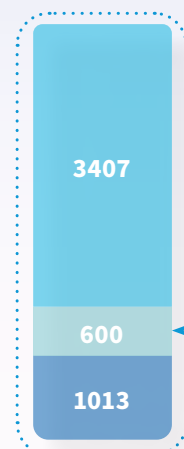
2022: US\$ 2792 m
2021: US\$ 3807 m



- Staff related
- Inter-entity
- Other
- Borrowing
- Deferred and advance contributions

NET ASSETS/EQUITY

2022: US\$ 5020 m
2021: US\$ 3407 m

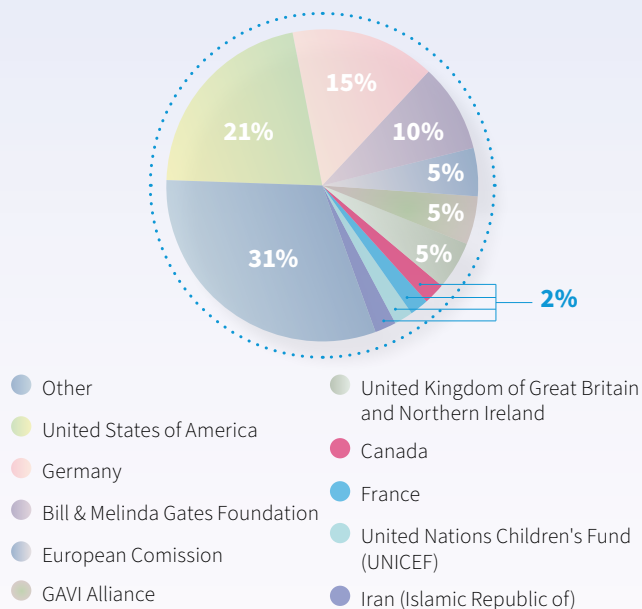


- Opening Net Assets
- Surplus/(deficit)
- Other adjustments

TOP 10 CONTRIBUTORS OF PROGRAMME BUDGET REVENUE

2022: 69%

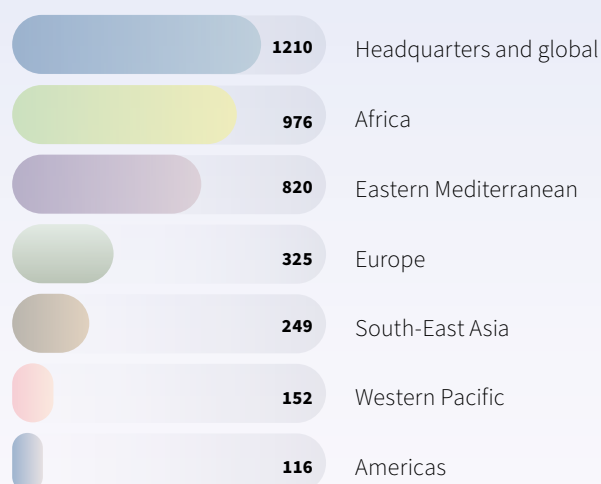
2021: 67%



TOTAL EXPENSES BY MAJOR OFFICE

2022: US\$ 3848 m

2021: US\$ 3718 m



ASHI FUNDING STATUS

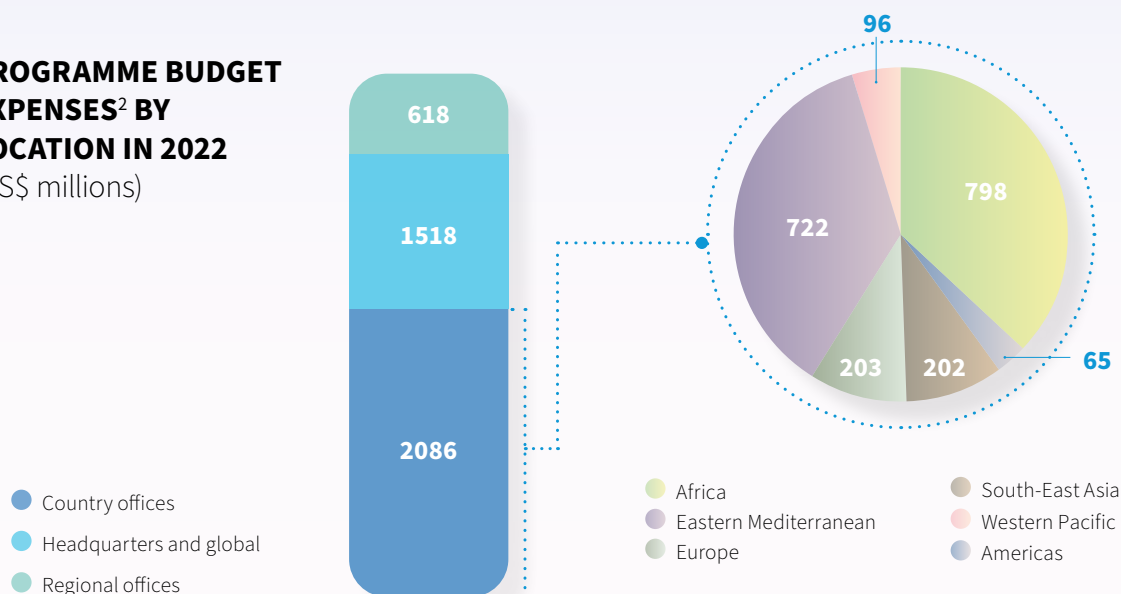
2022: 81%

2021: 51%



PROGRAMME BUDGET EXPENSES² BY LOCATION IN 2022

(US\$ millions)



² Total programme budget expenses excluding accounting adjustments and year-end accounting elimination.

WHO @ 7 + 5 = Health For All

Director-General's summary



Three years ago, I declared a public health emergency of international concern over the global spread of coronavirus disease (COVID-19) – the highest level of alarm under the International Health Regulations (2005), and for the moment, the only level of alarm. As we enter the fourth year of the pandemic, COVID-19 remains a global health emergency, but there is no doubt that we are in a far better situation now than we were a year ago, when the Omicron wave was at its peak.

We remain hopeful that in the coming year, the world will transition to a new phase in which we reduce hospitalizations and deaths to the lowest possible level, and health systems are able to manage COVID-19 in an integrated and sustainable way.

Vaccination remains an essential part of our strategic approach. Through our partnership in the Access to COVID-19 Tools (ACT) Accelerator and COVAX, the vaccines pillar of the ACT Accelerator, we supported the provision of more than one billion vaccines and procured 320 000 courses of antiviral medicine. The decreasing impact of the COVID 19 pandemic saw the reopening of our operational environments globally, bringing with it the challenge of getting back to the “new normal”.

Other infectious diseases persist. On polio eradication, after an all-time low of just five wild poliovirus cases in 2021, we saw an increase last year, with 20 cases in Pakistan, two in Afghanistan and eight in Mozambique. In October 2022, donors pledged US\$ 2.6 billion to support the work of WHO and our partners to consign polio to history.

***Vaccination remains
an essential part
of our strategic
approach.***

In 2022, WHO responded to 72 graded emergencies, across all regions, including three public health emergencies of international concern, outbreaks of Ebola virus disease and cholera, conflicts in Ethiopia, the Syrian Arab Republic, Ukraine and Yemen, and humanitarian crises in the greater Horn of Africa, the Sahel and much more.

In order to deliver our work, I am pleased to inform you that, since it was established 75 years ago, WHO recorded its highest ever levels of revenue and programme delivery. This performance exceeds the high points reached in recent years and demonstrates the Secretariat's ability to work together with Member States and partners to meet the increasing challenges facing health.

In thanking Member States, partners and society for their confidence and trust in WHO, I confirm that transparency remains a key focus area for the Organization. As an illustrative example of that focus, the content of this report and accompanying financial statements have been streamlined and useful information previously not disclosed has been provided to enhance transparency.

Below you will find an outline of the major financial highlights. Further details of the achievements in terms of results are set out in the WHO Results Report (document A76/16) which is data driven, results-oriented and country-focused, and firmly grounded in the Sustainable Development Goals.

Total expenses by strategic priority in 2022 are summarized in Fig. 1 below.



This report includes additional **useful information** to **enhance transparency**.

Fig. 1. Total expenses by strategic priority.



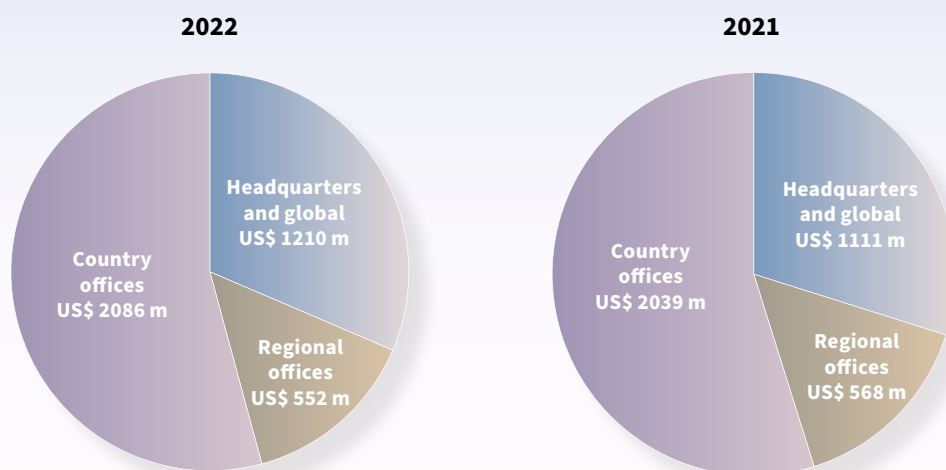
As a consequence of the disruption caused by the COVID-19 pandemic, Member States extended the Thirteenth General Programme of Work, (2019–2023) to 2025, continuing the country focus and working more closely with Member States.

In mid-2017, WHO embarked on what has become the most ambitious and far-reaching transformation of the Organization since it was established over 70 years ago. This transformation process continues, with the WHO Hub for Pandemic and Epidemic Intelligence now fully operational. In 2022, the Hub engaged with almost 250 institutions around the world to foster collaborative surveillance and intelligence.

Country focus and presence

In line with the theme of the Thirteenth General Programme of Work, 2019–2025, WHO has maintained its focus on strengthening country operations. In 2022, US\$ 2086 million (55%) of total expenses were incurred in country operations (Fig. 2), an increase of US\$ 47 million over 2021, mainly in delivering the base segment of the Programme budget. Continuing in this direction, the Proposed programme budget 2024–2025 is the first to allocate half of the base budget to country offices.

Fig. 2. Country focus and presence.



Financial performance in 2022

In 2022, total revenue rose to US\$ 4354 million, and expenses grew to US\$ 3848 million, an increase of US\$ 288 million and US\$ 130 million, respectively, compared with 2021. This resulted in a net surplus of US\$ 600 million, which was US\$ 249 million higher than in 2021 (Fig. 3). Both the revenue and expenses were the highest in the Organization's history. The main driver of the surplus was the high volume of voluntary contributions signed during the later part of 2022.

Fig. 3. Summarized financial performance for 2018–2022 (US\$ millions).



Revenue

At a time when many Member States face severe financial challenges, including those accentuated by the COVID-19 pandemic, Member States and donors continued to provide generous financial support.

Of the total revenue of US\$ 4354 million, the highest ever level, US\$ 3656 million (84%) came from voluntary contributions, US\$ 496 million (11%) from assessed contributions, US\$ 146 million from in-kind revenue and US\$ 56 million from other sources.

Highest revenue and expenses in WHO's history.



Total revenue in 2022

US\$ 4354 m

Increase of US\$ 288 million as compared to 2021

Although the overall level of revenue reached a record high in 2022, the value of flexible financing fell significantly from US\$ 1013 million (25% of total revenue) in 2021 to US\$ 820 million (19% of total revenue) in 2022. A higher proportion of flexible financing is required for the efficient delivery of programmatic activities across the Organization. This is a setback towards achieving the aim of Member States for the base segment of the programme budget to be more flexibly funded, and accentuates the need for the increase in assessed contributions to contribute to the financial sustainability of WHO.

Assessed contributions

Assessed contributions are the most flexible form of funding, and accounted for US\$ 496 million of total revenue in 2022, down from US\$ 549 million in 2021 due to exchange rate fluctuations and an increase in the allowance for doubtful accounts receivable. In relative terms, assessed contributions represented 11% of total revenue in 2022, a decrease from 14% in 2021 and 17% in 2018 (Fig. 4).



Flexible funding decreased
by 18% to
US\$ 820 million.

Fig. 4. Voluntary and assessed contributions 2018 to 2022 (US\$ millions).

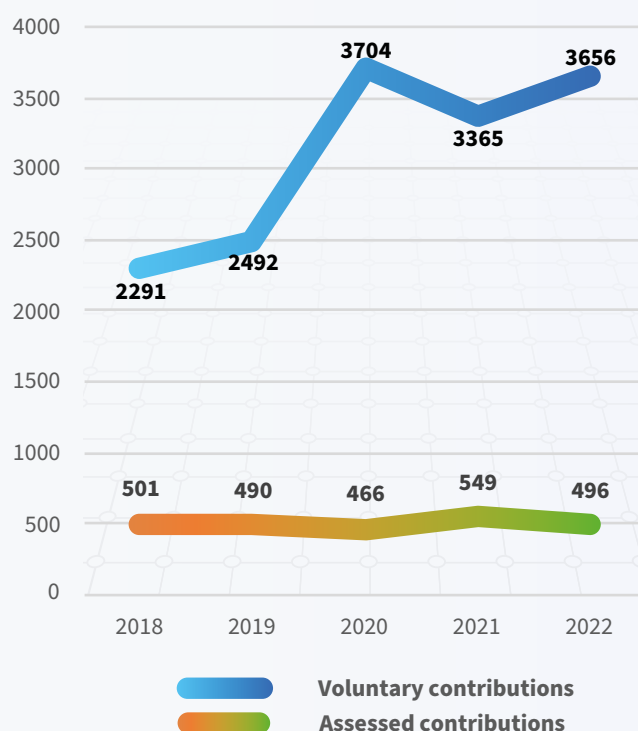
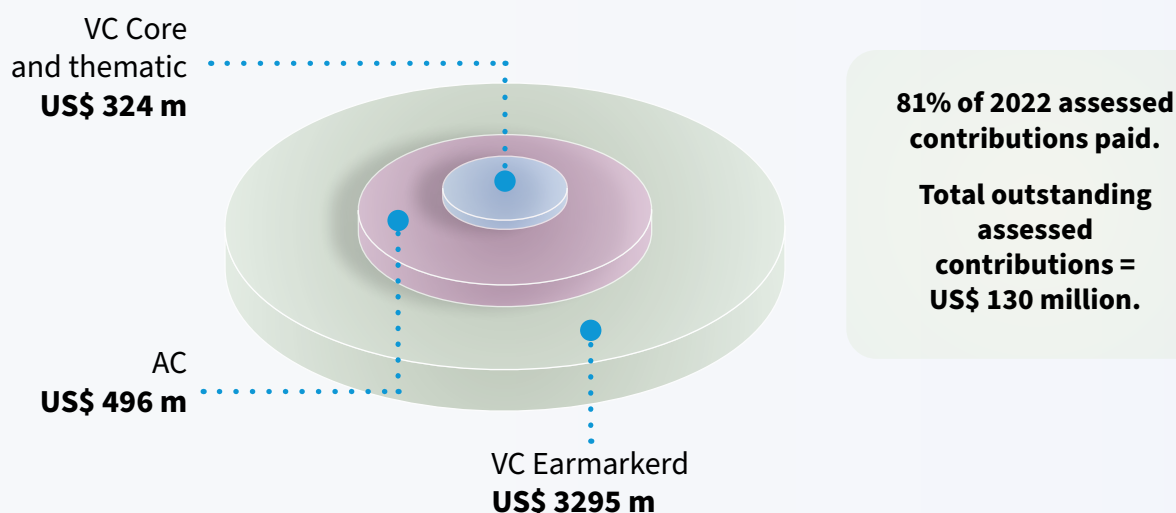


Fig. 5. Voluntary and assessed contributions to the Programme budget in 2022 (US\$ millions).



Assessed contributions provide predictable flexible financing, enabling resources to be aligned with Member States' priorities established in the programme budget. They are essential to enable WHO to carry out its normative role, to provide seed financing which attracts voluntary contributions for WHO programme priorities, and to provide essential services to countries and communities. Fig. 5 shows the relative values of assessed and voluntary contributions to the programme budget, and the rate of collection of assessed contributions.

Assessed contributions are payable by all Member States annually and are due at the start of each year. The amount paid by each Member State is set according to the WHO scale of assessments. In 2022, the annual collection rate of assessed contributions rose to 81% (2021: 69%) due to an increase in timely payments of assessments denominated in Swiss francs. The total volume of outstanding assessed contributions was US\$ 130 million as at 31 December 2022, a decrease of US\$ 71 million over 2021. Member States are encouraged to improve the timeliness of their payment of assessed contributions and amounts outstanding, in order to meet their commitments and contribute to improving the sustainable financing of WHO.

Voluntary contributions

Of the total revenue of US\$ 4354 million in 2022, US\$ 3656 million (84%) came from voluntary contributions (2021: US\$ 3365 million), of which US\$ 3619 million was used to fund the Programme budget and the remainder to fund other activities.

Total revenue from Programme budget voluntary contributions increased by 58% between 2018 and 2022, which has helped to finance WHO's growing programme of work. Of the voluntary contributions of US\$ 3619 million in 2022, US\$ 324 million (9%) was fully flexible or thematic (designated to support high-level outcomes), while US\$ 3295 million (91%) was earmarked for specified programmes (Fig. 6).

**Of total revenue
US\$ 3656 million
(84%) came
from voluntary
contributions.**



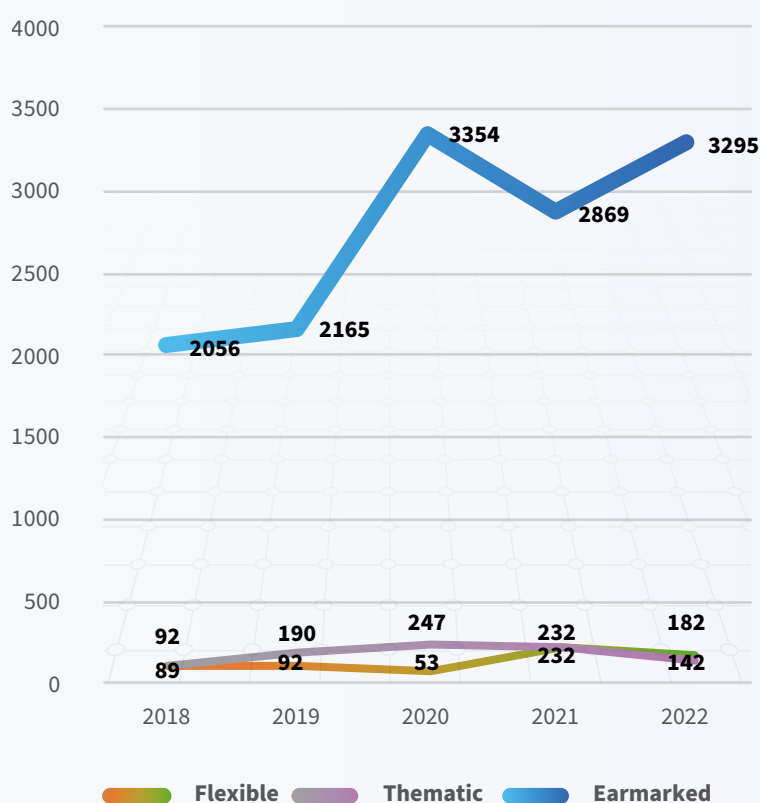
Within the total earmarked funding of US\$ 3295 million, 55% was for the emergencies programmes, 19% for polio and 26% for other segments of the Programme budget. This high concentration of funding for a few activities creates challenges for WHO, confirming the ongoing need to improve the alignment of contributions with the approved programmatic priorities to facilitate the efficient planning and delivery of the Organization's goals set by the Health Assembly.

The proportion of flexible and thematic funding decreased by US\$ 140 million from US\$ 464 million in 2021 to US\$ 324 million in 2022, which represents just 9% of total voluntary contributions. The higher level of fully flexible and thematic funds received in 2021 was due to one-off contributions.

55% of earmarked funding was for emergencies, 19% for polio and 26% for other segments of the programme budget.



Fig. 6. Voluntary contribution revenue (Programme budget) for 2018–2022 (US\$ millions).

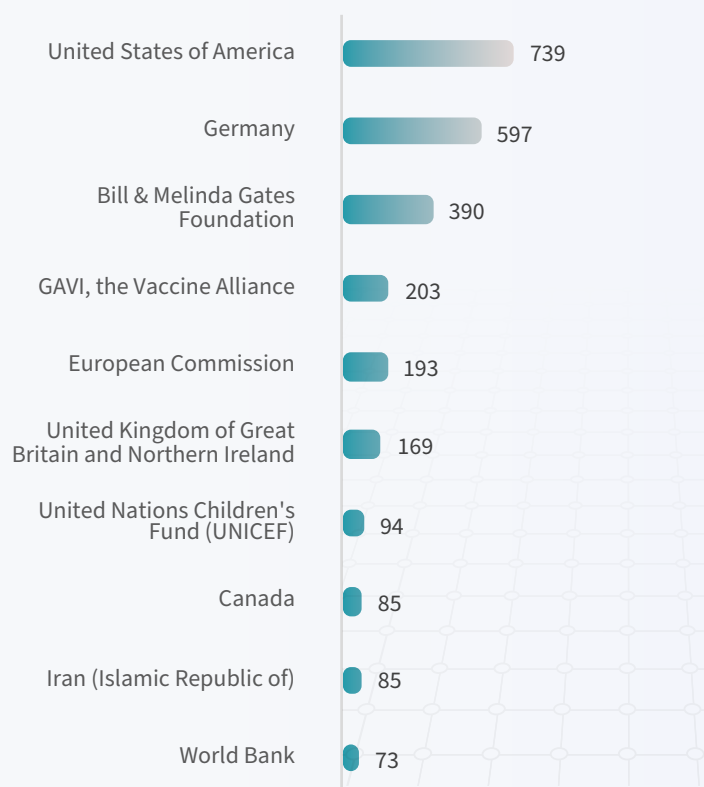


Financing provided through multi-year agreements facilitates longer-term planning. From the total Programme budget voluntary contribution revenue of US\$ 3619 million in 2022, US\$ 818 million (22%) came from multi-year agreements (US\$ 872 million in 2021). Multi-year agreements committed for future years (2023 and beyond) grew to US\$ 964 million (2021: US\$ 859 million), of which 16% is fully flexible or thematic funding (2021: 11%). The revenue for these will be recognized in the respective future years.

A broad donor base is key to sustainable financing. In 2022, the top 10 donors (Fig. 7) contributed US\$ 2628 million (72%) of voluntary contributions, a proportion unchanged from 2021. Of this total, US\$ 230 million (9%) was flexible or thematic funding, 53% was for the emergencies programmes and the remaining 38% was earmarked for projects and partnerships.

While the proportion of the contributions from the top 10 donors remains unchanged from 2021, the composition of the contributions has changed (see Fig.7 below). The largest donors focus their contributions on certain areas of the programme budget, providing 90% of the total funding for the WHO Contingency Fund for Emergencies, 81% for polio, 76% for outbreak and crisis response, and 75% for core voluntary contributions account.

Fig. 7. Top 10 voluntary contributors to Programme budget in 2022 (US\$ millions).



**Top 10 donors
contributed 72%
of Voluntary
Contributions.**



In 2022, 62% of voluntary contributions came from Member States, 15% from United Nations entities and other international organizations, 12% from philanthropic foundations, 7% from partnerships and the other 4% from various categories of non-State actors.

A large volume of contributions came from donors in countries where WHO programmes were being implemented. US\$ 146.7 million was received directly from 23 programme countries (2021: 19 countries), and a further US\$ 158.4 million came from 29 programme countries (2021: 29 countries) funded through development bank loans and other financing partners.

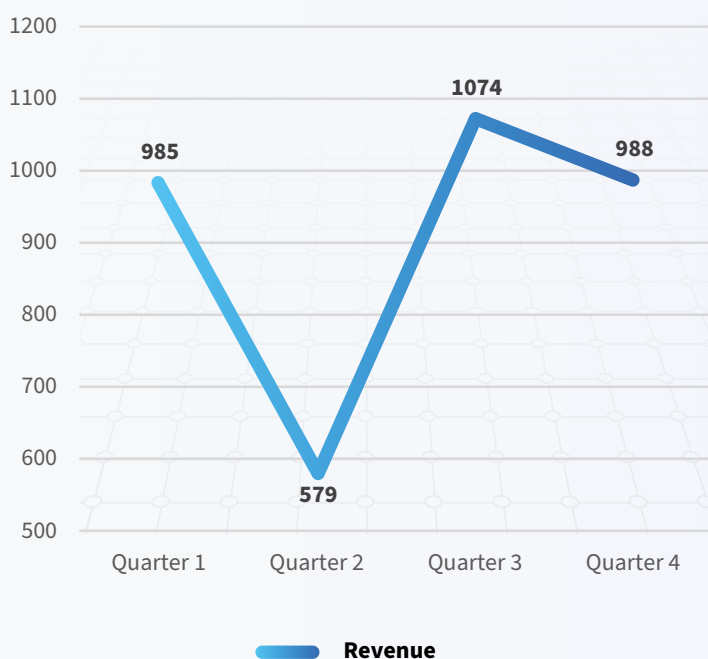
Timing of voluntary contribution revenue

Contributions need to be received promptly to enable effective programme implementation. In 2022, 63% of agreements for voluntary contributions were recorded during the second half of the year, which constrained programme planning and implementation and led to higher balances of unspent contributions at the end of the year (Fig. 8).

**US\$ 146.7 million
of contributions
were received
from programme
countries.**



Fig. 8. Voluntary contribution revenue³ (Programme budget) in 2022 (US\$ millions).



³ Excluding allowance for doubtful accounts receivable adjustment (US\$ 7 million).

WHO received income through 1165 agreements for Programme budget voluntary contributions during 2022. Of these, 68 were for US\$ 10 million or more, amounting to a total of US\$ 2373 million. The remaining voluntary contribution income of US\$ 1246 million was contributed through approximately 1100 agreements. While welcoming every contribution of funding which reflects the generosity of our funding partners, the large number of smaller agreements generates a significant administrative burden for the Organization, especially in cases where the contributions are more strictly earmarked.

Cost recovery

WHO made every effort to recover the programme support costs of servicing activities through a charge on voluntary contributions expenses.

In 2022, WHO recovered programme support costs income of US\$ 252.3 million on project expenses, resulting in an average programme support costs rate of 8.5% (2021: US\$ 245.2 million, or 8%). This 2.9% increase reflects higher volumes of project expenses and a change in the mix of resources.

While infrequent, programme support costs waivers continue to be requested by funding partners, and the Secretariat seeks the support of Member States and donors in reducing the number of waivers requested. During 2022, 13 waivers were granted for new projects, the financial impact of which, in terms of lost programme support cost income, will be US\$ 4.9 million over the lifetime of these awards.

