1. In 2013 the World Health Assembly established the Financing Dialogue through decision WHA66(8). It aims to ensure a match between WHO’s results and deliverables as agreed in the programme budget, with the ultimate objective of enhancing the quality and effectiveness of WHO’s work. In accordance with the Dialogue’s guiding principles for the financing of WHO – alignment and flexibility, transparency, predictability, broadening the donor base - it aims to achieve a fully-funded programme budget.

2. In May 2016, the World Health Assembly agreed on a budget increase of USD 160 million for the new WHO Health Emergency Programme, raising WHO’s base budget to USD 3 354 million. A recent assessment has shown that without additional investment by contributors, WHO would finish the current biennium with a USD 500 million funding gap (15% of the total base Programme Budget), with the health emergencies programme being the most significantly underfunded programme with only 56% of requirements fulfilled.

3. In light of the budget increase, and in order to address the funding shortfall, the Director-General convened an extraordinary Financing Dialogue session on 31 October 2016. Close to 170 participants from 72 Member States and 20 international organizations and non-State partner organizations attended the meeting in person or via WebEx.

4. The objectives of the meeting were (i) to examine the overall Programme Budget 2016 – 2017, particularly programme areas which remain underfunded; (ii) to provide an update on the WHO Health Emergency Programme (WHE), including progress on results achieved and the financing situation; and (iii) to initiate discussions on the proposed increase in assessed contributions, ahead of the governing body meetings to be held in 2017.

5. The meeting was chaired by Dr Phusit Prakongsai, Chair of the Programme, Budget and Administration Committee (PBAC) of the Executive Board (EB). In addition, to ensure a lively interaction among participants, the journalist Mr James Chau was invited to moderate the first two sessions.

6. The Chair opened the meeting by welcoming the participants and reviewing the objectives for the day. He restated that the Financing Dialogue is principally a dialogue amongst member states and other contributors on WHO’s funding and seeks to find solutions and ensure that WHO is properly equipped to respond to its global public health mandate.

7. In her welcoming address, WHO Director-General noted that this biennium WHO faces a double challenge. The Organization has been asked to do more, specifically through WHE, while income from voluntary contributions has not increased and core voluntary contributions income has actually decreased. While the WHE is the most important underfunded programme (currently at 56% of
requirements) a number of other programmes are endangered by inadequate funding, such as the response to anti-microbial resistance, work on noncommunicable diseases and HIV. Dr Chan also highlighted that despite budgetary discipline, WHO continues to face a long-standing budgetary imbalance between voluntary and assessed contributions and she will ask the next World Health Assembly to approve an increase in assessed contributions. Finally she announced that as an expression of its commitment to transparency and accountability, WHO will join the International Aid Transparency Initiative as of 1 November 2016.

Session 1 – Funding of WHO programme budget 2016 – 2017

Dr Imre Hollo, Director Planning Resource Coordination and Performance Monitoring, presented the overall financial picture for 2016-2017. While WHO’s base budget was funded after the third quarter of the 2014-2015 biennium at 97% this figure was down for this biennium to 86%. WHO currently has a funding shortfall for the base budget of US$ 471 million, most notably in the health emergency programme which is only funded to 56% and non-communicable diseases only funded to 55%.

8. Discussions from the floor covered a broad range of issues, with participants welcoming the Financing Dialogue, although concern was expressed that it should not become an annual meeting. The WHO Secretariat was commended on progress on reform, in particular in the areas of transparency and accountability. Delegations encouraged further efforts in these areas, in particular in terms of results and value for money. GFATM and UNICEF stressed the critical role of their partnerships with the Organization and underlined the importance of a fully funded WHO for the achievement of their goals and realization of donor investments in their programmes.

9. Participants expressed concern on the remaining gaps in the Programme, in particular for the Emergency Programme. Many participants requested more information on contingency plans and how prioritisation would be carried out. Concerns were raised as to whether WHO would have sufficient funding for the latter part of the current biennium and the beginning of the next one. It was also pointed out that WHO has not been able to mobilize resources quickly enough to keep pace with the programme of work commitments. The importance of broadening the donor base was also highlighted, although participants recognized that this was not in itself a panacea. And whilst the imminent eradication of polio will represent a major achievement for the Organization, the ending of polio funding could have far-reaching implications for all three levels of the Organization and a deleterious impact on health systems in countries.

10. Many donors announced new funding commitments. In terms of new contributions for the Emergencies Programme, the United States announced USD 35 million, Luxembourg pledged EUR 1.5 million, the United Kingdom announced GBP 5 million and Germany announced USD 1.5m for the Contingency Fund for Emergencies (CFE) and EUR 2.5 million for the Ukraine Appeal. Other new contributions announced were Canada for health security related work (CAD 3.5 million), Norway pledged NOK 25 million for core funding to the Emergencies Programme and NOK 20 million for the Syrian Appeal, and Kuwait announced USD 3 million for the Syrian Appeal. Republic of Korea noted there was ongoing discussion in the national assembly regarding a potential contribution of USD 1 million for the CFE. Reaffirmed commitments to the Emergency Programme included Netherlands at EUR 1 million for CFE, Sweden at
US$ 1.1 million for CFE, Japan at US$ 50 million and Australia at AUD 6 million. The United Kingdom noted an overall contribution to the Emergencies Programme this year of up to US$ 40 million. Norway confirmed a contribution to the Programme Budget of US$ 22.1 million to the Programme Budget—of which US$ 6 million as Core Voluntary Contributions. In new commitments for other areas of the budget, Canada announced a pledge of CAD 10 million for polio and Sweden announced an additional US$ 7 million for the core contributions as a sign of trust in WHO. Japan reconfirmed an earlier pledge of US$ 10.3 million for the Programme Budget.

