CONTINGENCY FUND
CONCEPT FOR DISCUSSION

Member States Consultation
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Contents

- Contingency fund options under consideration
Ebola Early Appeals, Sources of Initial Financing, and Donor Response
Ebola response early financing

The NTI Fund had a balance of about US$254,000 when WHO’s Ebola response was activated.

US$190,000 from NTI Fund was used for Ebola.

The Ebola activity budget was increased by US$100,000, sourced from AC.

WHO HQ Finance Department created an additional pooled award for the response, with an initial limit of US$500,000.

Expenditures for Ebola, under the NTI Fund, AC, and pooled award were reimbursed by Ebola appeal funds when they were received.
Ebola response income cash and expenditure, month by month 2014-15
Ebola funding 2014 - 2015
Income, cash, and expenditure  Cumulative

Appeals
27 Mar
20 Apr
15 Jul
28 Aug
16 Sep
Ebola Appeal Experience

- Ebola appeal 1: March 27, 2014: $2,046,910
- Ebola appeal 2: April 10, 2014: $4,871,710
- Response: $7,006,230 received from donors
- First Ebola financial award available for use at WHO Headquarters June 5, 2014.
- Donation earmarking based on early plans and budgets did not match well with urgent and rapidly evolving needs.
Ebola Appeals: First 6 Months

Ebola Outbreak Response Appeal Timeline

Donor Appeal 1
27 March 2014
USD 2,046,910

Donor Appeal 2
10 April 2014
USD 4,871,710

Donor Appeal 3
15 July 2014
USD 20,000,000

Donor Appeal 4
31 July 2014
USD 103,000,000

Donor Appeal 5
28 August 2014
USD 490,000,000

Donor Appeal 6 - UN
16 September 2014
USD 987,800,000
( WHO USD 570,000,000)

Total funding received USD 7,006,230

Phase 1: March - June 2014
Phase 2: July - August 2014
Phase 3: September - March 2015
Contingency Fund Options Under Consideration
Options Under Consideration

- Fund parameters:
  - Scope
  - Size
  - Operations
  - Financing sources
  - Sustainability
  - Accountability mechanisms
Scope

Two dimensions of scope we may discuss are:

- **Purpose**
- **Restrictions on use**
Purpose: Based on MS Input

- should enable WHO to rapidly lead the public health and medical response to unforeseen emergencies beyond “business as usual”.

- If possible, prevent evolution of an outbreak or emergency to a PHEIC or ERF level 3 or 4. Therefore, it should be triggered before this level of emergency.

- should complement other emergency mechanisms such as OCHA CERF and the envisioned World Bank Pandemic Emergency Facility.

- should not replicate existing funding mechanisms, for example for polio eradication, vaccination (GAVI Alliance), TB, HIV/AIDS and malaria (GFATM).
Restrictions on Use: Based on MS Input

- There should be maximum possible flexibility on the use of the fund in qualifying emergencies, with no jurisdictional or other restrictions within the context of an unforeseen emergency.

- Activities could extend beyond response to preparedness and surveillance in the context of the emergency event.

- It is not envisaged that the fund will be used for the stockpiling of supplies, or primarily for procurement, as there are other mechanisms specifically adapted for this purpose.
Size

- Size of the contingency fund should reflect historical needs of WHO in major emergencies.
- There could be both a rapid response element and a surge finance element with separate triggers.
- Other size considerations include number of concurrent emergencies, needs for initial phase of response, and potential new uses for fund (e.g., catalyzing global health emergency workforces).
Operations

Two dimensions of operations:

- Governance
- Criteria for activation/disbursement
Governance:
Based on MS Input

The WHO contingency fund should reside under the jurisdiction of the Director-General (or the DG’s delegate) under delegated authority of Member States.
Criteria for Activation/Disbursement

Triggers *under discussion*:

- Indication from a member state that its capacity to respond to an emergency is overwhelmed.
- ERF grade 2 emergency.
- Staged trigger
Criteria for Activation/Disbursement

- **Staged trigger:**
  - up to $500,000 upon request from government and assessment of WHO emergency management in consultation with regions, according to emergency SOPs.
  - Up to balance of internal contingency fund (minimum target balance: $100 million) based on ERF grade 2 and situation beyond business as usual, DG decision.
  - Surge funding for escalating emergencies beyond ERF grade 2 and threats to global health security.
Sources of Financing

Two dimensions of sources of financing we may consider are:

- Number and nature of financial facilities within the contingency fund
- Source of financing for the contingency fund or funds
Two WHO Rapid Response Mechanisms Function Today

- Two emergency rapid response financing mechanisms currently function within WHO
- WHO-Nuclear Threat Initiative Emergency Outbreak Response Fund for disease outbreaks
- Rapid Response Account for humanitarian emergencies.
WHO Nuclear Threat Initiative Emergency Outbreak Response Fund (1)

- Not for nuclear threats!
- Established by USA charity “Nuclear Threat Initiative” and WHO in 2002 to ensure rapid deployment of WHO and GOARN.
- For global response to infectious disease outbreaks, naturally occurring or biological weapons.
- To ensure that response teams can be on the ground within 24 hours.
WHO Nuclear Threat Initiative Emergency Outbreak Response Fund (2)

- Key operational element of GOARN.
- Used in early Ebola WHO response.
- Balance initially US$500,000, but reduced through incomplete replenishment.
- As of end March, 2015, balance is approximately US$125,000.
WHO Rapid Response Account (1)

- Established in 2009 to finance WHO’s rapid response to humanitarian emergencies in accord with WHO’s ERF performance standards and WHO emergency SOPs.

- RRA allows WHO to send surge teams within 72 hours of the start of an emergency.

- The RRA is a revolving fund that received initial funding from the UK of US$1.2 million and has since been supported by other donors.

- In 2012 and 2013 the RRA provided support to WHO’s response to crises affecting 45 million people.

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WHO Rapid Response Account (2)

- Director of WHO’s Emergency Risk Management and Humanitarian Response Department (ERM/headquarters) decides when to activate the Rapid Response Account (RRA) and determines the amount to be withdrawn in consultation with the relevant regional office.

- Unless otherwise agreed, loans are $80,000.

- Heads of WHO country offices who request RRA funds must pledge to make every effort to reimburse them.

- Funds can be used as a bridging loan pending receipt of funds from other sources, including the CERF grants and contributions received under flash appeals.

- In 2014 the RRA provided US$1,087,696 in loans. At year end the balance was US$800,651.
Sustainability

Increase sustainability through:

- Assessed contribution component
- A diversity of funding sources
- If feasible, some very long term voluntary contribution agreements
Accountability Mechanisms: Based on MS Input

- Regular reporting to the Governing Bodies on fund activities, financing and performance.