Expenses

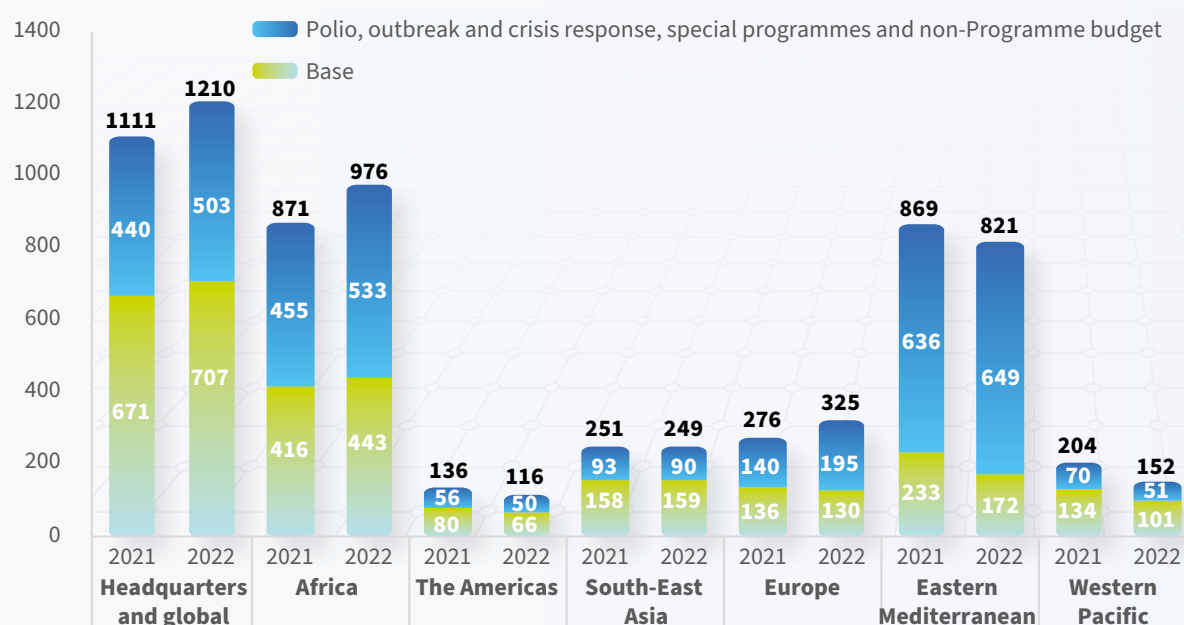
Despite the ongoing challenges stemming from the COVID-19 pandemic and the many global crises, WHO increased its level of programme delivery, with total expenses of US\$ 3848 million in 2022, an increase of US\$ 130 million (3%) compared with 2021 and a record level for the Organization.

Of the total expenses, US\$ 1724 million was related to the base segment, achieving 35% of planned delivery. In total, US\$ 1112 million was disbursed to support health emergencies, achieving 111% implementation of the approved Programme budget. US\$ 482 million was disbursed in delivering the polio programme, resulting in 86% implementation of the approved Programme Budget. The remaining US\$ 530 million was used to support in-kind, special arrangements and other non-Programme budget activities.

Expenses by WHO regions

In 2022, total expenses in the WHO regions and country offices amounted to US\$ 2638 million, a slightly higher level than in 2021 (US\$ 2607 million). Total expenses increased in the WHO African and European regions by 12% and 18%, respectively, compared with 2021. Expenses decreased in the other WHO regions, with the largest decrease of 26% in the Western Pacific Region due to a decline in COVID-19-related surge activities. Fig. 9 summarizes the total expenses by major office and budget segment.



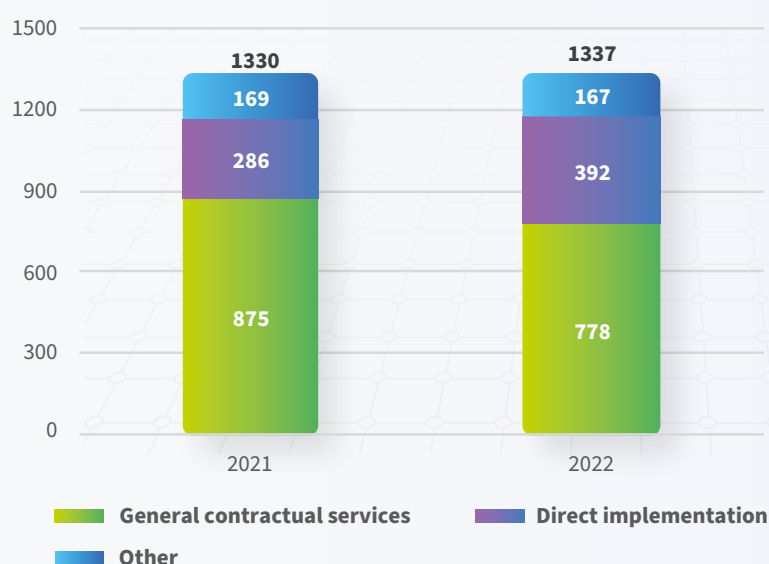
Fig. 9. Expenses by WHO region for 2021 and 2022 (US\$ millions).

Expenses by nature

Contractual services

Contractual services remained the largest expenses category in 2022, accounting for US\$ 1337 million (35%) of total expenses, a marginal increase compared with 2021. It consists mainly of costs incurred in engaging experts and service providers to help implement programmatic activities. Prior to the COVID-19 pandemic, staff costs were the largest annual expense in WHO. The operating restrictions imposed during the COVID-19 pandemic, as well as changing business models, explain the increase in the use of contractual services.

US\$ 778 million of contractual services costs related to contracts for programme services, which represents an 11% decrease compared with 2021 (US\$ 875 million). Of this expense, 38% supported base programmes and 36% was related to the emergencies programmes.

Fig. 10. Contractual services composition in 2021 and 2022 (US\$ millions).

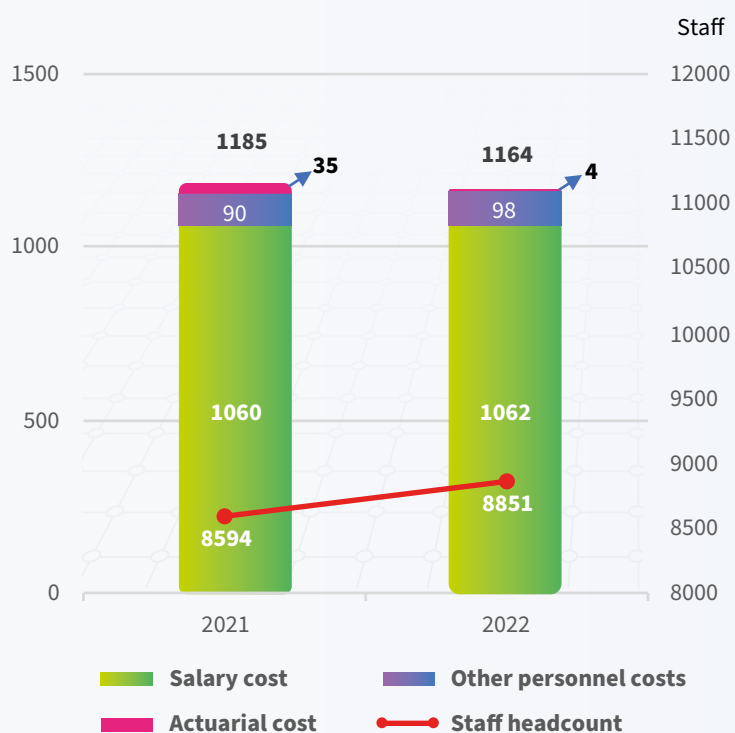
The expenses related to the emergencies and base programmes attributed to headquarters has decreased by 25% and increased in the African Region by 22%.

The next largest component of contractual services is direct implementation, which accounted for US\$ 392 million in 2022, an increase of 37% compared with 2021 (US\$ 286 million). Of the total, 47% was related to the polio programme in the African and Eastern Mediterranean Regions and 30% was related to other emergencies programmes (Fig. 10).

Staff costs

Staff costs represented 30% of total expenses in 2022, a slight decrease from 2021 (32%), and is the second largest expenses category after contractual services. While staff numbers increased slightly in 2022, actual costs decreased by a small amount compared with 2021 (Fig. 11) due to a combination of a reduction in the actuarial costs calculated for employee benefits and exchange rate fluctuations.

Fig. 11. Staff costs composition in 2021 and 2022 (US\$ millions).



Procurement of medical supplies

Total expenses on medical supplies amounted to US\$ 511 million in 2022, representing a slight increase over 2021 (US\$ 497 million). Of the total, US\$ 401 million related to the procurement of medical supplies and US\$ 110 million related to donation in-kind supplies, which is more than double the amount compared with 2021 (US\$ 53 million). Of the purchases, 44% was related to emergencies, down from 58% in 2021, mainly due to a lower demand for COVID-19-related supplies in the Eastern Mediterranean Region. The polio programme represented 26% of the total expenses (up from 24% in 2021), mainly due to a greater number of vaccination campaigns in the African and Eastern Mediterranean Regions. The reduction in the procurement of medical supplies also resulted in lower inventory balances in 2022 compared with 2021.

Transfers and grants

Transfers and grants to counterparts of US\$ 460 million represented 12% of total expenses in 2022, an increase of US\$ 50 million compared with 2021. Of the total, 67% was disbursed in the African and Eastern Mediterranean Regions, up from 60% in 2021. Transfers and grants almost doubled in the European Region compared with 2021, mainly due to the crises in Ukraine and neighbouring countries and emergency support operations in Türkiye.

Direct financial cooperation (DFC) agreements, at US\$ 195 million, was the largest component of transfers and grants at 43%, increasing by 40% compared with 2021. The majority of this increase was in the African Region, as field activities increased after the easing of COVID-19-related restrictions.

Grant letters of agreement (GLOAs), at US\$ 136 million, was the next largest component in this category, contributing 30% of total transfers and grants. These were mainly focused in the Eastern Mediterranean and European Regions to support the emergency programmes in Afghanistan, Iraq and Türkiye. The use of GLOAs in respect of emergencies in the European Region increased fivefold compared with 2021.

Equipment procured for and transferred to third parties decreased to US\$ 128 million in 2022, down from US\$ 180 million in 2021. There was a reduction in requests for WHO to procure and transfer medical equipment to third parties due to the reopening of global procurement channels.

Travel

Travel costs totalled US\$ 161 million in 2022, more than double the amount of US\$ 78 million in 2021 but significantly lower than the 2019 pre-COVID-19 pandemic level of US\$ 222 million. Of the total travel costs, 58% was related to non-staff and meeting participants.

Travel costs increased as countries reopened and lifted travel restrictions allowing in-person meetings. There was also a significant increase in travel ticket prices due to inflation and increased energy costs.

The highest travel costs were incurred at headquarters and in the African Region, representing 34% of the total.



WHO total expenses up by
US\$ 130 million (3%).

Financial position

The financial position of the Organization is summarized in Table 1.

Table 1: Summarized financial position as at 31 December 2022.

US\$ millions	2022	2021	Change
Assets	7812	7214	598
Financial assets and cash	5446	5015	431
Fixed assets	237	235	2
Receivables	1936	1671	265
Other assets	193	293	(100)
Liabilities	2792	3807	(1015)
Borrowing	123	173	(50)
Deferred and advance contributions	1063	973	90
Staff related	459	1480	(1021)
Inter-entity liabilities	852	798	54
Other liabilities	295	383	(88)
Net assets	5020	3407	1613

Net assets increased by US\$ 1613 million to US\$ 5020 million.

Staff-related liabilities decreased by US\$ 1024 million.



Net assets increased by US\$ 1613 million to US\$ 5020 million, mainly driven by a sharp decrease of US\$ 1024 million in staff-related liabilities (such as after-service health insurance and terminal benefit payments) as measured by the independent actuarial valuation. The reduction of US\$ 1021 million in staff-related liabilities includes total actuarial gains of US\$ 1032 million. Of this total, US\$ 19 million was charged to the Statement of Financial Performance, and the remaining amount of US\$ 1013 million was booked directly to net assets. The reduction in the liabilities for after-service benefits was driven by a significant rise in the discount rate applied to the future liabilities due to the increase in global long-term interest rates to their highest level in 20 years.

This positive development should be viewed in a long-term context, as any future drop in interest rates would cause the valuation of these liabilities to increase once more. To illustrate the sensitivity of the actuarial valuation of these liabilities to the level of the discount rate, an increase of 1% in the discount rate would reduce the valuation of the liabilities by US\$ 287 million, and a reduction of 1% in the discount rate would increase the valuation of the liabilities by US\$ 297 million.

Consequently, WHO continues with its existing strategic funding strategies to fund the after-service liabilities over the long term.

Reserves

At 31 December 2022, WHO had total net assets of US\$ 5020 million, as set out in Table 2.

Table 2. WHO total net assets as at 31 December 2022.

	US\$ millions
General Fund (Programme budget)	
Earmarked for programmes	3660
Corporate reserves	747
Flexible	223
General Fund (Programme budget)	4630
Member States (non-Programme budget)	
Earmarked in surplus	759
Earmarked in deficit ^a	(432)
Total Member States	327
Fiduciary Funds	63
Total	5020

^a Staff Health Insurance Fund, Building Loan Fund, Terminal Payments Fund and Special Fund for Compensation.



WHO total net assets =
US\$ 5020 million.

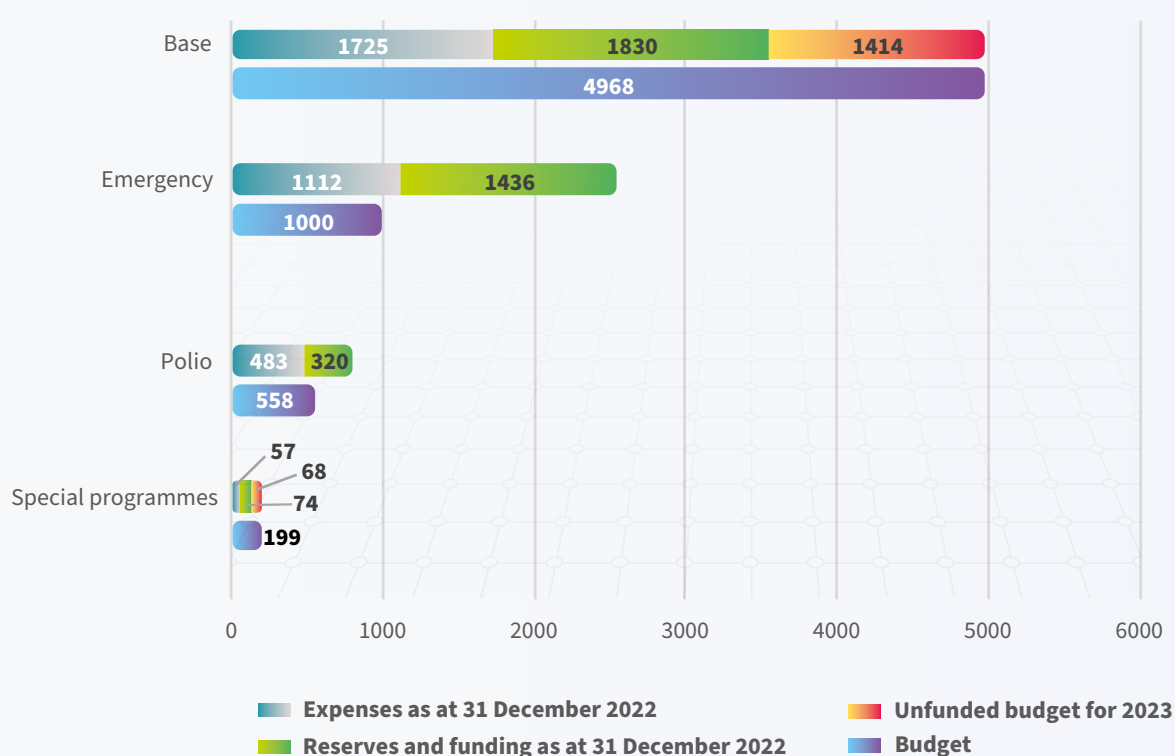
The **General Fund** available balance (Fig. 12) is mainly comprised of earmarked funds for donor-specified programmes (79%), and US\$ 223 million (5%) of flexible funds.

Total earmarked reserves were US\$ 3660 million, an increase of 11% from US\$ 3290 million in 2021. The proportion of reserves earmarked varies by budget segment: 50% of the reserves were attributable to the base segment, and 48% of the earmarked reserves were attributable to the emergencies and polio programmes.

The proportion of funding (total expenses and reserves) also varies by budget segment: the base segment was 72% funded while the emergencies and polio programmes were fully funded for the approved Programme budget 2022-2023.

In addition, unearmarked flexible reserves that can be used for approved programme budget activities increased from US\$ 135 million (3.3% of the General Fund) in 2021 to US\$ 223 million (4.8% of the General Fund) in 2022.

Fig. 12. General Fund available balance for 2022–2023 (US\$ millions).



The **Member States Fund**, which is earmarked to pay for long-term employee benefit liabilities, the Organization's infrastructure and other miscellaneous operational purposes, increased by US\$ 1067 million to US\$ 327 million in 2022, compared with a negative balance of US\$ 740 million in 2021. This huge increase was due to the favourable actuarial valuation of the employee benefit liabilities.

The **Fiduciary Funds** are managed by WHO in a trustee capacity and cannot be applied in respect of the Organization's own programmes. Fiduciary Funds grew by 1% in 2022 to stand at US\$ 62.8 million.

Assets

Investments

WHO's funds are co-mingled with those of the Staff Health Insurance (SHI) Fund, UNAIDS, Unitaids and the United Nations International Computing Centre, and are managed in accordance with the Organization's investment policy. The WHO Treasury works with international investment managers to ensure that the credit quality, security and liquidity of WHO's investments are maintained to the highest standards so that the funds are available to finance the Organization's objectives.

In 2022, WHO's short-term investments grew by US\$ 353 million (8%), from US\$ 4563 million to US\$ 4916 million. WHO continues to invest its funds conservatively in short-term investments with a minimum A credit rating. The funds are invested in a portfolio of internally managed short-term bank deposits and in three portfolios of short-term fixed-income instruments (bonds) managed by reputable international investment managers.

Exacerbated by fiscal and economic actions in response to global lockdowns imposed as a result of the COVID 19 pandemic, and by the price and supply shocks triggered by the conflict in Ukraine, inflation increased rapidly in 2022. Central banks raised interest rates aggressively to address the rising inflation, which caused the value of global bonds to drop sharply. As a result, 2022 was the worst year for short-term fixed-income bond investments in at least 30 years, with the first annualized negative return being recorded for short-term bonds since at least 30 years.

In this extremely difficult investment environment, WHO continued to monitor and manage its short-term investments very conservatively. The short duration of the WHO investment portfolios and the conservative profile of the investments protected them from much of the drawdowns in market values caused by the rapid rise in interest rates. The primary objective of capital preservation was achieved for the short-term investments, which had a total return of +0.50%.

As interest rates stabilized in the third quarter of 2022 and beyond, short-term bond values recovered most of the earlier valuation drawdowns. The current short-term yield of around 5% is expected to continue for the rest of 2023, which will provide an improved investment environment in comparison with the near-zero yields of the past decade.



Investments

US\$ 5446 m

Total investments and cash

Foreign exchange risk management

WHO manages foreign exchange hedging programmes to minimize the risk of exchange rate movements, provide exchange rate stability over an extended period, and delay the impact of significant exchange rate movements. In 2022, the receivables hedging programme generated gains of US\$ 26 million, which offset the foreign exchange losses recorded on the non-US\$ receivables. The expenses hedging programme generated a net loss of US\$ 29 million, which was offset by the reduced US\$ cost of the non-US\$ expenses.

Financing employee liabilities

The assets held by WHO are required to settle future liabilities, the largest of which relate to accrued staff benefits, such as Staff Health Insurance (SHI).

Staff Health Insurance

WHO manages a health insurance programme for active and retired staff, and this programme carries a liability for future health costs payable calculated from actuarial projections. WHO has a long-term financing and investment strategy to manage the after-service health insurance (ASHI) liability.

The funding of the liability increased sharply to 81% (2021: 51%) and the net liability decreased by US\$ 979 million to US\$ 278 million in 2022, down from US\$ 1257 million in 2021 (Fig. 13), mainly due to the impact of favourable discount rates, claims experience, cost-containment measures and demographic changes. As mentioned above, the increase in the discount rate contributed US\$ 873 million towards the reduction in the liability.

As at 31 December 2022, the SHI portfolios of funds invested for WHO and hosted entities by external investment managers totalled US\$ 1318 million, which was invested in long-term global bonds, equities and real estate funds, generating a negative return of US\$ 191 million (15.7%) during the year. These investments and income are included in the SHI Financial Report, and the long-term liability is included in the WHO Financial Report.

The year 2022 was the worst year since 1988 in terms of returns on long-term balanced portfolios of bonds and equities, such as those of the SHI Fund, given the challenging macroeconomic environment. The value of the SHI long-term global bonds declined by 14.2% and the global equities investments also declined by 19.6%. In contrast, the value of the investments in real estate funds increased by 9.3%.

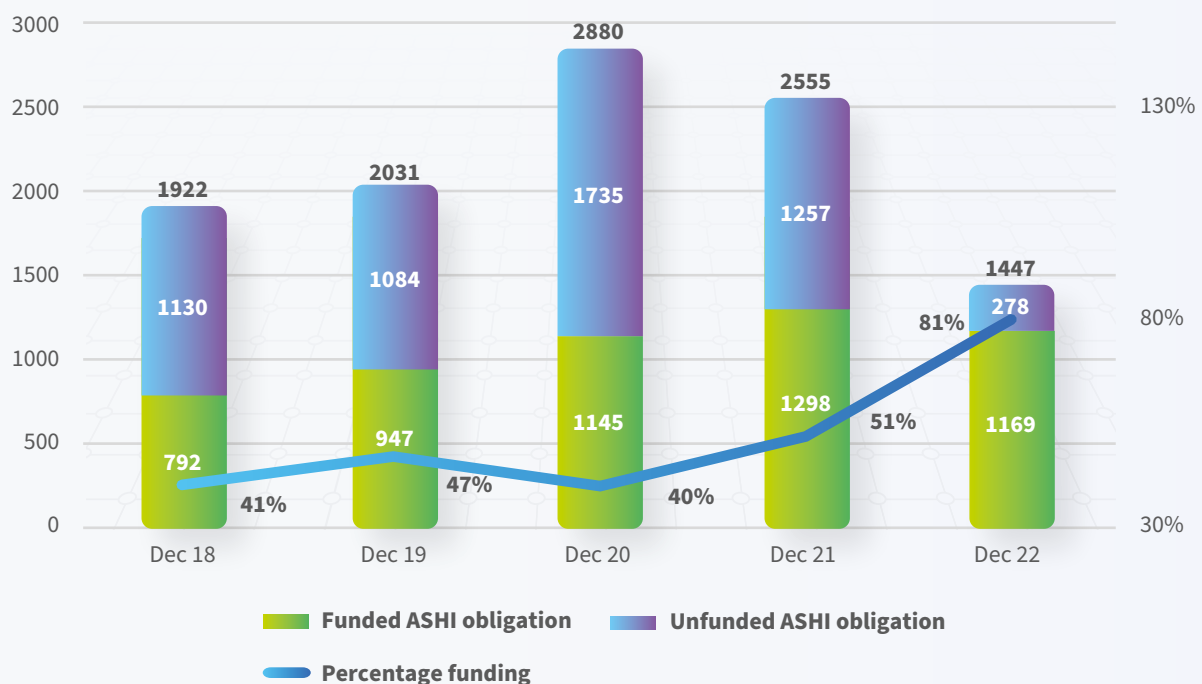
The unusually negative performance of the SHI investments in 2022 should be viewed from a long-term perspective in the context of the generally positive returns in recent years. The SHI investment portfolio is structured with a long-term time horizon to match the long-term nature of its future expenses. Annual investment market returns are variable, and years of higher and lower performance are to be expected.



SHI investments =
US\$ 1318 million.

The increase in interest rates that caused much of the reduction in the values of the investments also caused an increase in the discount rate, which is used to estimate the value the future liabilities of the SHI Fund. As a result of the fall in the valuation of the future liabilities, the funded ratio of the SHI Fund's assets to its long-term liabilities increased substantially from 51% in 2021 to 81% in 2022.

Fig 13. Staff Health Insurance (SHI) funding for 2018–2022 (US\$ millions).



The remaining US\$ 179 million of staff benefit liabilities relates to the Terminal Payments Fund, the Accident and Illness Insurance and the Special Fund for Compensation, against which US\$ 127 million (71%) of funding is available. The remaining unfunded element of these liabilities will be financed in the long term, as noted above.

Control and oversight

In its role as the custodian of Member States' and donors' contributions, WHO maintains an effective internal control environment across the Organization. A detailed statement of internal control is included in this report.

Good progress was made in 2022 in closing past open audit recommendations. Out of a total of 87 open recommendations, 24 have been closed and a further 12 have been proposed for closure.

Conclusion

In 2022, the impact of the COVID-19 pandemic was increasingly contained, but there were multiple other health crises and complex emergencies, along with war, natural disasters and economic challenges which disrupted essential health services and hampered the progress being made towards universal health coverage.

During this difficult time, WHO continued its commitment to deliver the triple billion targets, generously supported by its donor community. This was reflected in the financial performance of the Organization, where the highest ever levels of revenue and expenditure were achieved. In doing so, WHO continued to expand its country focus, and a further strengthening of the Organization's country presence is promised for 2023.

In the current global environment, I have no doubt that the world needs WHO now more than ever. The outlook for an increase in assessed contributions over the next decade will bring flexibility and sustainability to WHO's finances. I recognize that this increased flexibility and sustainability requires an increase in transparency, efficiency, compliance and accountability. I am fully committed to implementing the Secretariat's implementation plan on reform, including the changes made to the content of this report, and look forward to the support and continued oversight of our governing bodies.

We all want a WHO that is agile, proactive and able to move quickly to respond to global health threats. I thank you for your confidence and trust in the Organization, and look forward with hope as WHO is provided with the latitude and trust to carry out its mandate, and together we achieve our priorities and plans.



Dr Tedros Adhanom Ghebreyesus
Director-General

Geneva, 17 March 2023

2022 Statement of Internal Control

Scope of responsibility

As Director-General of the World Health Organization, I am accountable to the World Health Assembly for the administration of the Organization and the implementation of its programmes. Under Financial Regulations I and XII, I am accountable for maintaining a sound system of internal control, including internal audit and investigation, to ensure the effective and efficient use of the Organization's resources and the safeguarding of its assets. Pursuant to Financial Regulation I, I have delegated authority and accountability to Regional Directors, Deputy Directors-General, Assistant Directors-General, Executive Directors, Directors, WHO Heads of Country Offices and other relevant staff members. Every individual in the Organization has, to varying degrees of responsibility, a role to play in internal control.

Purpose of internal control

The system of Internal control is designed to manage risks to an acceptable level rather than to eliminate them. It can therefore provide reasonable but not absolute assurance regarding the achievement of objectives relating to effective and efficient operations, reliable reporting, compliance and safeguarding of assets. The system of internal control is based on a process designed to identify, evaluate, prioritize and manage the risks to the Organization's objectives efficiently, effectively and economically.

Internal control is a key role of management and an integral part of the overall process of managing WHO's activities. As such, WHO's management at all levels has the responsibility:

- to establish an environment and culture that promotes effective internal control;
- to identify and assess risks that may affect the achievement of objectives;
- to specify and implement policies, plans, operating standards, procedures, systems and other control activities in order to manage the risks associated with any exposure identified;
- to ensure an effective flow of information and communication so that all WHO personnel have the information they need to fulfil their responsibilities; and
- to monitor the effectiveness of internal control.

From an operational perspective, WHO's internal control system operates continually at all levels of the Organization through internal control processes to ensure the above objectives.

This statement of internal control applies for the year ended 31 December 2022, up to the date of the approval of the Organization's 2022 financial statements.

WHO's operating environment

WHO operates in 148 countries, sometimes in very challenging environments. The expectations and context in which WHO operates have shifted in recent years, with one of the strategic priorities of the Thirteenth General Programme of Work, 2019–2025 being to tackle health emergencies. WHO is operating in a context of increased involvement in emergency operations in conflicted and fragile environments. The demands towards standards of internal control vary significantly among countries and expose WHO to situations with a high level of inherent risk, which leads to the need to define differentiated risk profiles and approaches. All risks identified in WHO country offices, departments, divisions and regions are captured in an online risk register, which is regularly reviewed by managers, with risks being escalated to more senior levels for attention, as required.

The Internal Control Framework and risk management

WHO's Corporate Risk Management Policy embeds risk management in WHO's strategic and operational planning and budgeting cycles, as well as in the accountability and internal control frameworks. The key objective is to ensure that all the risks inherent to the Organization's activities are fully understood, and that appropriate strategies are chosen to manage them. Well-grounded risk management and internal control policies, systems and processes help to understand better the risks to which the Organization is exposed, to ensure that appropriate accountabilities and controls are in place to address those risks, and effectively to carry out the Organization's activities.

WHO country offices and departments have continued to identify and evaluate risks with the aid of WHO's risk management tool and to develop response plans to deal with them. At the global level, the risks that WHO faces in achieving its strategy and mission are reflected in a corporate-level risk register (the "WHO Principal Risks"). An annual report on the state of risk management, compliance and ethics is subsequently submitted to the Health Assembly for consideration through the Executive Board.