Session 2 – Update on WHO Health Emergencies Programme

11. Dr. Peter Salama, Executive Director, WHO Health Emergencies Programme introduced the new WHO Health Emergencies Programme (WHE) formally agreed at the World Health Assembly in May 2016. He noted the new programme brought together the work of WHO on outbreaks and emergencies under one programme across the three levels of WHO. As the number of emergencies and disease outbreaks has grown each year, so WHO must respond and strengthen the health security of all member states. Dr Salama explained that WHO flexible funds had covered over one third of needs so far this year and noted that this is not sustainable. He also advised that on the basis of current projections, the programme will have insufficient funds to implement its work beyond Q2 2017.

12. Dr. Matshidiso Moeti, Regional Director of the African Region, gave brief remarks in which she noted that WHO is delivering at country level with the support of the regional office and HQ to provide the technical expertise and ability to deploy experts and the necessary supplies at short notice. She noted the response to the Yellow fever outbreak in Angola and the DRC were good examples of the whole team working as one.

13. On acute and protracted emergencies. Ms. Elizabeth Hoff, WHO Representative for Syria outlined how WHO is responding to the needs of all people affected by the conflict in Syria – both those in all parts of Syria and those displaced to and living in neighbouring countries. Dr Ciro Ugarte, Regional Emergency Director, PAHO described the work of the Regional Office in supporting country offices to respond to a multitude of challenges. He explained the work that WHO had done prior to Hurricane Matthew through the Safe Hospitals initiative that ensured those facilities were able to withstand the hurricane and operate during and after the storm.

14. The final part of the session focussed on global health security. Dr Nedret Emiroglu, Regional Emergencies Director for EURO outlined the work of the regional office with both HQ and country offices to support countries to improve health security. Dr Michel Thieren, WHO Representative for Pakistan gave the example of the Joint External Evaluation (JEE) that was carried out in Pakistan with the government and a wide range of partners to assess the health security of the country. The national plans to be developed in response to the JEE are the fundamental building blocks to ensure health security. 

15. A wide range of comments followed the presentations including new pledges, re-affirmations of support and future intentions to provide both financial and human resources for the Programme. Existing donors encouraged new contributors to come on board. Questions raised included requests for further
information on the budget and funding situation particularly for 2018-19. Increased support for emergency provision should be balanced by concomitant increases for Health System Strengthening and WHO should not become so operational as to lose sight of its technical and normative role.

Session 3 – Increase in assessed contributions

16. Dr Ian Smith, Executive Director of the Director-General’s Office, provided the rationale behind the Director-General’s proposal to increase the assessed contribution by 10% for the 2018-2019 biennium. Dr Smith highlighted the critical role of assessed contributions in ensuring the security and stewardship of the programme budget as a whole. The flexibility and predictability of assessed contributions means that they are one of the most valuable tools for aligning resources with priorities; the 30% of the budget funded by flexible resources leverages the remaining 70%. Stewardship was explained in terms of ensuring measurable results, accountability and transparency, and efficiency.

17. Member states were highly engaged on this issue. One group of states voiced concerns at the proposed increase. Whilst recognizing WHO’s dilemma, they questioned whether an increase in assessed contributions was the answer, and stated that the Organization should focus more on increased accountability, transparency, reform and broadening the donor base. Other delegations commended reforms undertaken to date but declared themselves undecided on the matter and sought additional information to support their internal deliberations for the proposal for an increase. A third group offered varying degrees of support for the proposal. Whilst readily acknowledging the dangers of over-reliance on voluntary contributions, many in this group linked their support to further progress on reform, in particular transparency, cost efficiencies, priority-setting and accountability.

18. In her closing remarks the Director General expressed her gratitude for the engagement of participants in what had been an energizing event. Dr Chan emphasised her key takeaways from the meeting. Prioritization was important in a context of financial constraints and hard choices were necessary. She recognized the call to do more with less and to spare no efforts to find smarter ways to do business. WHO needed to leverage partners and take into account possible conflict of interests, with FENSA now providing the space for engagement with Non State Actors. WHO needed to do more to communicate its many successes. Noting that Ebola had taught WHO that preparedness, prevention, resilient health systems and national capacities are critical, the Financing Dialogue had demonstrated the need to ensure support across the entire programme of work, not just the Emergency Programme. On the proposal to increase assessed contributions, Dr Chan acknowledged the difficulties for Member States given the current climate of budgetary austerity. She has carefully noted all comments and requests for additional information.