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Joint United Nations Programme on HIV/AIDS

## **PROGRAMME COORDINATING BOARD**

**Sixth meeting**

**Geneva, 25-27 May 1998**

*Provisional agenda item 7.2*

### **Recommendations by the**

### **PCB Working Group on Resource Mobilization**

#### **I. UNAIDS Operating Reserve Fund**

1. The PCB Working Group on Resource Mobilization reviewed document UNAIDS/PCB(6)/98.9 on the UNAIDS Operating Reserve Fund. The Working Group recommends to the PCB the establishment of the Fund at the level of US\$33 million from the carry-over funds available to the Programme (principally funds inherited by UNAIDS from the WHO Global Programme on AIDS). The Fund will be used, against repayment, to provisionally meet UNAIDS' legal financial obligations for salaries (US\$20 million) at the beginning of each year, and ensure a minimum of continuing implementation of approved activities (approximately US\$13 million for the first four months of operation), pending the receipt of income. In this way, the Fund will help to mitigate the impact of receiving payment of voluntary contributions late in the year, and thus provide UNAIDS with some financial sustainability.

#### **II. Sustainability and Predictability of UNAIDS Financing**

2. As requested by the PCB at its meeting of 7-9 April 1997 (document UNAIDS/PCB(4)/97.10), the Working Group has discussed ways to improve the sustainability and predictability of financing UNAIDS core activities. Bearing in mind the need for a more detailed analysis of the present system of financing and options to be considered by the PCB, the Working Group recommends that a study is undertaken to this end.

3. The objectives of the study should be to review the present modalities of financing multilateral HIV/AIDS activities, with particular emphasis on UNAIDS core activities; to analyze possible short and long term consequences of the present system of financing; and to present to the PCB through the Working Group general ideas, possible options and recommendations for action to be taken by the Programme.

4. In order to ensure as wide a participation as possible by the member states in the study, it is recommended that an open-ended reference group is established by the Working Group. The role of the Group would be to give advice and provide general information to the study.

5. The study will be financed by additional resources outside the UNAIDS budget.

6. The PCB Working Group on Resource Mobilization recommends the continuation of activities of the Working Group.