As the Director-General of the Organization, I have the ultimate responsibility for assessing the risks associated with the implementation of the General Programme of Work and WHO's overall activities. I am assisted in this task by the Regional Directors, senior management and the WHO Global Risk Management Committee. The Committee plays a key role in ensuring that the most critical risks are identified and addressed in an efficient manner. Furthermore, I am supported by the Office of Compliance, Risk Management and Ethics, which facilitates and guides the Organization-wide risk management process. Finally, as highlighted in the WHO's Corporate Risk Management Policy, every WHO staff member has the responsibility to identify risks at his or her own level of work.

Review of the effectiveness of internal controls

My review of the effectiveness of WHO's system of internal control is based on the following.

- (a) An annual "letter of representation". This is reviewed and signed by all Regional Directors, Deputy Directors-General and Assistant Directors-General, and confirms the importance of ensuring that adequate internal controls are in place, along with other assurances. All issues raised in the letter of representation feed into the annual audit and financial statements.
- (b) The internal control self-assessment checklist, which is completed and submitted by all WHO country offices and departments. The checklist is used by each office manager (country office and departments) to review all key controls and to rate compliance. The consolidated results for 2022 show that overall, throughout the Secretariat internal controls have been self-assessed as robust. A total of 254 WHO country offices and departments across the Organization completed the exercise for 2022 as at February 2023. Although the areas of risk management and monitoring remain the weakest, it is to be noted that slight improvements are visible in the scores reported for these areas, reflecting the efforts undertaken in the course of 2022. Further progress is expected with the implementation of the Enterprise Risk Management strategy which should provide the Organization with sustainable improvements by institutionalizing and strengthening risk management and assurance processes across its three levels. In relation to inventory management and more broadly supply-chain management, the Organization is investing in a new enterprise resource planning system and associated business process reviews in order to streamline processes and related controls across the three levels.
- (c) Reports issued by the Office of Internal Oversight. The reports of internal audits, conducted under the 2022 audit workplan, provide objective information on compliance and control effectiveness, together with recommendations for improvement. The major findings from these reports are summarized in the Annual Report of the Internal Auditor to the Health Assembly. Individual audit reports are available for review by Member States on request.
- (d) Reports issued by the External Auditor. The external audit provides independent oversight and reporting on WHO's compliance with the Financial Regulations and Financial Rules. The external auditors

submit their key findings, observations and recommendations to the governing bodies. The Comptroller and Auditor General of India completed the following audits in 2022: the Regional Office for Europe and the Republic of Moldova country office; the Global Service Centre; and the Business Management System programme. For further information, please refer to the report of the External Auditor (document A76/22).

(e) The work of the Independent Expert Oversight Advisory Committee. The Committee reviews all audit reports, risk reports and financial reports, as well as other information relevant to the overall control framework. The Committee's reports are submitted through the Programme, Budget and Administration Committee to the Executive Board, which identifies areas for potential improvement and advises on how to remedy weaknesses with regard to risk management, and financial and internal control matters.

Most-critical risk issues noted

The Office of Compliance, Risk Management and Ethics reviewed and consolidated findings based on updates to the WHO country office or department risk registers in 2022, and presented the emerging risks to the WHO Global Risk Management Committee. Some of the key risks currently facing the Organization are summarized in Table 1.

Table 1. Summary of identified risks and examples of ongoing or planned responses

Risk	Examples of ongoing and planned risk response actions
Failure to adequately manage multiple, simultaneous or consecutive grade 3 emergencies	<ol style="list-style-type: none"> 1. Finalize, disseminate and operationalize the Protracted Emergency Framework. 2. Negotiation of a legal instrument for emergency preparedness and response and amendments to International Health Regulations (2005). 3. Establish emergency rosters for core functions of the Incident Management System.
Unsustainable financing	<ol style="list-style-type: none"> 1. Decision by the World Health Assembly gradually to increase Assessed Contributions by 50%. 2. Implement the proposed actions in the Secretariat implementation plan for reform and from the Agile Member States Task Group. Ongoing implementation of the WHO global resource mobilization strategy to improve the flexibility and predictability of voluntary contributions.
Sexual exploitation, abuse and harassment or misconduct	<ol style="list-style-type: none"> 1. Ongoing implementation of a three-year strategy in response to the report of the Independent Commission on Allegations of Sexual Exploitation and Abuse during the Response to the Tenth Ebola Outbreak. 2. Update the WHO policy on Whistleblowing and protection against retaliation and the WHO's Code of Ethics and Professional Conduct. 3. Establish full-time capacity for prevention of and response to sexual exploitation, abuse and harassment at country and regional levels.
Inability to interrupt transmission of wild poliovirus type 1 and circulating vaccine-derived poliovirus type 2 by the end of 2023	<ol style="list-style-type: none"> 1. Assure transparency, accountability and oversight through regular reporting to Member States at the World Health Assembly, Executive Board and regional committees complemented by reporting to the Global Polio Eradication Initiative's Polio Oversight Board and Independent Monitoring Board and the Global Certification Commission. 2. Strengthen the alignment of programme priorities with epidemiological findings, resources available and capacity to implement while sharing costs of outbreak response with affected countries in line with decision EB146(11) (2020) on polio eradication. 3. Further strengthen surveillance at sub-national level, and increase speed of detection, including specimen transport and expanding genetic sequencing.

Risk	Examples of ongoing and planned risk response actions
Cybersecurity breach	<ol style="list-style-type: none"> 1. Automation of exercise to sensitize staff to the risk posed by phishing and introduction of training based on roles. 2. Monitor the implementation of the cybersecurity strategy and road map. 3. Integrate and automate with threat intelligence and vulnerability management.
Business services disruptions (including security incidents)	<ol style="list-style-type: none"> 1. Operationalize the Business Continuity Management Framework, in other words, ensure that business continuity plans across all three levels comply with the Framework. 2. Select and appoint a WHO Business Continuity Coordinator.
Strained human capacity and increased mental health issues	<ol style="list-style-type: none"> 1. Increase offer of quality counselling and mental health services to all staff members. 2. Develop and implement a WHO workforce mental health strategy.
Fraud and corruption	<ol style="list-style-type: none"> 1. Adopt a policy on prevention, detection and response to fraud and corruption. 2. Develop training and awareness campaigns to support the implementation of the policy on prevention, detection and response to fraud and corruption. 3. Automate controls as part of the replacement of the Enterprise Resource Planning system, where applicable.
Inability to measure impact	<ol style="list-style-type: none"> 1. Establish the World Health Data Hub, bringing together all existing WHO data assets, including the Global Health Observatory, the Triple Billion Dashboard, the Health Equity Monitor, the WHO Mortality Database and more. 2. Continue efforts to improve methods to provide accurate and in-time estimates of outcome indicators of crucial importance to WHO's Thirteenth General Programme of Work, 2019–2025.
Quality and excellence of WHO's normative work compromised	<ol style="list-style-type: none"> 1. Introduce a Quality Support Panel as standardized quality assurance and publication-clearance processes for normative and standard-setting products at headquarters. 2. Develop the Organization-wide, cloud-based platform solution TULIP (Tracking, Understanding, and Leveraging Information Products) to facilitate clearance, alignment, and quality assurance of WHO products in compliance with established procedures and with real-time tracking and reporting of progress for transparency and accountability.
Failure to manage misinformation and/or disinformation campaigns	<ol style="list-style-type: none"> 1. Develop and implement a communications strategy. 2. Improve media, social media activities real-time monitoring and registration of risks concerning misinformation and disinformation against science. 3. Revise training update 2022 for officers working on risk communication and community engagement.
Breach in data protection and privacy	<ol style="list-style-type: none"> 1. Develop and implement a Personal Data Protection Policy. 2. Establish data governance structures, standards, including Data Governance Committee monitoring of policy compliance Resource allocation for implementation, and capacity-building of staff in data-sharing policy. 3. Form a working group to consider aspects of sharing data or using tools with private sector entities.

Each of the risks set out in Table 1 has been discussed by the WHO Global Risk Management Committee, as well as with the relevant risk owners to ensure that appropriate action is taken to address these risks.

Statement

Internal control, even when operating effectively, has inherent limitations, including the possibility of circumvention, no matter how well it is designed, and therefore can provide only reasonable assurance. Furthermore, because of changes of conditions, the effectiveness of internal control may vary over time.

I am committed to addressing any weaknesses in internal controls that may be noted during the year and brought to my attention.

Based on the above, I conclude that, to the best of my knowledge and information, there are no material weaknesses that would prevent the External Auditor from providing an unqualified opinion on the Organization's financial statements, nor are there other significant matters arising that would need to be raised in the present document for the year ended 31 December 2022 and up to the date of approval of the financial statements.



Dr Tedros Adhanom Ghebreyesus
Director-General
Geneva, 17 March 2023

Certification of financial statements for the year ended 31 December 2022

According to Financial Regulation XIII – Accounts and Financial Statements, the Financial Report for the World Health Organization for 31 December 2022 has been prepared in compliance with the International Public Sector Accounting Standards (IPSAS) and the Financial Regulations of the World Health Organization and its Financial Rules. The financial statements for the year ended 31 December 2022, together with the notes to the statements and supporting schedules, have been reviewed and are approved.



George Kyriacou
Comptroller and Director Finance



Dr Tedros Adhanom Ghebreyesus
Director-General

Geneva, 17 March 2023

Opinion of the External Auditor

Girish Chandra Murmu



भारत के नियंत्रक एवं महालेखापरीक्षक
COMPTROLLER & AUDITOR GENERAL OF INDIA

6 April 2023

Opinion of the External Auditor on the Financial Statements of the World Health Organization for the financial year ended 31 December 2022

Dear Dr. Ghebreyesus,

Thank you for the Representation Letter in connection with our audit of the financial statements of the World Health Organization for the financial year ended 31 December 2022.

I have the honor to present to you the Audit Opinion, on the financial statements of the World Health Organization for the financial year ended 31 December 2022, which may kindly be transmitted to the Seventy-Sixth World Health Assembly.

I express my appreciation for the cooperation and assistance that I have received in the performance of my audit mandate.

Yours sincerely,

Girish Chandra Murmu

Dr. Tedros Adhanom Ghebreyesus
Director-General
World Health Organization
20, Avenue Appia
CH -1211
Geneva 27, Switzerland

Girish Chandra Murmu



भारत के नियंत्रक एवं महालेखापरीक्षक
COMPTROLLER & AUDITOR GENERAL OF INDIA

6 April 2023

**Opinion of the External Auditor on the Financial Statements of the
World Health Organization for the financial year ended 31 December 2022**

Your Excellency,

I have the honor to present to the Seventy-Sixth World Health Assembly the External Auditor's opinion on the financial statements of the World Health Organization for the financial year ended 31 December 2022.

I record my appreciation to the World Health Assembly for the honor and privilege to serve as External Auditor of WHO.

Yours sincerely,

Girish Chandra Murmu

The President of the Seventy-Sixth World Health Assembly
World Health Organization
Geneva, Switzerland

INDEPENDENT AUDITOR'S REPORT

To the World Health Assembly

Opinion

We have audited the financial statements of the World Health Organization (WHO) which comprise the statement of financial position (statement I) as at 31 December 2022, the statement of financial performance (statement II), the statement of changes in net assets/equity (statement III), the statement of cash flow (statement IV) and the statement of comparison of budget and actual amounts (statement V) for the year then ended, as well as the notes to the financial statements, including summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of WHO as at 31 December 2022, and its financial performance, changes in net assets/equity, cash flow, and comparison of budget and actual amounts for the year then ended in accordance with the International Public Sector Accounting Standards (IPSAS).

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing. Our responsibilities under those standards are described in the section below entitled "Auditor's responsibilities for the audit of the financial statements". We are independent of WHO in accordance with the ethical requirements relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and the auditor's report thereon

Management is responsible for the other information, which comprises the information included in the Director General's Report for the year ended 31 December 2022, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, on the basis of the work that we have performed, we conclude that there is a material misstatement in the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS and for such internal control as management determines to be necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of WHO to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going-concern basis of accounting unless the management intends either to liquidate WHO or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of WHO.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation or the overriding of internal control;
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of WHO;
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;
- (d) Draw conclusions as to the appropriateness of the management's use of the going-concern basis of accounting and, on the basis of the audit evidence obtained, whether a material

uncertainty exists in relation to events or conditions that may cast significant doubt on the ability of WHO to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the WHO to cease to continue as a going concern;

- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Furthermore, in our opinion, the transactions of WHO that have come to our notice or that we have tested as part of our audit have, in all significant respects, been in accordance with the WHO Financial Regulations.

In accordance with Regulation XIV of the WHO Financial Regulations, we will also issue a long-form report on our audit of the World Health Organization.

6 April 2023



Girish Chandra Murmu
Comptroller and Auditor General of India

Financial statements

World Health Organization

Statement I. Statement of Financial Position

As at 31 December 2022

(in US\$ thousands)

Description	Notes	31 December 2022	31 December 2021
Current assets			
Cash and cash equivalents	4.1	430 091	337 957
Short-term investments	4.2	4 916 482	4 562 887
Receivables – current	4.3	1 538 127	1 264 340
Staff receivables	4.4	16 049	12 971
Inventories	4.5	178 288	190 430
Prepayments and deposits	4.6	14 685	102 630
Total current assets		7 093 722	6 471 215
Non-current assets			
Receivables – non-current	4.3	381 590	393 688
Long-term investments	4.2	99 767	114 511
Property, plant and equipment	4.7	230 978	230 020
Intangibles	4.8	6 231	4 932
Total non-current assets		718 566	743 151
TOTAL ASSETS		7 812 288	7 214 366
LIABILITIES			
Current liabilities			
Contributions received in advance	4.9	73 836	97 946
Accounts payable	4.10	68 694	114 168
Staff payable	4.11	1 926	2 088
Accrued staff benefits – current	4.12	91 583	91 982
Deferred revenue – current	4.13	606 081	481 447
Financial liabilities	4.2	68 948	35 595
Other liabilities – current	4.14	158 419	234 022
Inter-entity liabilities	4.15	852 092	797 531
Long-term borrowings – current	4.16	3 682	3 714
Total current liabilities		1 925 261	1 858 493
Non-current liabilities			
Long-term borrowings – non-current	4.16	119 319	169 106
Accrued staff benefits – non-current	4.12	365 641	1 386 185
Deferred revenue – non-current	4.13	381 590	393 688
Other liabilities – non-current	4.14	199	
Total non-current liabilities		866 749	1 948 979
TOTAL LIABILITIES		2 792 010	3 807 472
NET ASSETS/EQUITY			
General Fund	6.1	4 630 457	4 084 915
Member States – other	6.2	326 995	(740 341)
Fiduciary funds	6.3	62 826	62 320
TOTAL NET ASSETS/EQUITY		5 020 278	3 406 894
TOTAL LIABILITIES AND NET ASSETS/EQUITY		7 812 288	7 214 366

The section on significant accounting policies and the accompanying notes form part of the financial statements.

World Health Organization

Statement II. Statement of Financial Performance

For the year ended 31 December 2022
(in US\$ thousands)

Description	Notes	31 December 2022	31 December 2021
REVENUE	5.1		
Assessed contributions		495 893	549 293
Voluntary contributions		3 656 450	3 365 228
Voluntary contributions in-kind and in-service		146 271	93 123
Other revenue		55 000	58 671
Total revenue		4 353 614	4 066 315
EXPENSES	5.2		
Staff costs		1 164 178	1 184 601
Medical supplies and materials		511 081	497 301
Contractual services		1 337 412	1 330 217
Transfers and grants		460 047	410 479
Travel		160 912	78 227
General operating expenses		192 977	185 788
Equipment, vehicles and furniture		6 973	18 966
Depreciation and amortization		14 093	12 896
Total expenses		3 847 673	3 718 475
Finance revenue	5.3	94 159	2 894
TOTAL SURPLUS/DEFICIT FOR THE YEAR		600 100	350 734

The section on significant accounting policies and the accompanying notes form part of the financial statements.

World Health Organization

Statement III. Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

(in US\$ thousands)

Description	Notes	31 December 2022	Other adjustments (refer to Note 4.12)	Surplus/(deficit)	31 December 2021
General Fund	6.1	4 630 457		545 542	4 084 915
General Fund		4 599 457		545 542	4 053 915
General Fund – Reserves		31 000			31 000
Member States – other	6.2	326 995	1 013 284	54 052	(740 341)
Fiduciary Fund	6.3	62 826		506	62 320
TOTAL NET ASSETS/EQUITY		5 020 278	1 013 284	600 100	3 406 894

The section on significant accounting policies and the accompanying notes form part of the financial statements.

World Health Organization

Statement IV. Statement of Cash Flow

For the year ended 31 December 2022

(in US\$ thousands)

Description	31 December 2022	31 December 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
TOTAL DEFICIT/SURPLUS FOR THE YEAR	600 100	350 734
Depreciation and amortization	14 093	12 896
Investment revenue presented as investing activities	2 426	6 226
Unrealized (gains)/losses on revaluation of long-term borrowings	(46 327)	8 075
(Increase)/decrease in receivables – current	(273 787)	531
(Increase)/decrease in staff receivables	(3 078)	134
(Increase)/decrease in inventories	12 142	(46 109)
(Increase)/decrease in prepayments and deposits	87 945	9 167
(Increase)/decrease in receivables – non-current	12 098	66 377
Increase/(decrease) in contributions received in advance	(24 110)	1 450
Increase/(decrease) in accounts payable	(45 474)	68 508
Increase/(decrease) in staff payable	(162)	524
Increase/(decrease) in accrued staff benefits – current	(399)	7 200
Increase/(decrease) in deferred revenue – current	124 634	(73 546)
Increase/(decrease) in other liabilities – current	(75 603)	76 307
Increase/(decrease) in inter-entity liabilities	54 561	(148 694)
Increase/(decrease) in accrued staff benefits – non-current	(7 260)	(7 386)
Increase/(decrease) in deferred revenue – non-current	(12 098)	(66 377)
Increase/(decrease) in other liabilities – non-current	199	(248)
Net cash flows from operating activities	419 900	265 769
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment revenue presented as investing activities	(2 426)	(6 226)
(Increase)/decrease in short-term investments	(353 595)	(683 467)
(Increase)/decrease in long-term investments	14 744	22 191
Increase/(decrease) in financial liabilities	33 353	(148 260)
(Increase)/decrease in property, plant and equipment	(14 212)	(34 851)
(Increase)/decrease in intangibles	(2 138)	(2 352)
Net cash flows from investing activities	(324 274)	(852 965)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) in long-term borrowings – current	(32)	(134)
Increase/(decrease) in long-term borrowings – non-current	(3 460)	9 340
Net cash flows from financing activities	(3 492)	9 206
Net increase/(decrease) in cash and cash equivalents	92 134	(577 990)
Cash and cash equivalents at beginning of the year	337 957	915 947
Cash and cash equivalents at end of the year	430 091	337 957

The section on significant accounting policies and the accompanying notes form part of the financial statements.

World Health Organization

Statement V. Statement of Comparison of Budget and Actual Amounts

For the year ended 31 December 2022

(in US\$ thousands)

Description	Original Programme budget 2022–2023	Revised Programme budget 2022–2023	Expenses 2022	Total expenses	Difference – Programme budget and expenses	Implementation (%)
Strategic priority						
1 One billion more people benefitting from universal health coverage	1 839 879	1 929 559	748 750	748 750	1 180 809	39%
2 One billion more people better protected from health emergencies	845 926	1 250 543	335 036	335 036	915 507	27%
3 One billion more people enjoying better health and well-being	424 861	455 221	134 293	134 293	320 928	30%
4 More effective and efficient WHO providing better support to countries	1 253 357	1 333 098	506 487	506 487	826 611	38%
Polio eradication	558 300	558 300	482 595	482 595	75 705	86%
Special programmes	199 340	199 340	57 292	57 292	142 048	29%
Emergency operations and appeals	1 000 000	1 000 000	1 112 104	1 112 104	(112 104)	111%
Total	6 121 664	6 726 061	3 376 557	3 376 557	3 349 504	50%

Basis differences				
Tax Equalization Fund expenses			(5 396)	(5 396)
Special arrangements			7 404	7 404
Other non-programme budget utilization			53 792	53 792
Total basis differences			55 800	55 800
Timing differences				
Programme budget expenses for other periods			210 344	210 344
Total timing differences			210 344	210 344
Total expenses – General Fund			3 642 701	3 642 701
Entity differences				
Expenses under Common Fund, Enterprise Fund, Special Purpose Fund, and Fiduciary Fund			58 701	58 701
In-kind/in-service expenses			146 271	146 271
Total entity differences			204 972	204 972
Total expenses as per the Statement of Financial Performance (Statement II)			3 847 673	3 847 673

The section on significant accounting policies and the accompanying notes form part of the financial statements.

1. Notes to the financial statements

Reporting Entity

The World Health Organization is an intergovernmental organization and a specialized agency of the United Nations. WHO is politically neutral and its work is impartial. It seeks to conduct its work in a transparent manner and is accountable to all its stakeholders. In accordance with its Constitution (which came into force on 7 April 1948), WHO acts as the directing and coordinating authority on international health work. The Organization's headquarters are located in Geneva, Switzerland, and six outposted offices. WHO also has six regional offices and 148 country offices.

The Financial Regulations and Financial Rules of the World Health Organization¹ govern the financial management of WHO. The financial statements include only the operations of WHO, which has no subsidiaries or interests in associates or jointly controlled entities.

Non-consolidated entities

WHO provides administrative services to the following non-consolidated entities:

- Trust Fund for the Joint United Nations Programme on HIV/AIDS (UNAIDS)
- Unitaid
- International Agency for Research on Cancer (IARC)
- International Computing Centre (ICC)
- Staff Health Insurance (SHI)

These entities are governed by their own constitutions, byelaws and governance structures. They prepare their own financial statements and undergo separate external audit and certification. WHO has the same voting rights (except in Unitaid) as any other member or partner and transactions with these organizations are at arm's length. Assets and liabilities are owned by the respective organization; in the event of dissolution, the division of all assets and liabilities amongst members and partner organizations shall be agreed by constitution, byelaws and governance structure on the basis of a formula to be defined at that time.

Basis of preparation and presentation

The financial statements of the World Health Organization have been prepared on an accrual basis of accounting in accordance with International Public Sector Accounting Standards (IPSAS) and the Financial Regulations and Financial Rules of WHO. The financial year is from January to December. They have been prepared using the historical cost convention. Investments and loans, however, are recorded at fair value or amortized cost. Where a specific matter is not covered by IPSAS, the appropriate International Financial Reporting Standards (IFRS) have been applied.

These financial statements have been prepared on the basis that WHO is a going concern and will meet its mandate for the foreseeable future (IPSAS 1 – Presentation of Financial Statements).

Functional currency and translation of foreign currencies

These financial statements and notes are presented in United States dollars and all values are rounded to the nearest thousand, also denoted as US\$ thousands (US\$ 000s) unless otherwise stated.

¹ See document WHA66/2013/REC/1, resolution WHA66.3.

Foreign currency transactions are translated into United States dollars at the prevailing United Nations Operational Rates of Exchange, which approximates to the exchange rates at the date of the transactions. The United Nations Operational Rates of Exchange are set once a month, and revised mid-month if there are significant exchange rate fluctuations relating to individual currencies.

Assets and liabilities in currencies other than United States dollars are translated into United States dollars at the prevailing United Nations Operational Rates of Exchange year-end closing rate. The resulting gains or losses are accounted for in the Statement of Financial Performance.

The non-United States dollar denominated assets and liabilities in the investment portfolios are translated into United States dollars at the month-end closing rate used by the custodian.

Materiality and the use of judgments and estimates

Materiality¹ is central to WHO's financial statements. The Organization's process for reviewing accounting materiality provides a systematic approach to the identification, analysis, evaluation, endorsement and periodic review of decisions taken involving the materiality of information, spanning a number of accounting areas. The financial statements include amounts based on judgments, estimates and assumptions by management. Changes in estimates are reflected in the period in which they become known.

Significant estimates and assumptions that may result in material adjustments in future years include: actuarial measurement of employee benefits; selection of useful lives and the depreciation/amortization method for property, plant and equipment/intangible assets; impairment of assets; classification of financial instruments; valuation of investment assets; revenue recognition; and contingent assets and liabilities.

Financial statements

In accordance with IPSAS 1 (Presentation of Financial Statements), a complete set of financial statements has been prepared as follows:

- Statement of Financial Position;
- Statement of Financial Performance;
- Statement of Changes in Net Assets/Equity;
- Statement of Cash Flow;
- Statement of Comparison of Budget and Actual Amounts; and
- Notes to the financial statements, comprising a description of the basis of preparation and presentation of the statements, a summary of significant accounting policies, and other relevant information.

¹ Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements.

Future accounting changes

The IPSAS Board has published the following new and amended standards:

Standard	Title	Effective date	Anticipated impact in year of adoption
IPSAS 44	Non-current Assets Held for Sale and Discontinued Operations	1 January 2025	This standard was developed to align with IFRS 5, <i>Non-current Assets Held for Sale and Discontinued Operations</i> , and specifies the accounting for assets held for sale, and presentation and disclosure of discontinued operations. WHO does not foresee a significant impact on the consolidated financial statements resulting from this standard.
IPSAS 43	Leases	1 January 2025	Supersedes IPSAS 13 (Leases) and introduces the right-of-use model for lessees. On the basis of the right-of-use model, once the new standard has been adopted and the expiration of the validity of any transitional provisions has expired, most leases will be required to be capitalized, resulting in an increase in the amount of capitalized assets and the recording of related lease liabilities. The impact on annual financial performance is expected to be broadly neutral as depreciation of leased assets and interest costs on the related lease liabilities will replace the currently recorded lease expenses. The impact of IPSAS 43 on the financial statements of WHO upon adoption, including the impact of consequential amendments to other standards, is currently being assessed.
IPSAS 42	Social Benefits	1 January 2023	This standard defines social benefits as cash transfers to individuals to mitigate the effect of social risks and address the needs of society as a whole, and provides guidance for their accounting. This standard will have no impact on the WHO financial statements.
IPSAS 41	Financial Instruments (and subsequent amendment)	1 January 2023	This standard will replace the existing IPSAS 29 (Financial Instruments) and sets out new requirements for recognition and measurement of financial instruments, including impairment, derecognition and general hedge accounting. WHO does not foresee a significant impact on the consolidated financial statements resulting from this standard.

WHO continues to assess the impact of the above standards on future financial statements in advance of their effective date.

Furthermore, the IPSAS Board has issued Exposure Drafts (EDs), of which the following may have an impact on future WHO financial statements:

ED	Title	Issue date	Anticipated impact in year of adoption
ED 70	Revenue with performance obligations	February 2020	ED 70 is expected to replace IPSAS 9 (Revenue from exchange transactions); ED 71 would replace IPSAS 23 (Revenue from non-exchange transactions (taxes and transfers)); and ED 72 is a draft of a new standard. WHO provided to the IPSAS Board its comments on EDs 70 and 71. Should these EDs result in the issuance of new IPSAS standards that are substantially equivalent in scope and content to the relevant EDs, they are likely to affect the WHO financial statements significantly. The key impact of ED 71 is that for all earmarked contributions, revenue recognition will be deferred until WHO meets its obligations. Under the current IPSAS 23, WHO recognizes voluntary contributions revenue upon signature of the relevant contribution agreement. The impact of EDs 70 and 72 is currently being assessed. It is expected that the three EDs will become published IPSAS standards by the end of 2023. The new standards resulting from these EDs are not expected to be mandatory before 2025. WHO expects that there will be sufficient time for implementation once the standards have been approved and that such implementation will require additional resources.
ED 71	Revenue without performance obligations		
ED 72	Transfer expenses		
ED 78	Property, Plant and Equipment	April 2021	ED 78 proposes additional general measurement guidance and options when accounting for assets within its scope, characteristics to identify heritage and infrastructure assets, and additional guidance on how heritage and infrastructure assets should be recognized and measured. WHO anticipates a possible impact regarding heritage assets and will continue to monitor developments in this area.

WHO monitors the development of the EDs and actively engages with the work of the IPSAS Board through the United Nations System Task Force on Accounting Standards, noting that their application may have an impact on WHO's future financial statements.

2. Significant accounting policies

2.1 Cash and cash equivalents

Cash and cash equivalents are held at nominal value and comprise cash on hand, cash at banks, collateral deposits, commercial paper, money market funds and short-term bills and notes. All investments that have a maturity of three months or less from the date of acquisition are included as cash and cash equivalents. This includes cash and cash equivalents held in the portfolios managed by external investment managers.

2.2 Investments and financial instruments

Financial instruments are recognized from the trade date when WHO becomes a party to the contractual provisions of the instrument until the rights to receive cash flows from those assets have expired or have been transferred and the Organization has transferred substantially all the risks and rewards of ownership. Investments are classified as being: (i) financial assets or financial liabilities at fair value through surplus or deficit; (ii) held-to-maturity; or (iii) bank deposits and other receivables. Examples of WHO financial assets in each category are presented in the table below:

IPSAS classification	Type of WHO financial asset
Fair value through surplus or deficit	Fixed-income securities and derivative instruments
Held-to-maturity	None
Bank deposits and other receivables	Term deposits, accrued interest and other receivables in relation to the financial instruments

Financial assets or financial liabilities at fair value through surplus or deficit are financial instruments that meet either of the following conditions: (i) they are held-for-trading; or (ii) they are designated by the entity upon initial recognition at fair value through surplus or deficit.

Financial instruments in this category are measured at fair value and any gains or losses arising from changes in the fair value are accounted for through surplus or deficit and included within the Statement of Financial Performance in the period in which they arise. All derivative instruments, such as swaps, currency forward contracts or options are classified as held-for-trading except for designated and effective hedging instruments as defined under IPSAS 29 (Financial Instruments: Recognition and Measurement). Financial assets in the externally managed portfolios designated upon initial recognition as at fair value through surplus or deficit are classified as current assets or non-current assets according to the time horizon of the investment objectives of each portfolio. If the time horizon is less than or equal to one year, they are classified as current assets, and if it is more than one year, they are classified as non-current assets. Due to the large number of individual securities within each portfolio, at any given time there may be a minority of securities with a maturity profile that is different from the time horizon of the objectives of that portfolio.

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates which WHO has both the intention and the ability to hold to maturity. Held-to-maturity investments are stated at amortized cost using the effective interest rate method, with interest revenue being recognized on an effective yield basis in the Statement of Financial Performance. As at 31 December 2022, no held-to maturity investments were held by the Organization.

Bank deposits and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Accrued revenue related to interest, dividends and pending cash to be received from investments are included herein. Bank deposits and other receivables are stated at amortized cost calculated using the effective interest rate method, less any impairments. Interest revenue is recognized on the

effective interest rate basis, with the exception of short-term receivables for which the recognition of interest would be immaterial.

All categories of financial assets are assessed at each reporting date to determine whether there is objective evidence that an investment or group of investments is impaired. Evidence of impairment includes default or delinquency of the counterparty or permanent reduction in the value of the asset. Impairment losses are recognized in surplus or deficit in the Statement of Financial Performance (directly or through the use of an allowance account) in the year they arise.

Other financial liabilities include payables and accruals relating to investments and are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method, with the exception of short-term liabilities for which the recognition of interest would be immaterial.

Financial assets are derecognized when the rights to receive cash flows have expired or have been transferred and the Organization has transferred substantially all risks and rewards of the financial asset.

2.3 Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not traded in an active market. Current receivables are for amounts due within 12 months of the reporting date, while non-current receivables are those that are due more than 12 months from the reporting date of the financial statements.

Voluntary contributions receivables are recognized based on the payment terms specified in a binding agreement between WHO and the contributor. Where no payment terms are specified, the full amount receivable is recognized as currently due. Assessed contributions receivable are recognized annually, at the beginning of the year as per the assessments approved by the Health Assembly. Receivables are recorded at their estimated net realizable value and not discounted as the effect of discounting is considered immaterial.

An allowance for doubtful accounts is recognized when there is a risk that the receivables may be impaired. Changes in the allowance for doubtful accounts are recognized in the Statement of Financial Performance (Statement II).

In accordance with WHO's Staff Regulations and Staff Rules, staff members are entitled to certain advances including those for salary, education and rent. The advances have an initial maturity of less than 12 months, and the carrying amount approximates fair value.

2.4 Inventories

WHO recognizes medicines, vaccines, humanitarian supplies, and publications as part of its inventory. Inventories are valued taking the lower amount of (i) cost or (ii) net realizable value, using a weighted-average basis. A stock count is conducted once every year. Packaging, freight and insurance charges are allocated based on the total value of inventory purchases and added to the inventory value at a rate of 10%.

Where inventories have been acquired through a non-exchange transaction (i.e. inventories were donated as an in-kind contribution), the value of inventory is determined by reference to the donated goods' fair value at the date of acquisition.

When inventories are sold, exchanged or distributed, their carrying amount is recognized as an expense.

2.5 Prepayments and deposits

Prepayments relate to amounts paid to suppliers for goods or services not yet received. Deposits relate to amounts paid as security for the leasing of office space and to the utilities suppliers. Deposits and prepayments are recorded at cost.

2.6 Property, plant and equipment

Property, plant and equipment are stated at historical cost, less accumulated depreciation and any impairment losses. Property, plant and equipment with a value of US\$ 5000 and greater are recognized as non-current assets in the Statement of Financial Position. Property, plant and equipment acquired through a non-exchange transaction are recognized at fair value at the date of acquisition. WHO considers all assets of this type to be non-cash generating. Historical cost comprises the purchase price, any costs directly attributable to bringing the asset to its location and condition and the initial estimate of dismantling and site restoration costs. Packaging, freight and insurance charges are allocated at a rate of 10% of the purchase price and added to the asset value for non-local purchases. Assets that are purchased by WHO for third parties that are not controlled by WHO are expensed as incurred.

Right-to-use arrangements for property (land) are not recognized in the Statement of Financial Position but are instead disclosed in Note 4.7. Office space contributed in-kind is recognized in the Statement of Financial Performance in Note 5.1.

Depreciation is calculated on a straight-line basis over the asset's useful life except for land, which is not subject to depreciation. Property, plant and equipment are reviewed annually for impairment. Given the expected pattern of usage of property, plant and equipment, there are no residual values following full depreciation. Constructions in progress (CIP) are not depreciated, as they are not yet available for use. The depreciation start date depends on the date placed in service. When equipment is placed in service between the 1st and the 15th of the month, a full month of depreciation is recognized for that month and when equipment is placed in service from the 16th of the month, depreciation is recognized from the following month.

The value of heritage assets, including donated works of art, is not recognized as an asset in the Statement of Financial Position.

The estimated useful lives of the asset classes that make up property, plant and equipment are provided in the table below.

Asset class	Estimated useful life (in years)
Land	N/A
Buildings – permanent	60
Buildings – temporary	5
Furniture, fixtures and fittings	5
Vehicles and transport	5
Office equipment	3
Communications equipment	3
Audio visual equipment	3
Computer equipment	3
Network equipment	3
Security equipment	3
Other equipment	3
CIP	No depreciation

A gain or loss resulting from the disposal of property, plant and equipment arises where proceeds from disposal differ from their carrying amount. Those gains or losses are recognized in surplus or deficit in the Statement of Financial Performance.

Improvements are capitalized when the improvement results in an increase in the useful life of the asset or adds usable space. The residual value of the asset and the cost of the improvement will be amortized over the adjusted useful life (remaining life). Normal repair and maintenance costs are expensed in the year when the costs are incurred.

2.7 Intangibles

Intangible assets are stated at historical cost less accumulated amortization and any impairment losses. The threshold for recognition of intangible assets is US\$ 100 000. Intangible assets acquired through a non-exchange transaction are recognized at fair value at the date of acquisition. Amortization is determined over the estimated useful life of the assets using the straight-line method of amortization. WHO's intangible assets are assumed to have a residual value of zero, as intangible assets are not sold or transferred at the end of their useful life. Intangible assets are reviewed annually for impairment.

Cloud-based software is used on a subscription basis and is not controlled by the Organization. Costs incurred to configure or customize cloud-based software as a service (SaaS) are recognized as operating expenses when the services are received. Non-cancellable subscription fees are expensed at the time of invoicing.

The estimated useful life of software acquired externally is between two and six years.

2.8 Leases

A lease is an agreement whereby the lessor conveys to the lessee (the Organization), in return for a payment or series of payments, the right to use an asset for an agreed period of time. Every lease is reviewed to determine whether it constitutes a finance or operating lease. Necessary accounting entries are done accordingly and disclosures are made for the leases above the recognition threshold of US\$ 50 000 per year.

Lease agreements entered into for equipment or office premises are classified as operating leases unless they substantially transfer all of the risk and reward of ownership. Lease charges for operating leases are recognized in the Statement of Financial Performance as general operating expenses, based on the terms of the agreements for the period concerned so as to reflect the time pattern of benefit to WHO.

Where WHO is the lessor, lease revenue from operating leases is recognized as revenue on a straight-line basis over the lease term. All costs associated with the asset incurred in earning the lease revenue, including depreciation, are recognized as an expense.

2.9 Contributions received in advance and deferred revenue

Contributions received in advance arise from legally binding agreements between WHO and its contributors – including governments, international organizations and private and public institutions – whereby contributions are received in advance of the amounts concerned falling due to the Organization.

Deferred revenue derives from legally binding agreements between WHO and its contributors, including governments, international organizations and private and public institutions. Deferred revenue is recognized when:

- a contractual agreement is confirmed in writing by both the Organization and the contributor; and
- the funds are earmarked and due in a future period.

Deferred revenue also includes advances from exchange transactions (refer to Note 2.15).

Deferred revenue is presented as current if the revenue is due within one year, and non-current if the revenue is due one year or more after the reporting date.

2.10 Accounts payable and accrued liabilities

Accounts payable are financial liabilities for goods or services that have been received by WHO and invoiced but not yet paid for.

Accrued liabilities are financial liabilities for goods or services that have been received by WHO and which have neither been paid for nor invoiced to WHO.

Accounts payable and accrued liabilities are recognized at cost, as the effect of discounting is considered immaterial.

2.11 Employee benefits

WHO recognizes the following categories of employee benefits:

- short-term employee benefits;
- post-employment benefits;
- other long-term employee benefits; and
- termination benefits.

Short-term employee benefits

Short-term employee benefits are those that are expected to be settled within 12 months after the end of the year in which employees render the related service. These benefits include assignment benefits, compensated absences (e.g. paid leave, such as annual leave), other short-term benefits and the current portion of long-term benefits provided to current employees. An expense is recognized when a staff member provides services in exchange for employee benefits. A liability is reported for any entitlement that has not been settled at the reporting date and represents the amount paid or expected to be paid to settle the liability. Owing to the short-term nature of those entitlements, the liabilities are not discounted for the time value of money and are presented as current liabilities.

Post-employment benefits

Post-employment benefits include pension plans, post-employment medical care, repatriation grants and other lump sums payable after the completion of employment. Post-employment benefit plans are classified as either defined contribution or defined benefit plans.

Defined contribution plans

For defined contribution post-employment plans, the obligation for each year is determined by the amounts to be contributed for that year, and no actuarial assumptions are required to measure the obligation or the expense.

WHO is a member organization participating in the United Nations Joint Staff Pension Fund (the Fund), which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits to employees. The Fund is a funded, multi-employer defined benefit plan. As specified by Article 3(b) of the Regulations of the Fund, membership in the Fund shall be open to the specialized agencies and to any other international, intergovernmental organization that participates in the common system of salaries, allowances and other conditions of service of the United Nations and the specialized agencies.

The plan exposes participating organizations to actuarial risks associated with participation of current and former employees of other organizations in the Fund, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets, and costs to individual organizations participating in the plan. WHO and the Fund, in line with the other participating organizations in the Fund, are not in a position to identify WHO's proportionate share of the defined benefit obligation, the plan assets and the costs associated with the plan with sufficient reliability for accounting purposes. WHO has therefore treated it as a defined contribution plan in line with the requirements of IPSAS 39 (Employee Benefits). WHO's contributions to the Fund during the financial period are recognized as expenses in the Statement of Financial Performance (Statement II).

Defined benefit plans

The defined benefit plans of WHO include after-service health insurance and the Special Fund for Compensation. The obligation of WHO in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That obligation is discounted to determine its present value and stated at the end of the reporting year less the fair value of plan assets, together with adjustments for unrecognized past service costs. The calculation is performed annually by a qualified independent actuary using the projected unit credit method.

The discount rate is the yield at the reporting date on high-quality credit-rated corporate bonds that have maturity dates approximating the terms of the payment obligations. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized directly in net assets/equity in the year in which they arise. All other changes in the liability for those obligations are recognized as surplus or deficit in the Statement of Financial Performance in the year in which they arise.

Other long-term employee benefits

Other long-term employee benefit obligations are benefits, or portions of benefits, that are not due to be settled within 12 months after the end of the year in which employees provide the related service. Those benefits include the terminal emoluments of staff members and Accident and Illness Insurance. These are measured at the present value of the estimated future cash flows if the payments and the impact of discounting are considered to be material. Actuarial gains and losses are reported in the Statement of Financial Performance.

Termination benefits

Termination benefits are recognized as an expense only when WHO is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate the employment of a staff member before the normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. Termination benefits settled within 12 months are reported at the amount expected to be paid, and the accounting requirements for short-term benefits applied.

2.12 Inter-entity liabilities

Inter-entity liabilities are cash balance held by WHO on behalf of hosted entities (refer to Notes 4.2 and 4.15).

2.13 Provisions, contingent liabilities and commitments

Provisions

Provisions are recognized for future liabilities and charges where WHO has a present legal or constructive obligation as a result of past events, and it is probable that the Organization will be required to settle the obligation.

Contingent liabilities

A contingent liability is disclosed unless the possibility that it will be realized is remote. If it becomes probable that a contingent liability will be realized, a provision is recognized in the year in which the change of probability occurs.

Commitments

Commitments are future expenses and liabilities to be incurred on contracts entered into at the reporting date for which WHO has minimal discretion, if any, to avoid in the ordinary course of operations. Commitments relating to employment contracts are excluded. Commitments are disclosed and include:

- Capital commitments: aggregate amount of capital expenses contracted for but not recognized as paid or provided for at year end;
- Contracts for the supply of goods or services that WHO expects to be delivered in the ordinary course of operations;
- Non-cancellable minimum lease payments;
- Other non-cancellable commitments.

2.14 Contingent assets

Contingent assets will be disclosed when an event gives rise to a probable inflow of economic benefits or service potential and there is sufficient information to assess the probability of the inflow of economic benefits or service potential.

2.15 Revenue

Revenue comprises gross inflows of economic benefits or service potential received and receivable by WHO during the year and represents an increase in net assets/equity. The Organization recognizes revenue following the established criteria of IPSAS 1 (Presentation of Financial Statements), IPSAS 9 (Revenue from Exchange Transactions) and IPSAS 23 (Revenue from Non-Exchange Transactions).

The main sources of revenue for WHO include but are not limited to:

Non-exchange revenue

- **Assessed contributions.** Revenue from contributions from Member States and Associate Members is recorded annually at the beginning of the year as per the assessments approved by the Health Assembly.
- **Voluntary contributions.** Revenue from voluntary contributions is recorded when a binding agreement is signed by WHO and the contributor. Where (i) there are so-called 'subject to clauses' in an agreement, or (ii) the total amount is indicative or not mentioned in the agreement and only confirmed upon release of the funds, WHO does not control the resource and does not record the revenue and amount receivable until the cash is received. Where there are no payment terms specified by the contributor or payment terms are in the current accounting year, revenue is recognized in the current period. Where payment terms specify payment after the year end, the amount is reported as a deferred revenue liability. Where the start date of the contract is after 31 December, revenue is recognized in the future accounting year.
- **Contributions in-kind and in-service.** Contributions in-kind and in-service are recorded at an amount equal to their fair market value as determined at the time of acquisition, based on an agreement between WHO and the contributor and upon confirmation from the receiving budget centre of the receipt of the goods or services. An entry corresponding to the expense is recorded in the same period that the contributions

in-kind and in-service are recorded as revenue. In-kind contributions from right-to-use arrangements are recognized as revenue and expenses at the fair value of the right-to-use assets.

Revenue from assessed contributions is shown net of impairment of receivables. Revenue from voluntary contributions is shown net of impairment of receivables and refunds.

Exchange revenue

- **Reimbursable procurement, concessions, revolving sales and other exchange revenue.** Revenue from reimbursable procurement on behalf of Member States, revenue from the sale of goods or services and fees charged to manufacturers for prequalification services is recorded on an accrual basis at the fair value of the consideration received or receivable when it is probable that the future economic benefits and/or service potential will flow to WHO and those benefits can be measured reliably. The corresponding expense is recognized in the same year as the revenue.

2.16 Expenses

Expenses are defined as decreases in economic benefits or service potential during the reporting period in the form of outflows, consumption of assets, or incurrences of liabilities that result in decreases in net assets/equity. WHO recognizes expenses at the point where goods have been received or services rendered (delivery principle) and accepted by WHO and not when cash or its equivalent is paid.

2.17 Fund accounting

Fund accounting is a method of segregating resources into categories (i.e. funds) to identify both the source and the use of the funds. Establishing such funds helps to ensure better reporting of revenue and expenses. The General Fund, the Special Purpose Fund, the Enterprise Fund and the Fiduciary Fund serve to ensure the proper segregation of revenue and expenses. Any transfers between funds that would result in duplication of revenue and/or expenses are eliminated during consolidation. Intra-fund transfers such as programme support costs within the General Fund are also eliminated.

General Fund

The accounts contained under this fund support the implementation of the programme budget. The General Fund contains the following:

- **Assessed Contributions Fund.** This fund consolidates revenue and expenses arising from assessed contributions from Member States and other miscellaneous income.
- **Tax Equalization Fund.** In accordance with resolution WHA21.10 (1968), in which the Health Assembly decided to establish the Tax Equalization Fund, the assessed contributions of all Member States are reduced by the revenue generated by the staff assessment plan. In determining the reduction of assessed contributions to be applied to the Member States concerned, the Tax Equalization Fund is credited with the revenue from the staff assessment plan, the credits being recorded in the name of individual Member States, in proportion to their assessments for the biennium. For those Member States that levy income tax on emoluments received from the Organization by their nationals or others liable to such taxes, the credit from the staff assessment plan is charged with the estimated amount to be levied by those Member States. Those amounts which have been charged are, in turn, used by the Organization to reimburse income tax paid by the staff concerned, as per resolution WHA21.10.
- **Working Capital Fund.** The Fund was established to implement the programme budget pending receipt of assessed contributions in arrears. In accordance with Financial Regulation VII, implementation of that part of the budget financed from assessed contributions may be financed from the Working Capital Fund and

thereafter by internal borrowing against available cash reserves of WHO, excluding trust funds. Amounts borrowed are repaid from the collection of arrears of assessed contributions and are credited first against any internal borrowing and then against any borrowing from the Working Capital Fund. In accordance with resolution WHA74.3 (2021), the level of the Working Capital Fund has been set at US\$ 31 million for 2022–2023, as set out in Note 6.1.a.

- **Voluntary funds.** This fund consolidates revenue and expenses arising from the following funds:
 - Core voluntary contributions account
 - Voluntary Contributions Core Fund
 - Voluntary Contributions Specified Fund
 - Contingency Fund for Emergencies. This fund was established by the Health Assembly through decision WHA68(10) (2015). The purpose of the fund is to provide temporary financing for emergency field operations
 - Special Programme for Research and Training in Tropical Diseases (TDR Trust Fund)
 - Special Programme of Research, Development and Research Training in Human Reproduction (HRP Trust Fund)
 - Special Programmes and Collaborative Arrangements Fund
 - Programme Support Costs Fund
 - Outbreak and Crisis Response Fund and Contingency Fund for Emergencies
 - Fee for Services Fund. This fund was established to record and report fees charged to manufacturers for prequalification services to assess the quality, safety and efficacy of medical produces (vaccines, medicines or diagnostics)
 - Supply Chain Fund. This fund was established to manage the supply chain operation initiative as a part of the response to the coronavirus disease (COVID-19) pandemic. It is used to record and report stockpile sales to external parties.

Member States – other

The following accounts are contained in Member States – other:

- **Common Fund.** This fund reflects the movement in the asset and liability accounts of the Organization resulting from changes in items such as inventory, fixed assets adjustment, CIP adjustment, depreciation, investment gains and losses, and exchange gains and losses.
- **Enterprise Fund.** This fund contains accounts that generate self-sustaining revenue. The revenue and expenses under this fund are not included in the reporting of the programme budget but are included in the Consolidated Financial Statements of the Organization. The Enterprise Fund contains the following:
 - **Accident and Illness Insurance Fund.** This fund was established as a self-insurance mechanism to provide coverage for staff members in case of accident and illness.
 - **Other Enterprise Funds.** These funds are used to manage non-programme budget activities with a self-financing mechanism.
- **Special Purpose Fund.** The accounts contained under this fund represent transfers from the General Fund or appropriations by the Health Assembly. The revenue and expenses under this fund are not included in the reporting of the programme budget but are included in the Consolidated Financial Statements of the Organization. The Special Purpose Fund contains the following:

- **Infrastructure Fund.** This fund was established by the Seventieth World Health Assembly through decision WHA70(16) (2017) to consolidate reporting for the Real Estate Fund and Information Technology Fund.
- **Staff Health Insurance Fund.** This fund was established to record and report net liability of the Organization. It is financed by way of a charge on salary cost of staff members and contributions from retirees.
- **Special Fund for Compensation.** This fund was established by the Director-General for the payment of periodic benefits awarded to staff members under WHO compensation rules for service-incurred injuries, illnesses and deaths. It is financed by funds allocated to cover the cost of employing the staff member, and by way of any interest earned.
- **Terminal Payments Fund.** This fund was established to finance the terminal emoluments of staff members, including repatriation grant, accrued annual leave, repatriation travel and removal on repatriation. It is financed by way of a charge on salary cost of staff members and any interest earned.
- **Other Special Purpose Funds.** These are internal administrative funds established to pay for certain staff benefits and operational activities.

Fiduciary Fund

This fund accounts for assets that are held by WHO in a trustee or agent capacity for others and that cannot be used to support the Organization's own programmes. The fund includes the assets of the partnerships that are administered by the Organization and whose budgets are not approved by the Health Assembly. The fund did not contribute to the Programme budget 2022–2023, and at 31 December 2022 contained the following:

- Alliance for Health Policy and System Research Fund
- European Observatory on Health Systems and Policies
- Expanded Special Project for Elimination of Neglected Tropical Diseases (ESPEN) Fund
- Partnership for Maternal, Newborn and Child Health Fund
- Staff Association Fund
- WHO Framework Convention on Tobacco Control (FCTC)

2.18 Segment reporting

For the purposes of evaluating its past performance in achieving its objectives and utilization of resources, WHO classifies all its activities based on its regional structure. Revenue, expenses, assets and liabilities are reported for each major office (region). The use of major offices is in line with the decision-making practices of the Member States and the Secretariat, with respect to the allocation of resources. WHO's programme budget is presented by major office, which supports using major offices as the segments. Furthermore, the accountability for results and management of assets and liabilities lies with the heads of each regional office.

2.19 Statement of Cash Flow

The Statement of Cash Flow (Statement IV) is prepared using the indirect method.

2.20 Budget comparison

WHO's budget and accounting basis differ. Budgets within the Organization are approved on a modified cash basis rather than the full accrual basis of IPSAS. In addition, budgets are prepared on a biennial basis.

Although WHO's financial statements cover all the activities of the Organization, budgets are approved by the World Health Assembly only for the General Fund. There are no approved budgets for other funds. All funds are administered in accordance with the Financial Regulations and Financial Rules. For these reasons, the total actual General Fund budget expenditure differs from the total financial accounting expenses.

As required under IPSAS 24 (Presentation of Budget Information in Financial Statements), the actual amounts presented on a comparable basis to the budget shall, where the financial statements and the budget are not prepared on a comparable basis, be reconciled to the actual amounts presented in the financial statements, identifying separately any basis, timing, presentation and entity differences, as detailed in Note 7.

There may also be differences in formats and classification schemes adopted for the presentation of financial statements and the budget.

Through the adoption of resolution WHA74.3 (2021), the Seventy-fourth World Health Assembly approved the Programme budget 2022–2023. The Programme budget 2022–2023 was revised by the Seventy-fifth World Health Assembly through the adoption of resolution WHA75.5 (2022). The Statement of Comparison of Budget and Actual Amounts (Statement V) compares the final budget to actual amounts calculated on the same basis as the corresponding budgetary amounts. As the basis used to prepare the budget and financial statements differ, Note 7 reconciles the actual amounts presented in Statement V to the actual amounts presented in the Statement of Cash Flow (Statement IV).

3. Note on the restatement/reclassification of balances

For the 2022 financial statements, there is no information to provide under this note.

4. Supporting information to the Statement of Financial Position

4.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks, investments in money market funds, collateral deposits, bank deposits, and short-term highly liquid investments with original maturity dates of three months or less from the date of acquisition.

Cash and cash equivalents are held for the purpose of meeting the short-term cash requirements of the Organization, rather than for longer-term investment purposes. They are held on behalf of the Organization, including the General Fund, the Special Purpose Fund, the Enterprise Fund, the Fiduciary Fund and non-WHO entities administered by the Organization. The figures include cash and cash equivalents held in the portfolios managed by external investment managers. Cash and cash equivalents are shown by major office in Note 8.1.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Cash at banks, investment accounts, in transit and on hand	84 464	121 272
Cash and cash equivalents held by investment portfolios	345 627	216 685
Total cash and cash equivalents	430 091	337 957

4.2 Investments and financial instruments

Details of the accounting policies for investments and financial instruments are provided in Note 2.2.

The Organization maintains an internally managed portfolio of bank term deposits, four investment portfolios of identified financial instruments managed by external investment managers consisting principally of fixed-income investments, one investment in an externally managed short-term money market fund and one investment in an externally managed long-term fixed-income fund.

Investments are made in accordance with the approved investment policy and in consultation with the WHO Advisory Investment Committee, and the performance of the investment portfolios is evaluated on a fair value basis.

WHO's funds are invested with the following objectives:

- Preservation of capital. The goal of capital preservation is of paramount importance and is the principal objective of the investment policy;
- Maintenance of sufficient liquidity to meet all payments of liabilities on time; and
- Optimization of income return, commensurate with the above requirements on preservation of capital and liquidity.

The quality, security and liquidity of the investments are always given priority over the rate of return on the investments.

WHO has integrated high standards of environmental, social and governance (ESG) investment principles in its investment mandates. Companies which derive more than 5% of their income from the following sectors were excluded from investment:

- tobacco
- armaments
- fossil fuel reserves and extraction

- alcohol
- gambling
- adult entertainment

WHO's cash and investments are co-mingled with those of the Staff Health Insurance (SHI) Fund, UNAIDS, Unitaïd and the United Nations International Computing Centre (refer to Note 4.15). WHO's investments include term deposits which are managed by the WHO Treasury directly, and bonds and other short-term fixed-income and money market investments which are managed by high-quality approved international investment managers. The total amounts invested on behalf of other entities are as follows:

Description	31 December 2022	31 December 2021
	US\$ thousands	
Staff Health Insurance (SHI)	99 235	113 537
International Computing Centre (ICC)	37 508	42 313
International Drug Purchase Facility (Unitaid)	550 541	465 565
Trust Fund for the Joint United Nations Programme on HIV/AIDS (UNAIDS)	164 808	176 116
Total inter-entity liabilities	852 092	797 531

Applying the relative proportions of cash and cash equivalents, short-term investments and financial liabilities of the total figures to the inter-entity balances for the hosted entities, the investments figures for each hosted entity can be presented as follows:

Description	WHO	SHI	ICC	Unitaid	UNAIDS	Total
	US\$ thousands					
Cash and cash equivalents	360 651	8 087	3 057	44 865	13 431	430 091
Short-term investments	4 122 700	92 444	34 941	512 868	153 530	4 916 483
Financial liabilities	(57 817)	(1 296)	(490)	(7 192)	(2 153)	(68 948)
Total	4 425 534	99 235	37 508	550 541	164 808	5 277 626

An analysis of the Organization's investments is provided in the following table.

Investments and financial instruments (in US\$ thousands)

Description	Internally managed funds	Externally managed funds						Foreign exchange hedging contracts	Grand total as of 31 December 2022	Grand total as of 31 December 2021
	Time deposits and cash	Short-term portfolio A	Short-term portfolio B	Short-term portfolio C	Short-term portfolio D	Long-term portfolio	Total			
Investments under current Assets										
Cash and cash equivalent held by investment portfolio	196 650	4 023	15 831	16 871	112 251	1	148 977		345 627	216 685
Short-term investments										
Financial assets at fair value through surplus or deficit – held for trading	17 931	15 464		6	4 470		19 940	10 823	48 694	33 256
Financial assets at fair value through surplus or deficit – upon initial recognition		998 978	154 232	705 708	935 051		2 793 969		2 793 969	2 878 559
Bank deposits and other receivables	2 029 955	10 750	25 458	3 669	3 987		43 864		2 073 819	1 651 072
Total short-term investments	2 047 886	1 025 192	179 690	709 383	943 508		2 857 773	10 823	4 916 482	4 562 887
Total investments under current assets	2 244 536	1 029 215	195 521	726 254	1 055 759	1	3 006 750	10 823	5 262 109	4 779 572
Investments under non-current assets										
Long-term Investments										
Financial assets at fair value through surplus or deficit – upon initial recognition						99 767	99 767		99 767	114 511
Total long-term assets						99 767	99 767		99 767	114 511
Total investments under non-current assets						99 767	99 767		99 767	114 511
Financial liabilities under current liabilities										
Financial liabilities at fair value through surplus or deficit for trading	(15 846)	(7 361)			(611)		(7 972)	(8 942)	(32 760)	(12 548)
Payables and accruals		(550)	(25 867)		(9 771)		(36 188)		(36 188)	(23 047)
Total financial liabilities	(15 846)	(7 911)	(25 867)		(10 382)		(44 160)	(8 942)	(68 948)	(35 595)
Total financial liabilities under current liabilities	(15 846)	(7 911)	(25 867)		(10 382)		(44 160)	(8 942)	(68 948)	(35 595)
Total investments – net	2 228 690	1 021 304	169 654	726 254	1 045 377	99 768	3 062 357	1 881	5 292 928	4 858 488

Short-term investments

Short-term investments relating to funds held to finance the implementation of health programmes are invested in cash and high-quality short-term government, agency and corporate bonds and time deposits as defined in the approved investment policy. Investments included within “financial assets at fair value through surplus or deficit” include fixed-income securities and derivative instruments held to cover projected liabilities and any unexpected cash requirements. Financial assets in the externally managed portfolios designated upon initial recognition as at fair value through surplus or deficit are classified as short-term investments where the investment time horizon objective of these portfolios is less than or equal to one year. For short-term tactical investment reasons, the external managers of these portfolios may from time to time decide to lengthen temporarily the average duration of these portfolios to slightly longer than one year. This will not change the short-term classification of these financial assets unless the investment time horizon objective of the portfolio and the duration of its benchmark have been changed to more than one year. Other receivables include accrued revenue on investments and receivables from investments that were sold before 31 December 2022 and settled after that date.

Description	31 December 2022	31 December 2021
Financial assets at fair value through surplus or deficit – held-for-trading	48 694	33 256
Financial assets at fair value through surplus or deficit – upon initial recognition	2 793 969	2 878 559
Bank deposits and other receivables	2 073 819	1 651 072
Total short-term investments	4 916 482	4 562 887

Time deposits

Time deposits include hedged time deposits in currencies other than United States dollars which can yield greater interest earnings when forward currency exchange rates are favourable. The currency exchange rate risk of these time deposits is fully hedged using forward foreign exchange contracts.

Description	31 December 2022	31 December 2021
Time deposits in US dollars	1 400 000	1 350 000
Time deposits in non-US dollars	608 138	285 248
Total time deposits	2 008 138	1 635 248

Long-term investments

Long-term investments for the Terminal Payments Fund are placed in line with the approved investment policy and are invested in high-quality, medium-dated and long-dated, government, agency and corporate bonds. The financial assets at fair value through surplus or deficit upon initial recognition in the Terminal Payments Fund investment portfolio are classified as long-term investments in accordance with the investment time horizon objective of the portfolio and the duration of its benchmark, which are both greater than one year. The majority of these investments are invested in an externally managed global bond fund.

Description	31 December 2022	31 December 2021
Financial assets at fair value through surplus or deficit – upon initial recognition	99 767	114 511
Total long-term investments	99 767	114 511

Financial liabilities

Financial liabilities disclosed under “financial liabilities at fair value through surplus or deficit – held-for-trading” arise from derivative transactions such as foreign exchange forward contracts and interest rate swaps, including:

- derivative contracts transacted by the portfolio managers to adjust the currency and the interest rate exposures and positions of the portfolios; and
- forward foreign exchange contracts transacted by WHO to hedge the foreign exchange risk of future expenditure.

Financial liabilities disclosed under “payables and accruals” relate to other financial liabilities from investments, including assets purchased before 31 December 2022 and settled after that date.

Description	31 December 2022	31 December 2021
Financial liabilities at fair value through surplus or deficit – held-for-trading	32 760	12 548
Payables and accruals	36 188	23 047
Total financial liabilities	68 948	35 595

The fair value hierarchy

The fair value hierarchy represents the categorization of market pricing to indicate the relative ease with which the value of investments held by WHO can be realized.

The majority of the financial instruments held by WHO have quoted prices in active markets which are classified as Level 1. Derivative instruments which are transacted over the counter are classified as Level 2 because their fair value is observable – either directly as a price, or indirectly after being derived from prices. The instruments shown under the Level 2 fair value measurement category consist of foreign currency hedging forward contracts and derivative contracts in the externally managed portfolios.

Description	Level 1	Level 2	Total
	US\$ thousands		
Cash and cash equivalents	144 246		144 246
Short-term investments			
Financial assets at fair value through surplus or deficit – held-for-trading	227	33 830	34 057
Financial assets at fair value through surplus or deficit – upon initial recognition	2 793 970		2 793 970
Total short-term investments	2 794 197	33 830	2 828 027
Long-term investments			
Financial assets at fair value through surplus or deficit – upon initial recognition	99 767		99 767
Financial liabilities			
Financial liabilities at fair value through surplus or deficit – held-for-trading		(32 757)	(32 757)
Total	3 038 210	1 073	3 039 283

Risk management

WHO is exposed to financial risks including credit risk, interest rate risk, foreign exchange risk and investment price risk. The Organization uses derivative financial instruments to hedge some of its risk exposures. In accordance with WHO’s Financial Regulations and Financial Rules, funds not required for immediate use may be invested. All investments are carried out within the framework of the investment policy approved by the Director-General. Some portfolios are managed by external managers appointed by the Organization to manage funds in accordance with a defined mandate. The Advisory Investment Committee reviews regularly the investment policies, the investment performance and the investment risk for each investment portfolio. The Committee is composed of external investment specialists who can make investment recommendations to the Director-General.

Nature of financial instruments

Investments are categorized as follows.

Investments with short-term maturities. These investments are invested in cash and high-quality short-dated government, agency and corporate bonds as defined in the approved investment policy.

Investments with long-term maturities. These investments comprise funds managed for the Terminal Payments Fund as defined in the approved investment policy. They are invested in high-quality medium-dated and long-dated, government, agency and corporate bonds and an externally managed global bond index fund.

Credit risk

WHO's investments are widely diversified in order to limit its credit risk exposure to any individual investment counterparty. Investments are placed with a wide range of counterparties using minimum credit quality limits and maximum exposure limits by counterparty established in investment mandates. These limits are applied both to the portfolios managed internally by the Organization's Treasury Unit, and to the portfolios managed by external investment managers. The Treasury Unit monitors the total exposure to counterparties across all internally and externally managed portfolios.

The credit risk and liquidity risk for cash and cash equivalents are minimized by investing only in major financial institutions which have been designated with strong investment grade credit ratings by primary credit rating agencies. The Treasury Unit regularly reviews the credit ratings of the approved financial counterparties and takes prompt action whenever a credit rating is downgraded. The investments with long-term credit ratings are summarized as follows.

Minimum rating category	Total asset value US\$ thousands
AAA	399 247
AA+	818 726
AA	84 386
AA-	256 340
A+	127 881
A	143 641
A-	249 711
Not rated	958 990
Total	3 038 922

Where the investments and securities are not rated for creditworthiness by the major credit ratings agencies (for example, fixed-income securities issued by sovereigns, collateralized mortgage obligations issued by sovereign-backed agencies and investment funds), the Treasury Unit ensures that the deposits and securities and the constituent securities in the investment funds are issued by issuers whose credit ratings are equal to or better than the single A minimum credit rating requirement for WHO investments as set out in the investment guidelines for the external portfolio managers which are agreed with the Advisory Investment Committee, and the investment grade minimum credit rating requirement for investments for the Terminal Payments Fund, which is also agreed with the Advisory Investment Committee.

Interest rate risk

WHO is exposed to interest rate risk through its short-term and long-term fixed-income investments. The metric investment duration is a measure of sensitivity to changes in market interest rates, and the effective average duration of the Organization's investments as at 31 December 2022 was 0.7 years for short-term investments (excluding the bank deposits) and 6.7 years for long-term investments. An increase of 1% in the interest rate

would cause a decrease of 0.7% in the value of the short-term investments (excluding bank deposits) and a decrease of 6.7% in the value of the long-term investments. The interest rates on short-term bank deposits are fixed at the time of investment; their values are not affected by any subsequent movement in interest rates.

Fixed-income derivative instruments may be used by external investment managers to manage interest rate risk under strict investment guidelines. Interest rate instruments of this type are used for portfolio duration management and for strategic interest rate curve positioning.

The interest rate swaps held in the WHO portfolios as at 31 December 2022 are summarized below.

Currency/ Notional amount (in thousands)		(US\$ equivalent in thousands)	Pay/Receive	Maturity
US dollars	27 900	27 900	Pay floating 1 month/Receive floating 3 months	January 2023
Subtotal		27 900		

The net outstanding interest rate and bond futures contracts are summarized below.

Long positions

Products	Exchange ^a	No. of contracts
3-month Secured Overnight Financing Rate (SOFR) JUN 2023	CME	1635

Short positions

Products	Exchange ^a	No. of contracts
3-month SOFR JUN 2024	CME	529
US 5-year T-Note MAR 2023	CME	965
US 2-year T-Note MAR 2023	CME	617

^a CME refers to Chicago Mercantile Exchange Board.

Foreign exchange currency risk

The base currency for WHO's accounting and budgeting is the United States dollar. However, a significant proportion of WHO's income and expenditure is in currencies other than the United States dollar. The Organization is consequently exposed to foreign exchange currency risk arising from fluctuations in currency exchange rates.

WHO uses several foreign exchange hedging techniques and programmes to minimize the risk of exchange rate movements. In addition, 50% of assessed contributions are calculated in Swiss francs to mitigate the currency risk of headquarters expenditure in Swiss francs.¹

The goal of the foreign exchange hedging programmes is to provide a period of certainty for future exchange rates, delay the impact of significant exchange rate movements and provide time for budgets to be adjusted for those movements.

Exchange rate gains and losses on the purchase and sale of currencies, revaluation of cash and bank book balances, and all other exchange differences are adjusted against the funds and accounts eligible to receive interest under the interest apportionment programme. The translation of transactions expressed in other

¹ See resolution WHA66.16 (2013).

currencies into the United States dollar is performed at the United Nations Operational Rates of Exchange prevailing at the date of transaction. Assets and liabilities that are denominated in foreign currencies are translated at the United Nations Operational Rates of Exchange year-end closing rate. Forward foreign exchange contracts are transacted to hedge foreign currency exposures and to manage short-term cash flows. Realized and unrealized gains and losses resulting from the settlement and revaluation of foreign currency transactions are recognized in the Statement of Financial Performance (Statement II).

Hedging foreign exchange exposures on future payroll costs: The United States dollar value of non-United States dollar expenditure in 2023 has been protected from the impact of movements in foreign exchange rates through the transaction of forward currency contracts during 2022. As at 31 December 2022, these forward foreign currency exchange hedging contracts by currency are summarized as follows.

Currency forward bought	(in thousands)	Net amount sold (US\$ thousands)	Net unrealized gain/(loss) (US\$ thousands)
Swiss franc	243 100	261 936	6 006
Euro	132 000	141 326	1 241
Egyptian pound	324 200	14 053	(2 698)
Indian rupee	1 920 000	23 460	(558)
Malaysian ringgit	44 400	10 092	143
Philippine peso	852 000	14 994	118
Total		465 861	4 252

There was a net unrealized gain on these contracts of US\$ 4.3 million as at 31 December 2022 (unrealized loss of US\$ 4.9 million as at 31 December 2021). Realized gains or losses on these contracts will be recorded on maturity of the contracts and applied during 2023.

Hedging foreign exchange exposures on receivables and payables: Currency exchange risk arises as a result of differences in the exchange rates at which foreign currency receivables or payables are recorded, and the exchange rates at which the cash receipt or payment is subsequently recorded. A monthly programme of currency hedging is in place to protect against this foreign currency risk. On a monthly basis, the exposures in respect of receivables are netted by currency and each significant foreign currency exposure is sold forward using a forward foreign exchange contract equal and opposite to the net currency exposure. There is no significant foreign exchange exposure on accounts payable because supplier invoices are recorded and paid within a very short period of time.

These exposures are re-balanced at each month-end to coincide with the setting of the monthly United Nations Operational Rates of Exchange. Through this process, the exchange gains or losses realized on the forward foreign currency contracts match the corresponding unrealized exchange losses and gains on the movements in net receivables. As at 31 December 2022, the total forward foreign currency exchange hedging contracts by currency were as follows.

Currency forward sold	(in thousands)	Currency forward bought (US\$ thousands)	Net unrealized gain/(loss) (US\$ thousands)
Australian dollar	719	487	(2)
Canadian dollar	44 400	32 765	(10)
Swiss franc	1 610	1 752	4
Euro	442 647	472 661	(2 283)
Pound sterling	50 328	60 822	235
Norwegian kroner	378 759	38 434	(193)
Swedish kroner	221 500	21 256	(123)
Total		628 177	(2 372)

There was a net unrealized loss on these contracts of US\$ 2.4 million as at 31 December 2022 (unrealized net loss of US\$ 0.8 million as at 31 December 2021). Realized gains or losses on these contracts will be recorded on the maturity of the contracts and applied during 2023.

The above table does not include data for hedging contracts that are transacted by WHO on behalf of other entities, which are reported in their separate financial statements.

Forward foreign exchange contracts for hedged time deposits in currencies other than United States dollars:

Forward foreign exchange contracts are used to hedge the foreign currency risk of deposits in currencies other than United States dollars, as shown in the table below:

Currency forward bought (in thousands)		Net amount sold (US\$ thousands)	Net unrealized gain/(loss) (US\$ thousands)
Euro	333 308	362 044	3 401
Pound sterling	98 631	123 725	4 759
Japanese yen	7 198 638	51 231	(5 411)
Norwegian kroner	1 231 787	125 397	(661)
Total		662 397	2 088

Forward foreign exchange contracts to manage operational cash flows: Forward foreign exchange contracts are also used to manage short-term cash flows of foreign currency balances to minimize foreign currency transaction risk. At 31 December 2022, a total net amount of 12.1 million Swiss francs were forward bought against the United States dollar. The maturity dates of these forward foreign exchange contracts were in January 2023. Net unrealized losses on these contracts amounted to US\$ 4 thousand as at 31 December 2022 (unrealized losses of US\$ 0.8 million as at 31 December 2021).

Sensitivity of forward foreign exchange contracts to movements in the relative value of the United States dollar: A 1% appreciation in the relative value of the United States dollar against the forward foreign exchange hedging contracts detailed above would result in an increase in the net unrealized gain of US\$ 9.5 million. A 1% depreciation in the relative value of the United States dollar would result in an increase in the net unrealized loss of US\$ 9.7 million.

Forward and spot foreign exchange contracts and other derivative financial instruments are held within the externally managed investment portfolios: In accordance with the investment guidelines set up for each externally managed portfolio, the external investment managers use forward and spot foreign exchange contracts, futures contracts and interest rate swap contracts to manage the currency and interest rate risk of groups of securities within each portfolio. The net values of these instruments as at 31 December 2022, as evaluated by the Organization's investment custodian, are recorded by portfolio under "financial assets/liabilities at fair value through surplus or deficit – held-for-trading". On a monthly basis, the exposures in respect of receivables and accounts payable are netted by currency and each significant net foreign currency exposure is bought or sold forward against the United States dollar using a forward foreign exchange contract equal and opposite to the net currency exposure. The outstanding forward and spot foreign exchange contracts are summarized hereafter.

Net sold amount against US dollar	(in thousands)	US dollar equivalent (in thousands)
Australian dollar	60 119	40 246
Canadian dollar	203 495	155 020
Pound sterling	23 875	28 292
Japanese yen	21 933 054	160 785
Total		384 343

A 1% appreciation in the relative value of the United States dollar against the above-mentioned forward foreign exchange hedging contracts would result in an increase in the unrealized gain of US\$ 3.8 million. A 1% depreciation in the relative value of the United States dollar would result in an increase in the unrealized loss of US\$ 3.9 million.

4.3 Receivables

As at 31 December 2022, total receivables (current and non-current) amounted to US\$ 1920 million (US\$ 1658 million as at 31 December 2021). The receivable balance includes outstanding amounts for both assessed and voluntary contributions. Receivables are split between current and non-current based on the payment terms of when the amounts become due.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Accounts receivable – current		
Assessed contributions receivable ^a	130 226	201 662
Voluntary contributions receivable ^b	1 426 499	1 090 283
Other receivables	22 575	24 364
Allowance for doubtful accounts receivable	(41 173)	(51 969)
Total accounts receivable – current	1 538 127	1 264 340
Accounts receivable – non-current		
Outstanding rescheduled assessments receivable ^a	18 997	11 473
Voluntary contributions receivable ^b	381 590	393 688
Allowance for doubtful accounts receivable	(18 997)	(11 473)
Total accounts receivable – non-current	381 590	393 688
Total accounts receivable	1 919 717	1 658 028

^a See document A76/21 for details of the status of collection of assessed contributions.

^b See document A76/INF./4 for details of voluntary contributions receivable.

The ageing of current assessed contributions and voluntary contributions receivable is as follows:

Description	31 December 2022	31 December 2021
	US\$ thousands	
Assessed contributions receivable (current)		
2023	7 321	
2022	90 488	5 684
2021	27 541	162 009
2020	4 238	28 749
2019 and earlier	1 260	7 065
Revaluation gains/(losses)	(622)	(1 845)
Gross assessed contributions (current)	130 226	201 662
Voluntary contributions receivable (current)		
2023	602 692	
2022	661 787	474 456
2021	137 884	523 142
2020	12 122	48 871
2019 and earlier	28 518	57 970
Revaluation gains/(losses)	(16 504)	(14 156)
Gross voluntary contributions (current)	1 426 499	1 090 283

The movement in current assessed contributions receivable during the reporting period is summarized below. Document A76/21 provides further details on the status of collection of assessed contributions.

Description	2021 and prior	2022	Rescheduled	Total
US\$ thousands				
Assessed contributions receivable				
Opening balance as at 1 January 2022	195 978		17 157	213 135
Assessment		481 406		481 406
Collections	(154 427)	(388 969)	(1 299)	(544 696)
Revaluations	(431)	(191)	–	(622)
Amounts rescheduled based on WHA resolutions ^a	(8 584)	(1 877)	10 461	–
Closing balance as at 31 December 2022	32 536	90 369	26 319	149 223
Presented as:				
Accounts receivable (current)	32 536	90 369	7 321	130 226
Accounts receivable (non-current)			18 997	18 997

^a See resolutions WHA75.1 and WHA75.2 (2022).

Current voluntary contributions receivable include the following segments:

Description	31 December 2022	31 December 2021
US\$ thousands		
Base	736 149	571 514
Emergency	446 665	315 327
Polio	196 104	142 035
Other	47 581	61 407
Gross voluntary contributions (current)	1 426 499	1 090 283

Other receivables are comprised primarily of amounts receivable from PAHO and sales tax receivable.

Allowance for doubtful accounts receivable

As at 31 December 2022, the total allowance for doubtful accounts receivable was US\$ 60.2 million (US\$ 63.4 million as at 31 December 2021). This figure comprises an allowance of US\$ 47.3 million for assessed contributions, an allowance of US\$ 7.0 million for voluntary contributions and an allowance of US\$ 5.9 million for other receivables.

The allowance for assessed contributions receivable – current includes: (i) all amounts receivable from prior years; (ii) rescheduled assessments currently due; and (iii) amounts due for the current year from Member States in arrears to an extent that would justify invoking Article 7 of the Constitution, less any subsequent payments received before the preparation of the financial statements. The allowance for assessed contributions – non-current includes all non-current rescheduled assessments.

The allowance for voluntary contributions receivable is based on a detailed review of all amounts receivable more than one year overdue and a review of amounts less than one year overdue where there is evidence that the amount is unlikely to be received.

The allowance for other receivables is based on a detailed review of all amounts receivable more than two years overdue where the collection is in doubt.

With certain contributors, WHO signs agreements that may span many years of implementation. These agreements do not state the payment terms for the transfer of instalments; instead, they are reimbursed based on the quarterly expenses incurred. WHO records the full amount of revenue in the financial year in which the

agreement is signed and recognizes the full receivable as currently due. As at 31 December 2022, the total receivable shown as currently due under this arrangement was US\$ 478.3 million, of which US\$ 27.8 million was due on agreements ending in 2024 and beyond (US\$ 337.2 million outstanding as currently due at 31 December 2021, of which US\$ 51.3 million outstanding was due on agreements ending in 2023 and beyond). From the total receivable, US\$ 93.0 million relates to quarterly expenses incurred as of 31 December 2022 and the remaining balance of US\$ 385.3 million relates to work planned in future.

The movement in the allowance for doubtful debts is as follows.

Description	31 December 2022				31 December 2021			
	US\$ thousands							
	Assessed contributions	Voluntary contributions	Other receivables	Total	Assessed contributions	Voluntary contributions	Other receivables	Total
Opening balance as at 1 January	61 808	1 634	–	63 442	83 569	1 323	–	84 892
Write-off of accounts receivable previously provided	–	–	–	–	–	–	–	–
(Decrease)/increase in allowance for doubtful accounts receivable (refer to Note 5.1)	(14 488)	5 321	5 895	(3 272)	(21 761)	311	–	(21 450)
Ending balance as at 31 December	47 320	6 955	5 895	60 170	61 808	1 634	–	63 442
Of which:							–	
Allowance – current	28 323	6 955	5 895	41 173	50 335	1 634	–	51 969
Allowance – non-current	18 997	–	–	18 997	11 473	–	–	11 473
Total allowance for doubtful accounts receivable	47 320	6 955	5 895	60 170	61 808	1 634	–	63 442

The allowance for doubtful other accounts receivable relates to sales tax receivable from the governments of the following countries:

Description	31 December 2022
	US\$ thousands
India	1 127
Mozambique	551
Lebanon	456
Papua New Guinea	404
United Republic of Tanzania	400
Zimbabwe	355
Palestine	273
Sudan	267
South Africa	248
Morocco	223
Others	1 591
Total allowance for doubtful accounts receivable – other	5 895

4.4 Staff receivables

The total balance of staff receivables amounted to US\$ 16 million as at 31 December 2022 (US\$ 13.0 million as at 31 December 2021). The largest balance relates to education grant, which represents advances made to staff for the 2022 portion of the 2022–2023 school year.

Description	31 December 2022	31 December 2021
US\$ thousands		
Salary advances	1 120	637
Education grant advances	13 445	12 380
Rental advances	1 168	1 097
Travel receivables	316	(1 143)
Total staff receivables	16 049	12 971

4.5 Inventories

The total value of inventory as at 31 December 2022 was US\$ 178.3 million (US\$ 190.4 million as at 31 December 2021). The movement of inventory items during the year is shown in the table below:

Description	31 December 2021	Net additions	Net shipments	Net disposals and expired items	Net inventory in-transit	31 December 2022
US\$ thousands						
Medicines, vaccines and humanitarian supplies	184 260	206 076	(224 526)	(4 068)	9 720	171 462
Publications	6 170	1 299	(542)	(101)		6 826
Total inventory	190 430	207 375	(225 068)	(4 169)	9 720	178 288

Total expenses relating to inventories during the period (net shipments, net disposals and expired items) amounted to US\$ 229.2 million (US\$ 277.8 million during the year ended 31 December 2021). The expenses relating to inventories are reported in the Statement of Financial Performance (Statement II) under “Medical supplies and materials”.

4.6 Prepayments and deposits

The total value of prepayments as at 31 December 2022 was US\$ 14.7 million (US\$ 102.6 million as at 31 December 2021). These represent payments to suppliers in advance of the receipt of goods or services. The largest component of prepayments (US\$ 6.8 million) relates to procurement of polio vaccine through the United Nations Children’s Fund. It is common practice for technical service contractors to request payments in advance to support project work. When goods or services are delivered, prepayments are applied to the appropriate expense account.

Prepayments include US\$ 3.3 million of deposits (US\$ 3.7 million as at 31 December 2021). Deposits represent amounts given to landlords as a security to rent office space.

4.7 Property, plant and equipment

As at 31 December 2022, the total value of recognized property, plant and equipment (net of accumulated depreciation) was US\$ 231 million (US\$ 230 million as at 31 December 2021).

Details of the total property, plant and equipment are as follows:

Property

The total value of property (net of accumulated depreciation) was US\$ 211.9 million (US\$ 212.4 million as at 31 December 2021). The addition of US\$ 4.2 million relates to CIP for the headquarters main building project. The details of property are as follows.

Major office	31 December 2021	Additions	Disposals Transfers	Impairments	Depreciation	31 December 2022
US\$ thousands						
Headquarters						
Land	1 000					1 000
Buildings	177 575				(4 129)	173 446
CIP	12 255	4 177				16 432
Total property – headquarters	190 830	4 177			(4 129)	190 878
Regional Office for Africa						
Land	103					103
Buildings	3 493				(229)	3 264
CIP	184					184
Total property – Regional Office for Africa	3 780				(229)	3 551
Regional Office for the Eastern Mediterranean						
Buildings	17 485				(403)	17 082
CIP						
Total property – Regional Office for the Eastern Mediterranean	17 485				(403)	17 082
Regional Office for the Western Pacific						
Buildings	393				(11)	382
CIP						
Total property – Regional Office for the Western Pacific	393				(11)	382
Total WHO						
Land	1 103					1 103
Buildings	198 946				(4 772)	194 174
CIP	12 439	4 177				16 616
Total property – WHO	212 488	4 177			(4 772)	211 893
Cost	254 394	4 177				258 571
Accumulated depreciation	(41 906)				(4 772)	(46 678)

WHO has 76 operating leases and 40 host country agreements for land, office and warehouse space. These agreements are under both commercial terms and provided free of charge by the host government.

Rent for the 76 operating leases is reported within general operating expenses (refer to Note 5.2). Commitments for operating leases are disclosed in Note 12.

For the 40 agreements where space was provided to WHO by host governments on a free-of-charge basis, the fair value of annual rent was estimated and recognized as an expense of US\$ 13.9 million (2021: US\$ 14.1 million) as well as in-kind contributions revenue (refer to Note 5.1, Voluntary contributions in-kind and in-service).

In locations where WHO does not own land, surface rights were granted at no cost. As the title to the land remains with the government, and the Organization does not have the ability to dispose of these rights in a commercial transaction, the value of land is not recognized in the financial statements.

The table below indicates the locations where land has been made available to WHO to construct premises.

Region	Country	City
Headquarters	Switzerland	Geneva
Africa	Equatorial Guinea	Malabo
Africa	Nigeria	Maiduguri, Borno State
Africa	South Sudan	Juba
Eastern Mediterranean	Afghanistan	Kabul
Eastern Mediterranean	Egypt	Cairo
Eastern Mediterranean	Jordan	Amman
Eastern Mediterranean	Pakistan	Islamabad
Eastern Mediterranean	Somalia	Garowe
Eastern Mediterranean	Tunisia	Tunis
South-East Asia	India	New Delhi
Western Pacific	Philippines	Manila
Western Pacific	Solomon Islands	Honiara

Plant and equipment

The total value of plant and equipment (net of accumulated depreciation) was US\$ 19.1 million as at 31 December 2022 (US\$ 17.5 million as at 31 December 2021). The details of plant and equipment are as follows.

Asset category	1 January 2022	Additions	Depreciation	Disposals/Transfers	Impairments	31 December 2022	Cost	Accumulated depreciation
US\$ thousands								
Vehicles and transport equipment	12 677	8 087	(5 203)	(169)		15 392	75 228	(59 836)
Computer and communications equipment	3 365	1 666	(2 352)	(28)		2 651	27 509	(24 858)
Machinery and specialized equipment	1 165	440	(828)			777	11 859	(11 082)
Furniture	325	39	(99)			265	810	(545)
Total equipment – WHO	17 532	10 232	(8 482)	(197)		19 085	115 406	(96 321)

The total depreciation for 2022 was US\$ 13.3 million (refer to Note 5.2) – US\$ 4.8 million for property and US\$ 8.5 million for plant and equipment.

Included in plant and equipment are assets retired from active use and held for disposal. The carrying amount of these assets is as follows:

Asset category	Units	Carrying value (US\$)
Vehicles and transport equipment	114	Nil
Computer and communications equipment	205	Nil
Machinery and specialized equipment	76	Nil
Furniture	1	Nil
Total	396	Nil

In addition, the Organization continues to use a number of fully depreciated assets; the total purchase cost of these assets was US\$ 73 million.

Details of fully depreciated assets in use are as follows.

Asset category	Fully depreciated equipment in service as at 31 December 2022
	units
Vehicles and transport equipment	1 204
Computer and communications equipment	1 607
Machinery and specialized equipment	495
Furniture	38
Total equipment – WHO	3 344

4.8 Intangibles

Intangible assets held as at 31 December 2022 amounted to US\$ 6.2 million (US\$ 4.9 million as at 31 December 2021). All intangibles relate to the implementation of purchased software.

Asset category	31 December 2021	Additions	Disposals/ transfers	Amortization	31 December 2022	Acquired cost	Accumulated amortization
	US\$ thousands						
Software acquired	1 732			(839)	893	7 657	(6 764)
Software under development	3 199	2 139			5 338	5 338	
Total intangible assets	4 931	2 139		(839)	6 231	12 995	(6 764)

4.9 Contributions received in advance

The amount for contributions received in advance mainly concerns payments received from Member States in 2022 for their 2023 assessed contributions. The balance for advance payments for voluntary contributions reflects funds received for agreements starting in 2023. Unapplied and unidentified receipts are amounts received in 2022 but not yet matched as at 31 December 2022.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Assessed contribution advances	49 457	51 705
Advances for voluntary contributions	17 142	17 051
Unapplied and unidentified receipts	6 654	28 499
Other advances	583	691
Total contributions received in advance	73 836	97 946

4.10 Accounts payable

Accounts payable represents the total amount due to suppliers, and payables for travel as at 31 December 2022. Accounts payable by major office are shown in Note 8.1.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Payables to suppliers	65 756	108 905
Payables for travel	2 938	5 263
Total accounts payable	68 694	114 168

4.11 Staff payable

The balance of staff payable represents the total amount outstanding to staff as at 31 December 2022. Salaries payable consist of balances due to staff pending the finalization of clearance certificates. Bank returns are balances due to staff for which the payment is pending the receipt of updated bank account information.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Salaries payable	1 814	2 049
Bank returns	112	39
Total staff payable	1 926	2 088

4.12 Accrued staff benefits

Accrued staff benefits include terminal payments, staff health insurance, group accident and illness insurance and liabilities due to service-incurred injuries, illnesses and deaths (Special Fund for Compensation).

In 2022, the overall accrued staff benefit liability decreased by US\$ 1020.9 million from US\$ 1478.1 million as at 31 December 2021 to US\$ 457.2 million as at 31 December 2022. This was primarily due to the following factors:

Liability decreased due to:

- Excess of contributions received over payments made to scheme participants of all funds of US\$ 107.5 million;
- Favourable actuarial adjustments resulting from changes in the global financial environment of US\$ 893.3 million; and
- Favourable actuarial adjustments resulting from demographic changes (e.g. life expectancy), better cost management for the Staff Health Insurance scheme of US\$ 342.9 million.

Liability increased due to:

- Loss and interest on investments of US\$ 189.4 million;
- Amount accrued annually based on entitlements earned by scheme participants (also referred to as service cost) of US\$ 100.5 million; and
- Other actuarial factors of US\$ 32.9 million.

Further details are provided per fund in the sections and table (Actuarial summary of terminal payments, the Staff Health Insurance and the Special Fund for Compensation) below.

Terminal Payments

The Terminal Payments Fund was established to finance the terminal emoluments of staff members, including repatriation grants, accrued annual leave, repatriation travel and removal on repatriation. It is funded by a charge made to salary.

Liabilities arising from repatriation benefits and annual leave are determined by independent consulting actuaries. However, the accrued leave is calculated on a walk-away basis – that is, as if all staff separated immediately – and, therefore, is not discounted.

The latest actuarial study (as at 31 December 2022) estimated the full terminal payment liability to be US\$ 147.4 million (short-term liability, US\$ 86.2 million; long-term liability, US\$ 61.2 million) compared to

US\$ 161.3 million as at 31 December 2021, a net decrease of US\$ 13.9 million, which is recognized by nature of expense, in the Statement of Financial Performance (Statement II). This calculation does not include costs for the end-of-service grant, separation by agreement or abolishment of posts. The defined benefit obligation amounted to US\$ 72.0 million (US\$ 84.8 million as at 31 December 2021) for terminal entitlements, and US\$ 75.4 million (US\$ 76.5 million as at 31 December 2021) for annual leave which is included in the terminal payments current balance. Assets of US\$ 98.4 million (US\$ 113.4 million as at 31 December 2021) have been earmarked to settle these liabilities, representing 67% funding of the total liability (70% as at 31 December 2021).

Special Fund for Compensation

In the event of an injury, illness or death attributable to the performance of official duties of an eligible staff member, the Special Fund for Compensation provides compensation to disabled staff members (for the duration of the disability up to a maximum age of 65) or to the surviving spouses and in certain circumstances to other family members.

WHO accounts for the Special Fund for Compensation as a post-employment benefit. Actuarial gains and losses are recognized in the Statement of Changes in Net Assets/Equity (Statement III), in accordance with IPSAS 39 (Employee Benefits).

As per the actuarial study, the total liability was US\$ 25.6 million as at 31 December 2022 (US\$ 53 million as at 31 December 2021). The liability decreased mainly due to the increase in the discount rate and reduction in expected future cases. In accordance with IPSAS 39 (Employee Benefits), the actuarial gain of US\$ 30.2 million (gain of US\$ 3.2 million in 2021) was credited directly to net assets/equity (Statement III) in 2022, and US\$ 3.8 million (US\$ 4.2 million in 2021) was charged by nature of expense in the Statement of Financial Performance (Statement II). Assets of US\$ 22.7 million (US\$ 7.7 million as at 31 December 2021) have been earmarked to settle these liabilities, representing 89% funding of the total liability (15% as at 31 December 2021).

Accident and Illness Insurance

The Accident and Illness Insurance Fund was established to cover benefit payments in the event of death, permanent disability, loss of function and sick leave to staff members of WHO, PAHO, IARC, the International Computing Centre, Unitaids and UNAIDS. It is funded by contributions from staff and their organizations.

Liabilities for these benefits are determined by professional consulting actuaries and recorded as other long-term benefits. In accordance with IPSAS 39 (Employee Benefits), a net decrease of US\$ 0.2 million was recognized by nature of expense, in the Statement of Financial Performance (Statement II).

As per the actuarial study, the total liability was US\$ 6.2 million as at 31 December 2022 (US\$ 6.4 million as at 31 December 2021). Assets of US\$ 6.4 million (US\$ 20.1 million as at 31 December 2021) have been earmarked to settle these liabilities, representing 100% funding of the total liability (312% as at 31 December 2021).

Staff Health Insurance

The Secretariat manages its own health insurance scheme as a separate entity. The Staff Health Insurance has its own governance structure and provides for the reimbursement of a major portion of expenses for medically recognized health care incurred by staff members, retired staff members and their eligible family members. The Staff Health Insurance is financed by the contributions made by the participants (one third) and the Organization (two thirds) and from investment income.

The Organization accounts for after-service staff health insurance as a post-employment benefit. Actuarial gains and losses are recognized in the net assets/equity in accordance with IPSAS 39 (Employee Benefits).

Professional actuaries determined the 2022 defined benefit obligation for the Staff Health Insurance based on personnel data and payment experience provided by WHO. As at 31 December 2022, the unfunded defined

benefit obligation amounted to US\$ 278 million (US\$ 1257 million in 2021), comprising a total defined benefit obligation of US\$ 1447 million (US\$ 2555 million in 2021), offset by fund assets of US\$ 1169 million (US\$ 1298 million in 2021). This represents a net funding position of 81% (51% as at 31 December 2021). The net liability decreased, mainly due to the change in discount rate, which is driven by economic conditions and favourable demographic movements in 2022.

In accordance with IPSAS 39 (Employee Benefits), the actuarial gain of US\$ 983 million (actuarial gain of US\$ 463 million in 2021) was charged directly to the Statement of Changes in Net Assets/Equity (Statement III) in 2022, and US\$ 3.7 million (US\$ 35.5 million charges in 2021) was charged to staff cost (refer to Note 5.2).

Further details on Staff Health Insurance liability can be found in the annual report of the Staff Health Insurance scheme.

The table below summarizes actuarial liability for the Accident and Illness Insurance scheme, terminal payments, the Staff Health Insurance and the Special Fund for Compensation.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Accrued staff benefits – current		
Terminal payments	86 153	86 567
Special Fund for Compensation	1 074	1 276
Accident and Illness Insurance	4 356	4 139
Total accrued staff benefits – current	91 583	91 982
Accrued staff benefits – non-current		
Terminal payments	61 234	74 759
Special Fund for Compensation	24 435	51 729
Accident and Illness Insurance	1 889	2 305
Staff Health Insurance	278 083	1 257 392
Total accrued staff benefits – non-current	365 641	1 386 185
Accrued staff benefits		
Terminal payments	147 387	161 326
Special Fund for Compensation	25 509	53 005
Accident and Illness Insurance	6 245	6 444
Staff Health Insurance	278 083	1 257 392
Total accrued staff benefits	457 224	1 478 167

Actuarial summary of terminal payments, the Staff Health Insurance and the Special Fund for Compensation (in US\$ thousands)

Description	Terminal payments (other than accrued leave)	Special Fund for Compensation	Accident and Illness Insurance	Staff Health Insurance
Reconciliation of defined benefit obligation				
Defined benefit obligation as at 31 December 2021	84 790	53 005	6 444	2 530 079
Service cost	8 122	3 009	4 737	84 596
Interest on defined benefit obligation	1 994	838	13	23 489
Actual gross benefit payments	(6 926)	(558)	(4 181)	(41 252)
Actual administrative expenses		(543)	(666)	(2 823)
Actual contributions by participants				12 456
Plan amendments	2 669			
(Gain)/Loss on defined benefit obligation due to financial assumption changes	(10 546)	(9 783)	(148)	(872 835)

Description	Terminal payments (other than accrued leave)	Special Fund for Compensation	Accident and Illness Insurance	Staff Health Insurance
(Gain)/Loss on defined benefit obligation due to other assumption changes	(8 144)	(20 459)	46	(314 349)
Defined benefit obligation as at 31 December 2022	71 959	25 509	6 245	1 419 361
Reconciliation of incurred but not paid reserve				
Incurred but not paid reserve as at 31 December 2021				24 821
Interest on incurred but not paid reserve for 2022				277
(Gain)/Loss on incurred but not paid reserve				2 109
Incurred but not paid reserve as at 31 December 2022				27 207
Reconciliation of assets				
Assets as at 31 December 2021				1 297 508
Actual gross benefit payments for 2022	(6 927)	(558)	(4 181)	(76 188)
Actual administrative expenses		(543)	(666)	(5 434)
Organization contributions during 2022 – regular	6 927	1 101	4 847	95 317
Organization contributions during 2022 – additional				
Participant contributions during 2022				46 679
Interest on SHI assets for 2022				12 638
Gain/(Loss) on plan assets				(202 035)
Assets as at 31 December 2022				1 168 485
Reconciliation of unfunded status				
Defined benefit obligation				
Active	71 959	3 724		773 799
Inactive		21 785	6 245	645 562
Incurred but not paid reserve				27 207
Total defined benefit obligation	71 959	25 509	6 245	1 446 568
Plan assets				
Gross plan assets				(1168 485)
Total plan assets				(1168 485)
Net liability (asset) recognized in Statement of Financial Position	71 959	25 509	6 245	278 083
(Gain)/Loss on defined benefit obligation	(18 690)	(30 242)	(102)	(983 040)
Current	10 725	1 074	4 356	
Non-current	61 234	24 435	1 889	278 083
Net liability (asset) recognized in Statement of Financial Position	71 959	25 509	6 245	278 083
Annual expense for 2022				
Service cost	8 122	3 009	4 737	84 596
Interest on (surplus)/deficit	1 994	838	13	11 128
Past service (credit)/cost	2 669			
Remeasurements	(18 690)	Not applicable	(102)	Not applicable
Total expense recognized in Statement of Financial Performance	(5 905)	3 847	4 648	95 724
Actuarial (gain)/loss recognized in net assets/equity	Not applicable	(30 242)	Not applicable	(983 040)
Expected contributions during 2023				
Contributions by WHO	10 992	1 073	5 792	25 427
Contributions by participants				69 547
Total expected contributions for 2023	10 992	1 073	5 792	94 974

Staff health insurance sensitivity analysis

Defined benefit obligation sensitivity analysis – medical inflation	US\$ (thousands)
Current medical inflation assumption minus 1%	1 057 153
Current medical inflation assumption	1 419 361
Current medical inflation assumption plus 1%	1 803 932

Defined benefit obligation sensitivity analysis – discount rate	US\$ (thousands)
Current discount rate assumption minus 1%	1 708 247
Current discount rate assumption	1 419 361
Current discount rate assumption plus 1%	1 139 100
Approximate duration of defined benefit obligation	19 years

Actuarial methods and assumptions

Each year the Organization identifies and selects assumptions and methods that will be used by the actuaries in the year-end valuation to determine the expense and contribution requirements for the Organization's employee benefits. Actuarial assumptions are required to be disclosed in the financial statements, in accordance with IPSAS 39 (Employee Benefits). In addition, each actuarial assumption is required to be disclosed in absolute terms.

In 2022, the Organization performed a full valuation to estimate the liabilities. Normally, a full valuation is done every three years.

Measurement date

All plans: 31 December 2022

Discount rate

Terminal payments (other than accrued leave):	The weighted-average discount rate used is 5.1% (increase from 2.5% in prior valuation). Based on a yield curve approach that reflects the expected cash flows with weights of 100% on the Aon USD AA Above Median curve. The resulting discount rate is rounded to the nearest 0.1%.
Staff Health Insurance:	<p>Europe, 2.3% (increase from 0.4% in prior valuation); the Americas, 5.6% (increase from 3.2% in prior valuation); Other Countries, 5.3% (increase from 2.9% in prior valuation).</p> <p>Discount rates are based on the yields of high-grade corporate bonds. WHO uses a yield curve approach, which reflects the expected cash flows and assumed currency exposure—specific to the ASHI—for each grouping of offices. The liability is assumed to be incurred in Swiss francs, euros, and United States dollars, based on the approximate liability mix for each grouping of offices and the following yield curves. These curves were recommended by the United Nations for use in its retiree medical valuations, based on consultations with Aon: Switzerland—Aon Swiss AA Corp. curve, Euro Zone—Aon AA Corp. curve, and the United States—Aon AA Above Median curve.</p> <p>The discount rates for the 31 December 2022 valuation are based on the geographic locations of the offices, as described in the section below entitled Regional groupings for all purposes except claims costs. The resulting rate is rounded to the nearest 0.1%.</p>
Special Fund for Compensation:	The weighted-average discount rate used is 3.8% (increase from 1.6% in prior valuation). Based on a yield curve approach that reflects the expected cash flows with weights of 25% on the Aon USD AA Above Median curve, 15% on the Aon Swiss AA Corp. curve and 60% on the Aon EUR AA Corp. curve. The resulting discount rate is rounded to the nearest 0.1%.
Accident and Illness Insurance:	The weighted-average discount rate used is 2.8% (decrease from 0.3% in prior valuation). Based on a yield curve approach that reflects the expected cash flows with weights of 30% on the Aon USD AA Above Median curve and 70% on the Aon Swiss AA Corp. curve. The resulting discount rate is rounded to the nearest 0.1%.

Annual general inflation

Terminal payments (other than accrued leave):	The weighted-average inflation rate used is 2.5%. The regional weightings used are 100% on United States rate. Rounding of the resulting weighted-average inflation rates for each plan to the nearest 0.1%.
Staff Health Insurance:	<p>Europe 1.5%, the Americas 2.4%, and Other Countries 2.4%. The rates are based on the United Nations common assumptions (for long-duration plans) as directed by the United Nations System Task Force on Accounting Standards. Specifically, the rate for Europe is a weighted average of the rates for Switzerland (1.2%) and the Euro Zone (2.6%), and 2.4% for the United States with the result rounded to the nearest 0.1%.</p> <p>The currency weightings for each claims region are assumed to be the same currency weightings for offices located in those regions. The currency weightings used are as follows: for Europe, 80% Swiss francs and 20% euros; for the Americas, 100% United States dollars; and for Other Countries, 80% United States dollars and 20% euros.</p>
Special Fund for Compensation:	The weighted-average inflation rate used is 2.35%. The regional weightings used are 15% on Swiss, 60% Euro Zone and 25% on United States rate. Rounding of the resulting weighted-average inflation rates for each plan to the nearest 0.1%.

Accident and Illness Insurance:	The weighted-average inflation rate used is 1.5%. The regional weightings used are 70% on Swiss and 30% on United States rate. Rounding of the resulting weighted-average inflation rates for each plan to the nearest 0.1%.
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Annual salary scale

All plans:	General inflation, plus 0.5% for productivity growth, plus merit/promotion increases.
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Regional groupings for all purposes except claims costs

Terminal payments (other than accrued leave):	Not applicable
Staff Health Insurance:	Based on: the Regional Office for Europe and headquarters, which are grouped as Europe; the Regional Office for the Americas, which constitutes the Americas; and the African Region, the Eastern Mediterranean Region, the South-East Asia Region, and the Western Pacific Region, which are grouped as Other Countries.
Special Fund for Compensation:	Not applicable
Accident and Illness Insurance:	Not applicable

Repatriation travel and removal on repatriation

Terminal payments (other than accrued leave):	Calculated using the projected unit credit method with service prorated, and an attribution period from the entry on duty date to separation. A 2% increase is applied for incurred but not paid benefits.
Staff Health Insurance:	Not applicable
Special Fund for Compensation:	Not applicable
Accident and Illness Insurance:	Not applicable

Repatriation grant, termination indemnity, and grant in case of death

Terminal payments (other than accrued leave):	Using the projected unit credit method with accrual rate proration. A 2% increase is applied for incurred but not paid benefits.
Staff Health Insurance:	Not applicable
Special Fund for Compensation:	Not applicable
Accident and Illness Insurance:	Not applicable

Accrued leave

Terminal payments (other than accrued leave):	The liability is set equal to the walk-away liability – that is, as if all staff separated immediately. Plus 2% increase is applied for incurred but not paid benefits.
Staff Health Insurance:	Not applicable
Special Fund for Compensation:	Not applicable
Accident and Illness Insurance:	Not applicable

Abolition of post, end-of-service grant, and separation by mutual agreement

Terminal payments (other than accrued leave):	These benefits are considered termination benefits under IPSAS 39 (Employee Benefits) and, therefore, are excluded from the valuation.
Staff Health Insurance:	Not applicable
Special Fund for Compensation:	Not applicable
Accident and Illness Insurance:	Not applicable

United Nations Joint Staff Pension Fund

WHO is a member organization participating in the United Nations Joint Staff Pension Fund (the Fund), which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits to employees. The Fund is a funded, multi-employer defined benefit plan. As specified in Article 3(b) of

the Regulations of the Fund, membership in the Fund shall be open to the specialized agencies and to any other international, intergovernmental organization which participates in the common system of salaries, allowances and other conditions of service of the United Nations and the specialized agencies.

The Fund exposes participating organizations to actuarial risks associated with the current and former employees of other organizations participating in the Fund, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and costs to individual organizations participating in the Fund. WHO and the Fund, in line with the other participating organizations in the Fund, are not in a position to identify WHO's proportionate share of the defined benefit obligation, the plan assets and the costs associated with the plan with sufficient reliability for accounting purposes. Hence, WHO has treated this plan as if it were a defined contribution plan in line with the requirements of IPSAS 39 (Employee Benefits). WHO's contributions to the Fund during the financial period are recognized as expenses in the Statement of Financial Performance.

The Fund's Regulations state that the Pension Board shall have an actuarial valuation made of the Fund at least once every three years by the Consulting Actuary. The practice of the Pension Board has been to carry out an actuarial valuation every two years using the Open Group Aggregate Method. The primary purpose of the actuarial valuation is to determine whether the current and estimated future assets of the Fund will be sufficient to meet its liabilities.

WHO's financial obligation to the Fund consists of its mandated contribution, at the rate established by the United Nations General Assembly (currently at 7.9% for participants and 15.8% for member organizations) together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Pension Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as of the valuation date. Each member organization shall contribute to this deficiency an amount proportionate to the total contributions which each paid during the three years preceding the valuation date.

The latest actuarial valuation for the Fund was completed as of 31 December 2021, and a roll forward of the participation data as of 31 December 2021 to 31 December 2022 will be used by the Fund for its 2022 financial statements.

The actuarial valuation as of 31 December 2021 resulted in a funded ratio of actuarial assets to actuarial liabilities of 117.0% (107.1% in the 2019 valuation). The funded ratio was 158.2% (144.4 % in the 2019 valuation) when the current system of pension adjustments was not taken into account.

After assessing the actuarial sufficiency of the Fund, the Consulting Actuary concluded that there was no requirement, as of 31 December 2021, for deficiency payments under Article 26 of the Regulations of the Fund as the actuarial value of assets exceeded the actuarial value of all accrued liabilities under the plan. In addition, the market value of assets also exceeded the actuarial value of all accrued liabilities as of the valuation date. At the time of this report, the United Nations General Assembly has not invoked the provision of Article 26.

Should Article 26 be invoked due to an actuarial deficiency, either during the ongoing operation or due to the termination of the Fund, deficiency payments required from each member organization would be based upon the proportion of that member organization's contributions to the total contributions paid to the Fund during the three years preceding the valuation date. Total contributions paid to the Fund during the preceding three years (2019, 2020 and 2021) amounted to US\$ 8505.27 million, of which 7% was contributed by WHO.

During 2022, contributions paid to the Fund amounted to US\$ 224 million (2021: US\$ 211 million). Expected contributions due in 2023 are approximately US\$ 237 million.

Membership of the Fund may be terminated by decision of the United Nations General Assembly, upon the affirmative recommendation of the Pension Board. A proportionate share of the total assets of the Fund at the date of termination shall be paid to the former member organization for the exclusive benefit of its staff who

were participants in the Fund at that date, pursuant to an arrangement mutually agreed between the organization and the Fund. The amount is determined by the United Nations Joint Staff Pension Board based on an actuarial valuation of the assets and liabilities of the Fund on the date of termination; no part of the assets which are in excess of the liabilities are included in the amount.

The United Nations Board of Auditors carries out an annual audit of the Fund and reports to the Pension Board and to the United Nations General Assembly on the audit every year. The Fund publishes quarterly reports on its investments and these can be viewed by visiting the Fund at www.unjspf.org.

4.13 Deferred revenue

Deferred revenue on voluntary contributions represents multi-year agreements signed in 2022 or prior years but for which the revenue recognition has been deferred to future financial periods. The balance on voluntary contributions is split into current and non-current deferred revenue, depending on when the funds are available to the Organization to spend. Further details of voluntary contributions by fund and by contributor are available on the WHO Programme budget web portal and the WHO website.¹

Deferred revenue on reimbursable procurement relates to revenue recognized where supplies or services have not been delivered to requesting parties at year end. As reimbursable procurement is an exchange transaction, revenue is recorded on an accrual basis. The entire amount of deferred revenue for reimbursable procurement is current.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Voluntary contributions	602 692	474 455
Reimbursable procurement	3 389	6 992
Total deferred revenue – current	606 081	481 447
Voluntary contributions	381 590	393 688
Total deferred revenue – non-current	381 590	393 688
Total deferred revenue	987 671	875 135

Deferred revenue as at 31 December 2022 is summarized by year and segment below:

Year	Base	Emergency	Polio	Others	Total
	US\$ thousands				
2023	387 892	144 002	58 194	15 993	606 081
Total deferred revenue – current	387 892	144 002	58 194	15 993	606 081
2024	172 481	32 449	15 669	12 916	233 516
2025	97 228	5 000	–	4 882	107 110
2026	25 759	1 102	–	2 004	28 865
2027+	10 570	–	–	1 529	12 099
Total deferred revenue – non-current	306 039	38 551	15 669	21 330	381 590
Total deferred revenue	693 931	182 553	73 863	37 323	987 671

Of the total disclosed for the base segment of US\$ 694 million, US\$ 40 million of current deferred revenue and US\$ 15 million of non-current deferred revenue is fully flexible. The remainder is earmarked either tightly or for high-level outcomes.

¹ WHO Programme budget web portal (<https://open.who.int/2022-23/home>) and details of voluntary contributions by fund and by contributor, 2022 (document A76/INF./2, https://apps.who.int/gb/e/e_waha76.html) both accessed 25 April 2023.

4.14 Other liabilities

The total balance for other current liabilities as at 31 December 2022 was US\$ 158 million (US\$ 234 million as at 31 December 2021). The largest components relate to US\$ 92 million for year-end accruals, US\$ 46 million for various insurance payable (which includes US\$ 43 million payable to the COVAX NFC fund) and US\$ 15 million relating to shipping and freight liabilities.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Accrued expenses	91 821	149 504
Pension payable	331	973
Insurance payable	45 510	48 255
Foundations	3 233	3 242
Shipping and freight liabilities	15 133	13 252
Field receipts clearing	23	6 596
Levy payable to United Nations	1 068	1 332
Other liabilities	1 300	10 868
Total other liabilities – current	158 419	234 022
Retention fees – non-current	199	
Total other liabilities – non-current	199	

The balance for foundations concerns funds that WHO holds in trust and for whose financial and administrative management the Organization is responsible. As at 31 December 2022, the foundations with funds in trust were as follows.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Down Syndrome Research Prize Foundation in the Eastern Mediterranean Region	57	56
Dr A.T. Shousha Foundation	102	101
Dr Comlan A.A. Quenum Prize for Public Health	42	42
Ihsan Doğramacı Family Health Foundation	436	431
Léon Bernard Foundation	22	22
Francesco Pocchiari Fellowship	151	150
Foundation for the State of Kuwait Prize for the Control of Cancer, Cardiovascular Diseases and Diabetes in the Eastern Mediterranean Region	385	383
State of Kuwait Health Promotion Foundation	1 006	1 024
United Arab Emirates Health Foundation	1 028	1 029
Dr Lee Jong-Wook Memorial Prize for Public Health	4	4
Total balance – foundations	3 233	3 242

4.15 Inter-entity liabilities

WHO hosts a number of entities through administrative service agreements. As funds for all entities are managed by the Organization, liabilities exist with these entities for funds held on their behalf (refer to Note 4.2). The total amounts due per entity are as follows.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Staff Health Insurance (SHI)	99 235	113 537
International Computing Centre (ICC)	37 508	42 313
International Drug Purchase Facility (Unitaid)	550 541	465 565
Trust Fund for the Joint United Nations Programme on HIV/AIDS (UNAIDS)	164 808	176 116
Total inter-entity liabilities	852 092	797 531

4.16 Long-term borrowings

Resolution WHA55.8 (2002) and resolution WHA56.13 (2003), authorized construction of a new building at headquarters for WHO and UNAIDS at an estimated cost of 66 million Swiss francs, of which WHO's share was estimated at 33 million Swiss francs. The Swiss Confederation agreed to provide an interest-free loan to WHO and UNAIDS of 59.8 million Swiss francs, of which WHO's share is 29.9 million Swiss francs. In the resolutions mentioned above, the World Health Assembly also approved the use of the Real Estate Fund for the repayment over a 50-year period of the Organization's share of the interest-free loan provided by the Swiss Confederation with effect from the first year of the completion of the building.

The outstanding amount of the loan was discounted using the Swiss Confederation 30-year bonds rate of 1.476% at December 2022 (-0.095% for 2021).

In 2015, following decision WHA67(12) (2014), the Organization signed a new interest-free loan agreement of 140 million Swiss francs for the planning and construction of a new WHO building in Geneva which was fully received in 2021.

Repayments on the two loans commenced in accordance with the loan agreements and the outstanding balance of the two loans as at 31 December 2022 was US\$ 123 million (US\$ 172.8 million as at 31 December 2021) and is made up as follows.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Current liabilities		
WHO/UNAIDS building	648	654
WHO headquarters building (new)	3034	3 060
Total current liabilities	3 682	3 714
Non-current liabilities		
WHO/UNAIDS building	16 829	22 221
WHO headquarters building (new)	102 490	146 885
Total non-current liabilities	119 319	169 106
Total long-term borrowings	123 001	172 820

The maturity of these liabilities is as follows:

2022	WHO/UNAIDS building	WHO headquarters building (new)	Total borrowings
	US\$ thousands		
Under one year	648	3 034	3 682
One to five years	3 240	15 170	18 410
Five years +	13 589	87 320	100 909
Total long-term borrowings	17 477	105 524	123 001

5. Supporting information to the Statement of Financial Performance

5.1 Revenue¹

Assessed contributions

Assessed contributions for 2022 were US\$ 495.9 million² (US\$ 549.3 million for 2021).

Description	31 December 2022	31 December 2021
	US\$ thousands	
Assessed contributions	481 406	526 796
(Increase)/Decrease in allowance for doubtful accounts	14 487	21 761
Assessed contributions net of allowance	495 893	548 557
Tax equalization fund – adjustments		736
Total Assessed contributions	495 893	549 293

In May 2021, the Seventy-fourth World Health Assembly adopted the resolution for the financial period 2022–2023,³ in which it approved a total effective budget of US\$ 6121.7 million (including US\$ 1000 million for emergency operations and appeals). In May 2022, the total effective budget for the financial period 2022–2023 was revised to US\$ 6726.1 million (including US\$ 1000 million for emergency operations and appeals).⁴ In resolution WHA74.3 (2021), the Health Assembly further resolved that the total assessment on Member States in respect of the financial period 2022–2023 would be US\$ 964.9 million.

Following resolution WHA66.16 (2013), where the total annual assessed contribution for a Member State is US\$ 200 000 or more, the contribution is assessed half in United States dollars and half in Swiss francs. Where the annual assessed contribution for a Member State is less than US\$ 200 000, the contribution is assessed in United States dollars only.

The annual assessment for 2022 amounted to US\$ 482.5 million or US\$ 243.5 million and 217.7 million Swiss francs per year using the May 2021 exchange rate. Contributions are due from 1 January, so the Swiss franc portion of the assessment was recorded at the January 2022 exchange rate, which resulted in an exchange loss on recording of US\$ 1.0 million.

As at the reporting date, 81% of assessed contributions for 2022 had been received by the Organization (2021: 69%). Amounts outstanding are further detailed in Note 4.3.

¹ Revenue is further analysed by fund in Schedule I.

² See document A76/21 for details of the status of collection of assessed contributions.

³ Resolution WHA74.3 (2021).

⁴ Resolution WHA75.5 (2022).

Voluntary contributions

Voluntary contributions for 2022 were US\$ 3656 million (US\$ 3365 million for 2021).

Description	31 December 2022	31 December 2021
	US\$ thousands	
Voluntary contributions	3 661 770	3 365 539
(Increase)/Decrease in allowance for doubtful debts	(5 321)	(311)
Voluntary contributions net of allowance	3 656 450	3 365 228

These contributions represent revenue recognized from governments, intergovernmental organizations, institutions, other United Nations organizations as well as nongovernmental organizations. US\$ 571.2 million of the revenue reported in 2022 relates to agreements that continue in future years (2021: US\$ 517.3 million). Further details on voluntary contributions by fund and by contributor are contained in the Annex to the Financial Report.¹

Voluntary contribution revenue is split by segment as per the following table:

Description	31 December 2022	31 December 2021
	US\$ thousands	
Base	1 130 973	1 324 108
Emergency	1 825 314	1 371 775
Polio	616 722	587 640
Other	88 761	82 016
Voluntary contributions (gross)	3 661 770	3 365 539

The figure for total voluntary contributions reported of US\$ 3656 million is after the deduction of (i) refunds to contributors – these amounted to US\$ 12.8 million (US\$ 11.2 million for 2021); (ii) reductions in revenue recognized in prior years due to evidence arising in the current year that amounts will no longer be collected – these amounted to US\$ 27.9 million (US\$ 12.2 million for 2021); and (iii) the correction of payment terms amounting to US\$ 21.6 million, with the effect of increasing deferred revenue by US\$ 16.6 million and decreasing current revenue by US\$ 5.0 million, and the revision of payment terms decreasing the current revenue by US\$ 0.8 million (US\$ 4.3 million in 2021).

In line with the accounting policy, agreements signed in one financial year stating a start date of the agreement in the following financial year will be recorded and revenue recognized in the following financial period based on the start date. At the time of financial statements preparation, US\$ 38.3 million of revenue or deferred revenue was recorded in January 2023 based on agreements signed in 2022 with a start date of 1 January 2023. Where cash was received for these agreements before 31 December 2022, funds have been recorded as advances and disclosed under Note 4.9.²

Voluntary contributions in-kind and in-service

WHO receives non-cash contributions from Member States and other contributors. In 2022, the Organization received in-kind and in-service contributions amounting to US\$ 146.3 million (US\$ 93.1 million as at

¹ Document A76/INF./2, the Annex to the Financial Report, is also available at: <http://www.who.int/about/accountability/financial-statements/> (accessed 25 April 2023).

² Further details of voluntary contribution revenue and expenditure by programme country and United Nations entity are provided in Annexes I and II.

31 December 2021).¹ Of this amount, US\$ 61 million relates to a contribution of medical supplies and materials received and delivered to countries during 2021 and early 2022, which was fully accounted for in 2022.

Description	31 December 2022	31 December 2021
	US\$ thousands	
In-kind – medical supplies and materials	109 901	53 133
In-kind – office space and field supplies	16 738	16 379
In-kind – contractual services	8 190	11 421
In-service	11 442	12 190
Total voluntary contributions in-kind and in-service	146 271	93 123

In addition, WHO also benefits from the right to use land made available from the host governments at no cost. Further details are provided in Note 4.7.

Other revenue

In 2022, other revenue totalled US\$ 55 million (US\$ 58.6 million as at 31 December 2021). This mainly represents earnings generated from: fees for services (prequalification fees); hosting entities such as UNAIDS, Unitaids and the International Computing Centre; reimbursable procurement; and staff contributions for accident and illness insurance. Other sources of earnings include supply chain fees, rental income, insurance refunds and sale of publications and royalties.

Reimbursable procurement pertains to medicines, vaccines, equipment and other supplies procured by WHO on behalf of Member States and other United Nations agencies. The revenue and expenses (refer to Note 5.2) related to reimbursable procurement form part of the Enterprise Fund and are not reported against the programme budget.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Fees for service	33 458	29 705
Reimbursable procurement	998	11 612
Royalties, sales and rental income	3 857	4 825
Other income	16 687	12 529
Total other revenue	55 000	58 671

¹ Further details of in-kind and in-service contributions are available on the WHO Programme budget web portal available at: <http://open.who.int/2022-23/home> (accessed 16 March 2023) and on the WHO website: <https://www.who.int/about/accountability/financial-statements/> (accessed 25 April 2023).

5.2 Expenses

Description	31 December 2022	31 December 2021
	US\$ thousands	
Staff costs		
Salary cost	1 062 026	1 059 549
Actuarial cost	3 731	35 467
Other personnel costs	98 421	89 585
Total staff costs	1 164 178	1 184 601
Medical supplies and materials		
Medical supplies	401 180	444 168
Medical supplies – in-kind	109 901	53 133
Total medical supplies and materials	511 081	497 301
Contractual services		
Direct implementation	392 049	286 402
Contractual services general	778 245	875 135
Consultants and research contracts	36 285	38 677
Special service agreements	97 843	90 490
Security and other costs	24 800	28 029
Services in-kind	8 190	11 421
Total contractual services	1 337 412	1 330 217
Transfers and grants		
Direct financial cooperation	194 878	138 665
Grant letters of agreement	136 018	90 124
Equipment procured for third parties	127 893	180 120
Fellowships	1 258	1 570
Total transfers and grants	460 047	410 479
Travel		
Travel	160 912	78 227
Total travel	160 912	78 227
General operating expenses		
Office running costs and utilities	66 950	72 489
Rent	19 355	15 755
United Nations common costs	26 863	31 672
IT costs	33 402	33 778
Catering/courtesy	8 970	5 433
Vehicle maintenance and fuel costs	6 946	6 880
External audit	281	248
Hospitality	236	79
Other	13 236	3 075
Other in-kind	16 738	16 379
Total general operating expenses	192 977	185 788
Equipment, vehicles and furniture		
Equipment, vehicles and furniture	6 973	18 966
Total equipment, vehicles and furniture	6 973	18 966
Depreciation and amortization		
Depreciation	13 254	11 742
Amortization (refer to Note 4.8)	839	1 154
Total depreciation and amortization	14 093	12 896
Total expenses¹	3 847 673	3 718 475

¹ Expenses are further analysed by fund in Schedule I. Further details of expenses by programme country and by United Nations entity are disclosed in Annexes I and II.

Staff costs

Staff and other personnel costs reflect the total cost of employing staff at all locations and include charges for base salary, post adjustment and all other entitlements (such as pensions and insurances) paid by the Organization. Staff costs also include the movement in the actuarial cost for staff health insurance, special fund for compensation, terminal payments and accident and illness insurance liability (refer to Note 4.12) that is recognized in the Statement of Financial Performance (Statement II).

Medical supplies and materials

Medical supplies and materials are mainly purchased and distributed by WHO to support programmatic activities in countries. These include vaccines, medicines, medical supplies, hospital running costs, including fuel, as well as related shipping costs. The medical supplies expense includes the cost of reimbursable procurement – refer to Note 5.1 (Other revenue) and medical supplies received as in-kind contributions.

Contractual services

Contractual services represent expenses incurred for suppliers such as experts and service providers who are engaged by WHO to support the Organization's programmatic activities. The main components within contractual services are direct implementation (activities such as vaccination campaigns implemented by WHO in collaboration with national governments); general contractual services (agreements for performance of work for outsourcing professional services, outreach activities, construction services, programme-related operating costs, etc.); consulting and research contracts; and special service agreements with individuals to perform activities on behalf of the Organization. Security expenses are also included in contractual services.

Transfers and grants

Transfers and grants to counterparts include grants provided to national counterparts (mainly ministries of health), letters of agreement signed with other counterparts to perform activities that are in line with the Organization's objectives, fellowship expenses and equipment purchased for third parties. Transfers and grants to government ministries are referred to as direct financial cooperation. Funds are normally expensed at the time of recording receipt of services or approval of invoices, whichever occurs earlier. Counterparts are required to report back on the use of funds to ensure that they are used according to the agreement, and WHO performs on-site monitoring and spot checks of ongoing activities on direct financial cooperation and post-facto review of selected direct financial cooperation based on risk assessments. Expenses are reported net of any refunds. WHO may withhold further funding to recipients of transfers and grants on the basis of performed assurance activities if the requirements of the agreement have not been met.

Travel

The cost of travel includes both WHO staff and non-staff participants in meetings, consultants, staff on development assignment and representatives of Member States paid by the Organization. Travel expenses include airfare, per diem and other travel-related costs.

General operating expenses

General operating expenses reflect the cost of general running costs incurred to maintain country offices, regional offices and headquarters. This includes utilities, telecommunication, office rent, maintenance and repair costs to keep assets operating at their present condition, software licences, courtesy expenses that are incurred during meetings and training, and other minor operating costs. Catastrophic accident and illness insurance premiums are also included in this category. "Other in-kind" pertains to the office rent, supplies and other items that were received as in-kind contributions.

Equipment, vehicles and furniture

Total expenses for 2022 were US\$ 7 million (US\$ 19 million for 2021), which represents purchases of items below the capitalization threshold.

Depreciation and amortization

Depreciation is the expense resulting from the systematic allocation of the depreciable amounts of property, plant and equipment over their useful lives. All capitalized items above threshold were depreciated as per policy.

Amortization is the expense resulting from the systematic allocation of the amortizable amount of intangible assets over their useful lives. It relates to purchased software.

5.3 Finance revenue/cost

Total finance revenue and cost includes amounts related to funds administered by WHO on behalf of other entities (refer to Note 4.15). The investment income relating to other entities is allocated to those entities. In addition, interest is apportioned based on average fund balance and reported as finance revenue and cost for the fund.

The details of finance revenue and cost are as follows.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Investment revenue	9 794	(280)
Bank charges and investment management fees	(4 183)	(3 855)
Net realized foreign exchange gains or (losses) ^a	28 064	59 998
Net unrealized foreign exchange gains or (losses)	11 930	(41 795)
Net gains or (losses) on discounting of long-term borrowings ^b	44 829	
Actuarial revaluation gains or (losses) on the Terminal Payments Fund and the Accident and Illness Insurance Fund	18 792	(3 068)
Actuarial interest cost related to valuation of the Terminal Payments Fund and the Accident and Illness Insurance Fund	(2 847)	(2 160)
Net total finance revenue (WHO and other entities)	106 379	8 840
Investment revenue and foreign exchange gains and losses apportioned to other entities	(12 220)	(5 946)
Total net finance revenue for WHO	94 159	2 894

^a Includes differences due to rounding of the financial statements to the nearest thousand United States dollars.

^b Gains in 2022 relate to discounting of the Building Loan and result from an increase in interest rates, as outlined in Note 4.16.

6. Supporting information to the Statement of Changes in Net Assets/Equity

6.1 General Fund

The total balance for the General Fund as at 31 December 2022 was US\$ 4630 million (US\$ 4085 million as at 31 December 2021), of which US\$ 3660 million was earmarked and US\$ 970 million was flexible reserves. Components of the General Fund are summarized below:

Description	Notes	31 December 2022			31 December 2021		
		Flexible	Earmarked	Total	Flexible	Earmarked	Total
		US\$ thousands					
Regular budget	6.1.a	(1 999)		(1 999)	13 699		13 699
Voluntary funds	6.1.b	941 392	3 660 064	4 601 456	750 565	3 289 651	4 040 216
General Fund	6.1.a	939 393	3 660 064	4 599 457	764 264	3 289 651	4 053 915
General Fund – reserves	6.1.a	31 000		31 000	31 000		31 000
Total General Fund		970 393	3 660 064	4 630 457	795 264	3 289 651	4 084 915

6.1.a Regular budget

This note provides details of revenue and expenses of the regular budget.

Description	Regular budget			General Fund – reserves	Total
	Member States Assessed Contributions Fund	Tax Equalization Fund	Total	Working Capital Fund	
	US\$ thousands				
Balance as at 1 January 2022	200	13 499	13 699	31 000	44 699
Net Member States’ assessed contributions (refer to Note 5.1)	495 893		495 893		495 893
Tax equalization appropriations	(4 000)	4 000			
Finance expenses	(1 547)		(1 547)		(1 547)
Miscellaneous revenue	1 407		1 407		1 407
Programmatic expenses	(516 847)		(516 847)		(516 847)
Transfer to Infrastructure Fund as per decisions WHA69(18) (2016) and WHA70(16) (2017)					
Tax reimbursements to staff members		5 396	5 396		5 396
Refunds/Adjustments					
Balance as at 31 December 2022	(24 894)	22 895	(1 999)	31 000	29 001

Under resolution WHA74.3 (2021), US\$ 4 million was approved to transfer to the Tax Equalization Fund and to maintain the Working Capital Fund at its existing level of US\$ 31 million.

6.1.b Voluntary funds

This note provides fund balance details for the core, specified and partnerships of the Voluntary Fund.

Description	Notes	31 December 2021	Income	Expenses	31 December 2022
in US\$ thousands					
Core voluntary contributions		135 172	182 068	(68 689)	248 551
Voluntary Contributions Core Fund		329 970	142 003	(238 050)	233 923
Voluntary Contributions Specified Fund		1 462 765	810 664	(746 446)	1 526 983
Special Programme for Research and Training in Tropical Diseases (TDR Trust Fund)		32 425	23 691	(15 014)	41 102
Special Programme of Research, Development and Research Training in Human Reproduction (HRP Trust Fund)		37 032	27 422	(31 804)	32 650
Special Programmes and Collaborative Arrangements Fund		354 735	616 723	(650 896)	320 562
Programme Support Costs (PSC) Fund	6.1.b.i	615 393	252 617	(175 169)	692 841
Outbreak and Crisis Response Fund		952 284	1 744 956	(1 367 951)	1 329 289
Contingency Fund for Emergencies	6.1.b.ii	63 015	80 358	(37 024)	106 349
Fee for service fund – exchange transactions		58 830	24 792	(14 561)	69 061
Supply Chain Fund		(1 405)	1 733	(183)	145
Total voluntary funds		4 040 216	3 907 027	(3 345 787)	4 601 456

6.1.b.i Programme Support Costs Fund

The Programme Support Costs (PSC) Fund (formerly the Special Account for Servicing Costs Fund (AS Fund)) was established in order to support the costs of servicing activities financed from sources other than the assessed contribution budget (i.e. from voluntary contributions).

The Fund is credited with revenue from the following sources:

- under resolution WHA34.17 (1981), funds are received for programme support costs from voluntary sources and are calculated by applying a fixed percentage rate to total expenses. The resolution set a standard rate of 13% of project expenditure. The Director-General has made various exceptions to that standard rate, most importantly for emergencies. For 2022, programme support costs income of US\$ 252.3 million was earned on project expenditure, resulting in a computed average programme support cost rate of 8.5% (8% in 2021).
- administrative service agreements with other entities.
- interest earned on voluntary funds is described in document EB122/3.

A summary of the Fund is provided below.

Description	31 December 2022	31 December 2021
US\$ thousands		
Balance as at 1 January	615 393	518 866
Revenue		
Programme support costs	252 286	245 184
Finance revenue	(2 217)	30 307
Administrative service agreements with other entities	5 652	3 574
Transfer for special projects ^a		40 000
Other revenue		255

Description	31 December 2022	31 December 2021
Total revenue	255 721	319 320
Expenses		
Staff and other personnel costs	73 246	146 803
Medical supplies and materials	512	690
Contractual services	26 261	29 574
Transfers and grants to counterparts	37	1 006
Travel	2 691	680
General operating expenses	26 525	31 444
Equipment, vehicles and furniture	1 790	3 285
Total expenses	131 062	213 482
Less:		
Transfer to Special Purpose Funds ^b	41 890	9 000
Increase/(decrease) in allowance for doubtful accounts receivables – voluntary contributions	5 321	311
Balance as at 31 December	692 841	615 393

^a In 2021, transfers were made to the Programme Support Costs Fund from the Mobility Fund and Maternity Fund in the amounts of US\$ 36 million and US\$ 4 million, respectively.

^b In 2022, transfers were made from the Programme Support Costs Fund to the Information Technology Fund (US\$ 38.3 million), Mobility Fund (US\$ 3.5 million) and Maternity Fund (US\$ 90 thousand). In 2021 US\$ 9 million was transferred from the Programme Support Costs Fund to the Information Technology Fund.

Programme support costs revenue is earned as follows:

Rate	PSC revenue 2022	Proportion of total PSC revenue
	US\$ thousands	
13%	106 108	42%
7%	132 880	53%
5%	6 755	3%
3%	5 009	2%
Other	1 534	<1%
Total	252 286	100%

6.1.b.ii Contingency Fund for Emergencies

This Fund was established by the Sixty-eighth World Health Assembly in decision WHA68(10) (2015). The purpose of the Fund is to provide temporary financing for the emergency field operations with a target capitalization of US\$ 100 million. A summary of the Fund is as follows.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Balance as at 1 January	63 015	30 945
Revenue		
Contributions	80 358	46 299
Total revenue	80 358	46 299
Expenses		
Staff costs	1 235	313
Medical supplies and materials	8 148	2 315
Contractual services	15 906	7 106

Description	31 December 2022	31 December 2021
Transfers and grants	4 648	635
Travel	2 249	1 383
General operating expenses	4 202	1 962
Equipment, vehicles and furniture	636	515
Total expenses	37 024	14 229
Balance as at 31 December	106 349	63 015

6.2 Member States – other

This note provides fund balance details for the Member States – other.

Description	Notes	31 December 2021	Income	Expenses ^a	31 December 2022
US\$ thousands					
Common Fund		405 011	(172)	5 371	410 210
Enterprise Fund					
Accident and Illness Insurance Fund		13 466	(8 851)	(4 615)	
Other Enterprise Fund		22 085	162 462	(170 007)	14 540
Total Enterprise Fund		35 551	153 611	(174 622)	14 540
Special Purpose Fund					
Infrastructure Fund	6.2.a	182 115	52 719	(42 669)	192 165
Special Fund for Compensation		(45 269)	16 008	26 400	(2 861)
Staff Health Insurance Fund		(1 254 390)		979 310	(275 080)
Terminal Payments Fund		(47 875)	12 366	(13 515)	(49 024)
Other Special Purpose Funds		(15 484)	169 035	(116 506)	37 045
Total Special Purpose Fund		(1 180 903)	250 128	833 020	(97 755)
Total Member States – other		(740 341)	403 567	663 769	326 995

^a Expenses include actuarial gains and losses recognized in net assets. Funds subject to actuarial valuation are listed under Note 4.12.

6.2.a Infrastructure Fund

This Fund was established by the Health Assembly in decision WHA70(16) (2017). The summary of the Fund is as follows.

Description	Notes	31 December 2022	31 December 2021
US\$ thousands			
Real Estate Fund	6.2.a.i	151 245	146 792
Information Technology Fund	6.2.a.ii	40 920	35 323
Total Infrastructure Fund		192 165	182 115

6.2.a.i Real Estate Fund

This Fund was established by the Health Assembly in resolution WHA23.14 (1970). The Fund is used to meet the costs of: the construction of buildings or extensions to existing buildings; the acquisition of land that may be required; and major repairs and alterations to WHO's existing office buildings and to residences leased to staff by the Organization. Specific Health Assembly authorization is required for the acquisition of land and the construction of buildings or extensions to existing buildings.

The summary of the Fund is as follows.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Balance as at 1 January	146 792	140 966
Revenue		
Appropriation received in accordance with decision WHA70(16) (2017)		10 000
Transfer for special projects ^a	1 733	
Contributions from payroll	10 913	10 622
Finance revenue	252	157
Rental income	1 773	2 195
Total revenue	14 671	22 974
Expenses		
Staff and other personnel costs	99	63
Medical supplies and materials	12	10
Contractual services	5 097	11 469
Travel	9	49
General operating expenses	4 851	5 420
Equipment, vehicles and furniture	150	137
Total expenses	10 218	17 148
Balance as at 31 December	151 245	146 792

^a In 2022, US\$ 1.73 million was received against an advance to the Information Technology Fund for US\$ 3.46 million for an IT project in the new headquarters building.

6.2.a.ii Information Technology Fund

This Fund was established to meet the Organization's current and future administrative requirements. It may be financed by way of appropriation from the regular budget and from voluntary contributions including the Programme Support Cost Fund. The summary of the Fund is as follows.

Description	31 December 2022	31 December 2021
	US\$ thousands	
Balance as at 1 January	35 323	31 187
Revenue		
Appropriation received in accordance with decision WHA70(16) (2017)		15 000
Transfer for special projects ^a	38 300	9 000
Total revenue	38 300	24 000
Expenses		
Staff and other personnel costs	9 129	2 450
Contractual services	17 447	14 831
Travel	39	20
General operating expenses	4 645	2 141
Equipment, vehicles and furniture	(290)	422
Transfer to special projects ^b	1 733	
Total expenses	32 703	19 864
Balance as at 31 December	40 920	35 323

^a In 2022, US\$ 38.3 million and in 2021 US\$ 9 million was transferred from the Programme Support Costs Fund.

^b In 2022, US\$ 1.73 million was paid back to the Real Estate Fund against an advance granted in 2020 for US\$ 3.46 million.

6.3 Fiduciary Fund

This note provides fund balance details for the Fiduciary Fund.

Description	31 December 2021	Income	Expenses	31 December 2022
US\$ thousands				
Fiduciary Fund				
Alliance for Health Policy and System Research Fund	9 747	6 582	(4 968)	11 361
European Observatory on health systems and policies	10 999	7 060	(6 594)	11 465
ESPEN Fund	13 798	5 750	(11 128)	8 420
Partnership for Maternal, Newborn and Child Health Fund	10 543	3 279	(7 088)	6 734
Staff Association Fund	157	1 070	(617)	610
WHO Framework Convention on Tobacco Control	17 076	16 616	(9 456)	24 236
Total Fiduciary Fund	62 320	40 357	(39 851)	62 826

7. Supporting information to the Statement of Comparison of Budget and Actual Amounts

In May 2021, the Health Assembly adopted resolution WHA74.3 on the Programme budget 2022–2023, in which it approved the budget for the financial period 2022–2023, under all sources of funds, namely, assessed and voluntary contributions of US\$ 6121.7 million. In May 2022, the Health Assembly revised the Programme budget 2022–2023 via resolution WHA75.5 to US\$ 6726.1 million. WHO's budget is adopted on a biennial basis by the Health Assembly.

WHO's budget and financial statements are prepared using a different accounting basis. The Statement of Financial Position (Statement I), Statement of Financial Performance (Statement II), Statement of Changes in Net Assets/Equity (Statement III), and Statement of Cash Flow (Statement IV) are prepared on a full accrual basis, whereas the Statement of Comparison of Budget and Actual Amounts (Statement V) is established on a modified cash basis (i.e. actual expenses are used to measure the budget utilization).

As per the requirements of IPSAS 24 (Presentation of Budget Information in Financial Statements), the actual amounts presented on a comparable basis to the budget shall, where the financial statements and the budget are not prepared on a comparable basis, be reconciled to the actual amounts presented in the financial statements, identifying separately any differences in terms of basis, timing, entity and presentation. The General Fund, as per Note 2.17, represents the programme budget results, except for the Tax Equalization Fund expenses, other non-programme budget utilization and all in-kind and in-service expenses that are not included in the programme budget results.

As required by IPSAS 24 (Presentation of Budget Information in Financial Statements), reconciliation is provided on a comparable basis between the actual amounts as presented in Statement V and the actual amounts in the financial accounts identifying separately any basis, timing, entity and presentation differences.

- Basis differences occur when the components of the approved programme budget are used for activities other than the implementation of technical programmes. Examples of this include Tax Equalization Fund expenses, other non-programme budget utilization and special arrangements.
- Timing differences represent the inclusion in WHO's financial accounts of programme budget expenses in other financial periods.
- Entity differences represent the inclusion in WHO's financial accounts of the amounts against two funds: Member States – other and the Fiduciary Fund. These funds do not form part of the Organization's programme budget.

- Presentation differences concern differences in the format and classification schemes in the Statement of Cash Flow (Statement IV) and the Statement of Comparison of Budget and Actual Amounts (Statement V).

A reconciliation between the actual amounts on a comparable basis in Statement V and the actual amounts in Statement IV for December 2022 is presented below.

Description	2022			
	Operating	Investing	Financing	Total
	US\$ thousands			
Actual amount on a comparable basis (Statement V)	(3 376 557)			(3 376 557)
Basis differences	55 800	(320 242)	(3 492)	(267 934)
Timing differences	210 344			210 344
Entity differences	204 972	14 744		219 716
Presentation differences	3 325 341	(18 776)		3 306 565
Actual amount in the Statement of Cash Flow (Statement IV)	419 900	(324 274)	(3 492)	92 134

8. Segment reporting

8.1 Statement of Financial Position by segments

As at 31 December 2022 (in US\$ thousands)

Description	Headquarters	Regional Office for Africa	Regional Office for the Americas	Regional Office for the Eastern Mediterranean	Regional Office for Europe	Regional Office for South-East Asia	Regional Office for the Western Pacific	Total
ASSETS								
Current assets								
Cash and cash equivalents	368 175	22 627	0	27 129	2 383	4 785	4 992	430 091
Short-term investments	4 916 482	0	0	0	0	0	0	4 916 482
Receivables – current	2 663 995	4 103	(1 139 557)	1 434	1 130	6 666	356	1 538 127
Staff receivables	7 893	3 524	0	1 172	1 023	614	1 823	16 049
Inventories	123 566	20 348	0	29 112	571	1 872	2 819	178 288
Prepayments and deposits	10 123	463	0	1	431	3 444	223	14 685
Total current assets	8 090 234	51 065	(1 139 557)	58 848	5 538	17 381	10 213	7 093 722
Non-current assets								
Receivables – non-current	381 590	0	0	0	0	0	0	381 590
Long-term investments	99 767	0	0	0	0	0	0	99 767
Property, plant and equipment	192 267	12 666	0	21 332	1 752	1 852	1 109	230 978
Intangibles	6 231	0	0	0	0	0	0	6 231
Total non-current assets	679 855	12 666	0	21 332	1 752	1 852	1 109	718 566
TOTAL ASSETS	8 770 089	63 731	(1 139 557)	80 180	7 290	19 233	11 322	7 812 288
LIABILITIES								
Current liabilities								
Contributions received in	72 385	1 456	0	0	0	0	(5)	73 836
Accounts payable	17 427	19 170	0	14 704	10 189	4 060	3 144	68 694
Staff payable	706	484	0	353	103	133	147	1 926
Accrued staff benefits – current	47 244	18 238	0	9 006	7 057	5 074	4 964	91 583
Deferred revenue – current	606 081	0	0	0	0	0	0	606 081
Financial liabilities	68 948	0	0	0	0	0	0	68 948
Other liabilities – current	(24 926 364)	10 337 050	138 444	7 362 286	2 265 582	2 908 400	2 073 021	158 419
Inter-entity liabilities	852 092	0	0	0	0	0	0	852 092
Long-term borrowings – current	3 682	0	0	0	0	0	0	3 682
Total current liabilities	(23 257 799)	10 376 398	138 444	7 386 349	2 282 931	2 917 667	2 081 271	1 925 261
Non-current liabilities								
Long-term borrowings – non-	119 319	0	0	0	0	0	0	119 319
Accrued staff benefits – non-	589 401	(175 205)	0	(51 604)	73 248	(36 587)	(33 612)	365 641
Deferred revenue – non-current	381 590	0	0	0	0	0	0	381 590
Other liabilities – non-current	199	0	0	0	0	0	0	199
Total non-current liabilities	1 090 509	(175 205)	0	(51 604)	73 248	(36 587)	(33 612)	866 749
TOTAL LIABILITIES	(22 167 290)	10 201 193	138 444	7 334 745	2 356 179	2 881 080	2 047 659	2 792 010
NET ASSETS/EQUITY								
General Fund	30 041 594	(10 069 596)	(1 261 881)	(7 147 651)	(2 148 963)	(2 790 187)	(1 992 859)	4 630 457
Member States – other	721 075	(11 405)	(14 460)	(102 332)	(153 426)	(70 407)	(42 050)	326 995
Fiduciary funds	174 710	(56 461)	(1 660)	(4 582)	(46 500)	(1 253)	(1 428)	62 826
TOTAL NET ASSETS/EQUITY	30 937 379	(10 137 462)	(1 278 001)	(7 254 565)	(2 348 889)	(2 861 847)	(2 036 337)	5 020 278
TOTAL LIABILITIES AND NET	8 770 089	63 731	(1 139 557)	80 180	7 290	19 233	11 322	7 812 288

8.2 Statement of Financial Performance by segments

For the year ended 31 December 2022 (in US\$ thousands)

Description	Headquarters	Regional Office for Africa	Regional Office for the Americas	Regional Office for the Eastern Mediterranean	Regional Office for Europe	Regional Office for South-East Asia	Regional Office for the Western Pacific	Total
Revenue								
Assessed contributions	495 893							495 893
Voluntary contributions	3 656 450							3 656 450
Voluntary contributions in-kind and in-service	146 271							146 271
Other revenue	57 711	(588)		(398)	(1 386)	(144)	(195)	55 000
Total revenue	4 356 325	(588)		(398)	(1 386)	(144)	(195)	4 353 614
Expenses								
Staff costs	528 763	244 359	39 169	125 862	108 988	60 205	56 832	1 164 178
Medical supplies and materials	225 557	36 386	3 590	140 330	52 586	39 870	12 762	511 081
Contractual services	320 034	426 026	40 076	346 058	75 119	86 491	43 608	1 337 412
Transfers and grants	18 773	163 518	18 157	145 803	57 420	33 548	22 828	460 047
Travel	54 098	54 057	8 669	16 427	13 792	6 603	7 266	160 912
General operating expenses	62 173	41 379	4 336	42 095	17 061	19 053	6 880	192 977
Equipment, vehicles and furniture	(5 456)	6 835	1 924	1 506	(698)	1 892	970	6 973
Depreciation and amortization	5 998	3 725		2 415	476	948	531	14 093
Total expenses	1 209 940	976 285	115 921	820 496	324 744	248 610	151 677	3 847 673
Finance revenue	91 915	(944)	6	1 365	1 005	(1 256)	2 068	94 159
TOTAL (DEFICIT)/SURPLUS FOR THE YEAR ^a	3 238 300	(977 817)	(115 915)	(819 529)	(325 125)	(250 010)	(149 804)	600 100

^a The revenue balance shows a high surplus for headquarters and deficits for other offices. This is a consequence of the policy of centralized accounting for revenue and decentralized accounting for expenses.

9. Amounts written-off and ex-gratia payments

During 2022, a total of US\$ 51 913 was approved for write-off (US\$ 22 576 in 2021). This amount is comprised of: US\$ 44 368 relating to direct financial cooperation (DFC) receivables, US\$ 6393 relating to supplier overpayment, and US\$ 1152 relating to salary overpayment due to staff resignation where the balance was deemed impossible to recover.

In 2022, six ex-gratia payments amounting to US\$ 112 998 were approved (US\$ 257 833 in 2021).

10. Related party and other senior management disclosures

Staff members considered to be key management personnel include the Director-General, the Regional Directors and all other ungraded staff. The table below details the number of key management personnel and their aggregate remuneration.

Description	2022	2021
Number of individuals	25	25
Number of positions	25	25
	US\$ thousands	
Compensation and post adjustment	6 143	6 114
Entitlements	302	439
Pension and health plans	1 794	1 753
Total remuneration	8 239	8 305
Outstanding advances against entitlements	155	49
Outstanding loans (in addition to normal entitlements, if any)	8 394	8 354

The aggregate remuneration of key management personnel includes net salaries, post adjustment, entitlements such as representation allowance and other allowances, assignment and other grants, rental subsidy, personal effect shipment costs, and employer pension and current health insurance contributions.

Key management personnel are also qualified for post-employment benefits at the same level as other employees. These benefits cannot be reliably quantified. Key management personnel are ordinary members of the United Nations Joint Staff Pension Fund.

The Regional Director for the Americas is included among the key management personnel. However, as the Regional Director is receiving all entitlements and benefits from PAHO, the entitlements and benefits concerned are disclosed in PAHO's financial statements and not in WHO's financial statements.

During the year, no loans were granted to key management personnel beyond those widely available to staff outside this grouping.

Foundation in support of the World Health Organization (WHO Foundation – WHO-F)

WHO-F is a non-profit charitable foundation incorporated under the laws of Switzerland, that entered into an agreement with WHO in 2020 to strengthen WHO's General Programme of Work, priorities or otherwise supporting WHO's mandate. The affiliation agreement signed in 2020 states the nature of the relationship, the terms of the partnership, the independent status of the parties and the conditions for use of the name "WHO"; the agreement also sets out the role, composition and functions of the joint planning and coordination committee, which serves as the principal forum for strong communication and coordination on strategies to support the policies, aims, activities and causes of WHO. A summary of the relationship agreement can be found via the following link: <https://www.whofoundationproject.org/wp-content/uploads/2020/09/MOU-WHO-WHOF-signed.pdf>.

As at 31 December 2022, WHO-F had transferred US\$ 9.2 million for WHO programmes.

11. Events after the reporting date

WHO's reporting date is 31 December 2022. The financial statements were authorized for issue on 17 March 2023, the date at which they were submitted to the External Auditor by the Director-General. On the date of the signing of these accounts, no material events, favourable or unfavourable, had arisen between the balance sheet date and the date when the financial statements were authorized for issue that would have had an impact on the financial statements.

12. Contingent liabilities, commitments and contingent assets

Contingent liabilities

As at 31 December 2022, WHO had a number of legal cases pending. Most involve disputes that are not recorded because the likelihood of repayment has been determined to be remote. However, there is one case involving contractual disputes that is to be considered a contingent liability. The total potential cost to the Organization is estimated at US\$ 202 355 (US\$ 319 122 as at 31 December 2021).

Operating lease commitments

WHO enters into operating lease arrangements for renting office and warehouse space in various country offices (Note 4.7). In 2022, WHO incurred US\$ 16.4 million in rental expenses for office space. Future minimum lease rental payments for premises above the threshold of US\$ 50 000 per annum for the following periods are as follows.

Description	Total	
	US\$ thousands	
	Year 2022	Year 2021
Under one year	15 800	14 704
One to five years	16 314	23 699
Five years +	1 743	2 972
Total operating lease commitments	33 857	41 375

The Organization has no outstanding leases qualifying as finance leases at the reporting date.

As at 31 December 2022, total revenue from the leasing office space was US\$ 0.4 million (US\$ 0.5 million as at 31 December 2021). There is no minimum payment commitment for 2023 and beyond.

Commitments

During the course of its activities, WHO enters into contractual commitments with various suppliers. The following table presents the open purchase orders for which WHO had not received the related goods or services as at 31 December 2022.

Description	Total	
	US\$ thousands	
	Year 2022	Year 2021
Property, plant and equipment	13 090	14 855
Goods	152 207	175 924
Services	572 450	260 441
Total commitments	737 747	451 220

Contingent assets

In accordance with IPSAS 19 (Provisions, Contingent Liabilities and Contingent Assets), contingent assets will be disclosed for cases where an event will give rise to a probable inflow of economic benefits. As at 31 December 2022, there are no material contingent assets to disclose.

Schedule I. Statement of Financial Performance by major funds^a

For the year ended 31 December 2022

(in US\$ thousands)

Description	General Fund				Member States – other			Fiduciary Fund	Subtotal	Eliminations ^b	Total	Percentage
	Regular budget	Voluntary funds	Eliminations	Subtotal	Common Fund	Enterprise Fund	Special Purpose Fund					
Revenue												
Assessed contributions	495 893			495 893							495 893	11%
Voluntary contributions		3 618 801		3 618 801				40 296	40 296	(2 647)	3 656 450	84%
Voluntary contributions in-kind and in-service						146 271			146 271		146 271	4%
Other revenue	1 407	288 226	(248 249)	41 384	(172)	7 340	250 128	61	257 357	(243 741)	55 000	1%
Total operating revenue	497 300	3 907 027	(248 249)	4 156 078	(172)	153 611	250 128	40 357	443 924	(246 388)	4 353 614	100%
Expenses												
Staff costs	404 030	746 405		1 150 435		22 067	153 145	19 679	194 891	(181 148)	1 164 178	30%
Medical supplies and materials	4 569	381 602		386 171	12 967	110 438	5 851	31	129 287	(4 377)	511 081	13%
Contractual services	53 601	1 227 669		1 281 270	(4 178)	16 626	44 178	11 405	68 031	(11 889)	1 337 412	35%
Transfers and grants	8 527	452 084		460 611		307	234	4 064	4 605	(5 169)	460 047	12%
Travel	14 718	144 164		158 882		38	448	1 546	2 032	(2)	160 912	4%
General operating expenses	22 387	409 234	(248 249)	183 372		25 084	25 264	3 038	53 386	(43 781)	192 977	5%
Equipment, vehicles and furniture	3 619	18 341		21 960	(12 995)	185	(2 243)	88	(14 965)	(22)	6 973	0%
Depreciation and amortization					14 093				14 093		14 093	1%
Total expenses	511 451	3 379 499	(248 249)	3 642 701	9 887	174 745	226 877	39 851	451 360	(246 388)	3 847 673	100%
Finance revenue	(1 547)	33 712		32 165	15 258	123	46 613		61 994		94 159	
TOTAL SURPLUS/(DEFICIT) FOR THE YEAR	(15 698)	561 240		545 542	5 199	(21 011)	69 864	506	54 558		600 100	
Fund balance – 1 January 2021	44 699	4 040 216		4 084 915	405 011	35 551	(1 180 903)	62 320	(678 021)		3 406 894	
Direct adjustments to net assets/equity							1 013 284		1 013 284		1 013 284	
Fund balance – 31 December 2022	29 001	4 601 456		4 630 457	410 210	14 540	(97 755)	62 826	(623 463)		5 020 278	

^a Refer to Note 2.17 for details on the composition of major funds.

^b Eliminations as reported in the Statement of Financial Performance by major fund (Schedule I) are accounting adjustments made to remove the effect of inter-fund transfers that would otherwise overstate revenue and expenses of the Organization. These accounting adjustments are done through a separate elimination fund established for this purpose.

Schedule II. Expenses by major office – General Fund only

For the year ended 31 December 2022

(in US\$ thousands)

Description	Headquarters	Regional Office for Africa	Regional Office for the Americas	Regional Office for the Eastern Mediterranean	Regional Office for Europe	Regional Office for South-East Asia	Regional Office for the Western Pacific	Total
Expenses								
Staff costs	515 709	246 889	39 169	131 345	97 332	63 738	56 253	1 150 435
Medical supplies and materials	153 711	45 278	3 590	113 961	38 474	21 938	9 219	386 171
Contractual services	272 188	419 419	39 915	345 526	73 228	87 897	43 097	1 281 270
Transfers and grants	22 151	160 405	18 128	146 166	57 812	33 273	22 676	460 611
Travel	53 413	53 178	8 666	16 280	13 491	6 574	7 280	158 882
General operating expenses	63 200	38 413	4 336	41 532	10 402	18 932	6 557	183 372
Equipment, vehicles and furniture	907	11 914	1 924	3 509	920	1 529	1 257	21 960
Total expenses	1 081 279	975 496	115 728	798 319	291 659	233 881	146 339	3 642 701
Percentage of expenses by expense type across major office								
Staff and other personnel costs	45%	21%	3%	11%	8%	6%	5%	100%
Medical supplies and materials	40%	12%	1%	30%	10%	6%	2%	100%
Contractual services	21%	33%	3%	27%	6%	7%	3%	100%
Transfers and grants to	5%	35%	4%	32%	13%	7%	5%	100%
Travel	34%	33%	5%	10%	8%	4%	5%	100%
General operating expenses	34%	21%	2%	23%	6%	10%	4%	100%
Equipment, vehicles and furniture	4%	54%	9%	16%	4%	7%	6%	100%
Total percentage	30%	27%	3%	22%	8%	6%	4%	100%
Percentage of expenses by expense type within each major office								
Staff and other personnel costs	48%	25%	34%	16%	33%	27%	38%	32%
Medical supplies and materials	14%	5%	3%	14%	13%	9%	6%	11%
Contractual services	25%	43%	34%	43%	25%	38%	29%	35%
Transfers and grants to	2%	16%	16%	18%	20%	14%	15%	13%
Travel	5%	5%	7%	2%	5%	3%	5%	4%
General operating expenses	6%	4%	4%	5%	4%	8%	4%	5%
Equipment, vehicles and furniture	0%	1%	2%	0%	0%	1%	1%	1%
Total percentage	100%	100%	100%	100%	100%	100%	100%	100%

Schedule III. Financial overview – all funds, 2022, 2020–2021 and 2018–2019

For the year ended 31 December 2022

(in US\$ millions)

Description	Total 2022	Total 2020–2021	Total 2018–2019
Assessed contributions	496	1 015	991
Voluntary contributions – programme budget	3 619	6 988	4 690
Total contributions – programme budget	4 115	8 003	5 681
Other revenue – programme budget	38	122	63
Non-programme budget revenue	55	67	121
Voluntary contributions in-kind and in-service	146	173	152
Total revenue (all sources)	4 354	8 365	6 017
Expenses – programme budget	3 377	6 629	5 314
Expenses – non-programme budget and other	325	477	123
Expenses – in-kind and in-service	146	173	151
Total expenses (all sources)	3 848	7 279	5 588
Finance revenue	94	89	102
Total surplus/(deficit)	600	1 175	531

Annex I. Revenue and expenses with programme countries*For the year ended 31 December 2022**(in US\$ thousands)*

Programme country	Revenue				Expenses			Net balance of revenue/(expenses)
	Assessed contributions	Voluntary contributions	Other	Total	Programme budget	Non-programme budget	Total	
Afghanistan	34			34	169 670	206	169 876	(169 842)
Albania	38			38	2 096		2 096	(2 058)
Algeria	659			659	2 338		2 338	(1 679)
Angola	48	1 485		1 533	14 560	252	14 812	(13 279)
Antigua and Barbuda	10			10	507		507	(497)
Argentina	4 369			4 369	1 779		1 779	2 590
Armenia	34			34	3 102	60	3 162	(3 128)
Azerbaijan	234	390		624	4 701		4 701	(4 077)
Bahamas	86			86	569		569	(483)
Bahrain	239			239	527		527	(288)
Bangladesh	48	5 405		5 453	36 498	3 437	39 935	(34 482)
Barbados	34			34	441		441	(407)
Belarus	234	3 396		3 630	2 768		2 768	862
Belize	5			5	1 351		1 351	(1 346)
Benin	14			14	7 095		7 095	(7 081)
Bhutan	5	51		56	3 698	13	3 711	(3 655)
Bolivia (Plurinational State of)	77			77	2 998		2 998	(2 921)
Bosnia and Herzegovina	57			57	1 548		1 548	(1 491)
Botswana	67			67	4 360	68	4 428	(4 361)
Brazil	14 075	489		14 564	7 404		7 404	7 160
Brunei Darussalam	120			120	12		12	108
Burkina Faso	14	378		392	15 445	53	15 498	(15 106)
Burundi	5			5	10 302	134	10 436	(10 431)
Cabo Verde	5			5	2 150	40	2 190	(2 185)
Cambodia	29			29	10 222	50	10 272	(10 243)
Cameroon	62			62	32 146	12	32 158	(32 096)
Central African Republic	5			5	12 546		12 546	(12 541)
Chad	19	1 385		1 404	20 821	234	21 055	(19 651)
Chile	1 943			1 943	2 518		2 518	(575)
China	57 316	12 869		70 185	6 033		6 033	64 152
Colombia	1 375			1 375	3 930	35	3 965	(2 590)
Comoros	5			5	4 857	107	4 964	(4 959)
Congo	29			29	6 655	400	7 055	(7 026)
Cook Islands	5			5	187		187	(182)
Costa Rica	296			296	2 079		2 079	(1 783)
Côte d'Ivoire	62	91		153	9 436		9 436	(9 283)
Cuba	382			382	1 454		1 454	(1 072)

Programme country	Revenue				Expenses			Net balance of revenue/(expenses)
	Assessed contributions	Voluntary contributions	Other	Total	Programme budget	Non-programme budget	Total	
Democratic People's Republic of Korea	29			29	1 406		1 406	(1 377)
Democratic Republic of the Congo	48	5 750		5 798	49 818	1 653	51 471	(45 673)
Djibouti	5			5	5 050	120	5 170	(5 165)
Dominica	5			5	565		565	(560)
Dominican Republic	253			253	1 445		1 445	(1 192)
Ecuador	382			382	2 334		2 334	(1 952)
Egypt	888	663		1 551	10 430		10 430	(8 879)
El Salvador	57			57	886	29	915	(858)
Equatorial Guinea	77	5 219		5 296	3 489	4	3 493	1 803
Eritrea	5			5	2 494		2 494	(2 489)
Eswatini	10			10	3 213	61	3 274	(3 264)
Ethiopia	48			48	67 904	436	68 340	(68 292)
Fiji	14			14	232	39	271	(257)
Gabon	72			72	5 686		5 686	(5 614)
Gambia	5			5	3 501	9	3 510	(3 505)
Georgia	38			38	3 972	46	4 018	(3 980)
Ghana	72			72	17 347	87	17 434	(17 362)
Grenada	5			5	231		231	(226)
Guatemala	172			172	2 355		2 355	(2 183)
Guinea	14	738		752	11 488	50	11 538	(10 786)
Guinea-Bissau	5	8 280		8 285	8 093		8 093	192
Guyana	10			10	940		940	(930)
Haiti	14			14	8 659		8 659	(8 645)
Honduras	43			43	2 671		2 671	(2 628)
India	3 982	46 954	2 000	52 936	67 404	9 986	77 390	(24 454)
Indonesia	2 592	2 312		4 904	13 923	702	14 625	(9 721)
Iran (Islamic Republic of)	1 900	85 319		87 219	5 942	58	6 000	81 219
Iraq	616			616	28 014	4	28 018	(27 402)
Jamaica	38			38	1 351		1 351	(1 313)
Jordan	100			100	10 487	49	10 536	(10 436)
Kazakhstan	850	2 000		2 850	3 605	10	3 615	(765)
Kenya	115			115	13 568	190	13 758	(13 643)
Kiribati	5			5	501		501	(496)
Kuwait	1 203	6 171		7 374	679		679	6 695
Kyrgyzstan	10			10	5 018		5 018	(5 008)
Lao People's Democratic Republic	24	260		284	14 962	49	15 011	(14 727)
Lebanon	224			224	22 301		22 301	(22 077)
Lesotho	5	679		684	3 974		3 974	(3 290)
Liberia	5			5	15 117	188	15 305	(15 300)
Libya	144	5 438		5 582	19 677		19 677	(14 095)

Programme country	Revenue				Expenses			Net balance of revenue/(expenses)
	Assessed contributions	Voluntary contributions	Other	Total	Programme budget	Non-programme budget	Total	
Madagascar	19	118		137	11 651	1 003	12 654	(12 517)
Malawi	10			10	12 987	(3)	12 984	(12 974)
Malaysia	1 628	25		1 653	2 283		2 283	(630)
Maldives	19			19	3 916	110	4 026	(4 007)
Mali	19	470		489	11 735		11 735	(11 246)
Marshall Islands	5			5	89		89	(84)
Mauritania	10			10	8 067	33	8 100	(8 090)
Mauritius	53			53	1 909		1 909	(1 856)
Mexico	6 168	10		6 178	2 106		2 106	4 072
Micronesia (Federated States of)	5			5	702		702	(697)
Mongolia	24			24	6 066	98	6 164	(6 140)
Montenegro	19			19	1 381	75	1 456	(1 437)
Morocco	263			263	3 132		3 132	(2 869)
Mozambique	19			19	34 755	74	34 829	(34 810)
Myanmar	48			48	13 023	(27)	12 996	(12 948)
Namibia	43			43	5 695	46	5 741	(5 698)
Nauru	5			5				5
Nepal	34			34	17 671	481	18 152	(18 118)
Nicaragua	24			24	3 876		3 876	(3 852)
Niger	10	375		385	21 063		21 063	(20 678)
Nigeria	1 194	40 008		41 202	153 638	1 271	154 909	(113 707)
Niue	5			5	9		9	(4)
North Macedonia	34			34	1 993		1 993	(1 959)
Pakistan	549			549	146 327		146 327	(145 778)
Palau	5			5	52		52	(47)
Palestine (State of)					18 655		18 655	(18 655)
Panama	215			215	1 085	63	1 148	(933)
Papua New Guinea	48			48	11 002		11 002	(10 954)
Paraguay	77			77	1 525		1 525	(1 448)
Peru	726			726	1 319		1 319	(593)
Philippines	979	135		1 114	9 475		9 475	(8 361)
Republic of Moldova	14			14	8 413		8 413	(8 399)
Rwanda	14			14	6 017		6 017	(6 003)
Saint Kitts and Nevis	5			5	290		290	(285)
Saint Lucia	5			5	280		280	(275)
Saint Vincent and the Grenadines	5			5	552		552	(547)
Samoa	5			5	1 055	5	1 060	(1 055)
Sao Tome and Principe	5	412		417	3 312	33	3 345	(2 928)
Saudi Arabia	5 596	25 409		31 005	1 220		1 220	29 785
Senegal	34			34	7 803	(2)	7 801	(7 767)
Serbia	134			134	3 466	43	3 509	(3 375)

Programme country	Revenue				Expenses			Net balance of revenue/(expenses)
	Assessed contributions	Voluntary contributions	Other	Total	Programme budget	Non-programme budget	Total	
Seychelles	10			10	2 285		2 285	(2 275)
Sierra Leone	5	271		276	9 706	83	9 789	(9 513)
Singapore	2 316	100		2 416				2 416
Solomon Islands	5	826		831	3 371		3 371	(2 540)
Somalia	5	8 929		8 934	61 698	413	62 111	(53 177)
South Africa	1 299			1 299	8 176	30	8 206	(6 907)
South Sudan	29			29	32 772	529	33 301	(33 272)
Sri Lanka	210	230		440	8 750	68	8 818	(8 378)
Sudan	48			48	38 594		38 594	(38 546)
Suriname	24			24	780	47	827	(803)
Syrian Arab Republic	53			53	32 004	4	32 008	(31 955)
Tajikistan	19	54		73	7 944		7 944	(7 871)
Thailand	1 466	513		1 979	7 848	6	7 854	(5 875)
Timor-Leste	10			10	13 022	30	13 052	(13 042)
Togo	10	501		511	9 143		9 143	(8 632)
Tokelau	5			5	(23)		(23)	28
Tonga	5			5	685		685	(680)
Trinidad and Tobago	191			191	1 139		1 139	(948)
Tunisia	120			120	3 392	55	3 447	(3 327)
Türkiye	6 546	1 932		8 478	37 769		37 769	(29 291)
Turkmenistan	158			158	2 537		2 537	(2 379)
Tuvalu	5			5	38		38	(33)
Uganda	38	44		82	30 504		30 504	(30 422)
Ukraine	272	894		1 166	73 264	15 040	88 304	(87 138)
United Arab Emirates	2 941	27 427		30 368	24		24	30 344
United Republic of Tanzania	48			48	35 431	117	35 548	(35 500)
Uruguay	415			415	794		794	(379)
Uzbekistan	153			153	7 248	182	7 430	(7 277)
Vanuatu	5			5	2 288		2 288	(2 283)
Venezuela (Bolivarian Republic of)	3 476			3 476	3 004		3 004	472
Viet Nam	368	278		646	4 972		4 972	(4 326)
Yemen	48			48	142 845	370	143 215	(143 167)
Zambia	43	108		151	16 514	264	16 778	(16 627)
Zimbabwe	24			24	18 477	44	18 521	(18 497)
Total	134 567	304 791	2 000	441 358	2 006 125	39 456	2 045 581	(1 604 223)

Annex II. Revenue and expenses with United Nations entities¹

For the year ended 31 December 2022

(in US\$ thousands)

United Nations entity	Revenue			United Nations entity	Expenses			Net revenue/expenses
	Programme budget	Non-programme budget	Total		Programme budget	Non-programme budget	Total	
United Nations Children's Fund (UNICEF)	94 275		94 275	United Nations Children's Fund (UNICEF)	162 872	351	163 223	
United Nations Central Emergency Response Fund (CERF)	65 736		65 736	United Nations Office for Project Services (UNOPS)	30 775	13	30 788	
United Nations Development Programme (UNDP)	50 979		50 979	United Nations Secretariat	8 804	18 931	27 735	
United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)	24 755		24 755	World Food Programme (WFP)	14 651	57	14 708	
United Nations Office for Project Services (UNOPS)	10 780		10 780	United Nations Development Programme (UNDP)	11 049	503	11 552	
Joint United Nations Programme on HIV/AIDS (UNAIDS)	6 682		6 682	United Nations International Computing Centre (UNICC)	2 891	649	3 540	
United Nations Fund for International Partnerships (UNFIP)	3 661		3 661	United Nations Population Fund (UNFPA)	3 144		3 144	
United Nations Population Fund (UNFPA)	3 405		3 405	United Nations Volunteers (UNV)	2 117		2 117	
United Nations Environment Programme (UNEP)	3 198		3 198	Food and Agriculture Organization of the United Nations (FAO)	1 929		1 929	
International Organization for Migration (IOM)	1 675		1 675	International Organization for Migration (IOM)	1 426	3	1 429	
Pan American Health Organization (PAHO)	1 572		1 572	Other	2 129	408	2 537	
World Food Programme (WFP)	1 536		1 536					
Other	1 772		1 772					
Total	270 026		270 026	Total	241 787	20 915	262 702	7 324

¹ Revenue represents voluntary contributions, and expenses include grants and fees paid to United Nations entities.

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