



# **DECLARATION**

**The 2<sup>nd</sup> Consultation on Macroeconomics and Health  
Increasing Investments in Health Outcomes for the Poor**

**28-30 October 2003**



**World Health Organization**



## The 2<sup>nd</sup> Macroeconomics and Health Consultation Increasing Investments in Health Outcomes for the Poor



World Health Organization  
Geneva, Switzerland – October 28-30, 2003

### Preamble

We, the 40 participating countries<sup>1</sup> of the 2<sup>nd</sup> Macroeconomics and Health Consultation, have had an important opportunity for dialogue among our Ministries of Health, Finance and Planning together with bilateral donors, representatives of civil society and international agencies<sup>2</sup>. Sharing of experiences during this 2<sup>nd</sup> Consultation has been beneficial, and will be instrumental in helping us identify effective ways to address common global challenges with regard to health, poverty reduction and economic development.

Mindful of the United Nations Millennium Development Goals, the Global Strategy for Health for All in the 21<sup>st</sup> Century, the Monterrey Consensus on Financing for Development, and the Johannesburg Declaration on Sustainable Development, we wish to record and resolve the following:

### Whereas we note that :

- establishing and strengthening peace in the world in general, and in our regions in particular, is essential, as without peace and harmony there can be no hope of successful implementation of the recommendations made at the Consultation;
- the reports of the Commission on Macroeconomics and Health and its six Working Groups highlight the opportunity and knowledge that now enable significant improvements in health, contributing to poverty alleviation and economic growth;

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<sup>1</sup>Angola, Argentina, Azerbaijan, Bangladesh, Bhutan, Botswana, Brazil, Cambodia, China (People's Republic of), Congo, Djibouti, Estonia, Ethiopia, Ghana, Haïti, India, Indonesia, Iran (Islamic Republic of), Jordan, Kenya, Malawi, Mexico, Mozambique, Myanmar, Nepal, Nicaragua, Nigeria, Pakistan, Peru, Philippines, Rwanda, Senegal, South Africa, Sri Lanka, Sudan, Thailand, Uganda, United Republic of Tanzania, Viet Nam, Yemen.

<sup>2</sup>The international agencies present at the Consultation included: the International Monetary Fund (IMF), the Organisation for Economic Co-operation and Development (OECD), the United Nations Development Programme (UNDP), the Joint United Nations Programme on HIV/AIDS (UNAIDS), the United Nations Children's Fund (UNICEF), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Environment Programme (UNEP), the United Nations Population Fund (UNFPA), the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO) and the World Bank. Sub-regional Entities included: the Andean Health Agency (ORAS), the Asian Development Bank (ADB), the Caribbean Community (CARICOM), the Commission of the African Union (UA), the Inter-European Parliamentary Forum on Population and Development, the New Partnership for Africa's Development (NEPAD), the United Nations Economic Commission for Africa (UNECA), and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP). The participating countries, bilateral development cooperation agencies, international funds and partnerships, organisations representing civil society, and foundations are included in the list of participants ([www.who.int/macrohealth/events/health\\_for\\_poor](http://www.who.int/macrohealth/events/health_for_poor)).

- the UN Millennium Development Goals (MDGs) set challenging, specific targets requiring urgent action and international cooperation for their achievement;
- the WHO has declared a global health emergency and committed itself to the goal of “3 by 5” – to get 3 million people in developing countries on anti-retroviral treatment by the end of 2005;
- the Ottawa meeting further defined the work that the development community should undertake to progress toward the MDGs and ensure their monitoring;
- regional and sub-regional initiatives, such as those being developed by the Andean Health Agency, the Caribbean Community and the New Partnership for Africa’s Development, are a welcome development and are providing further impetus to country and inter-country approaches to macroeconomics and health;
- the 2<sup>nd</sup> Consultation on Macroeconomics and Health has helped to delineate the range of issues to be addressed to enable progress on the MDGs and to accelerate reduction of poverty caused by and contributing to ill health;
- the Consultation has facilitated discussion among Ministries of Planning, Finance and Health to address the dual crises of a crushing burden of disease and failing health systems;
- the three themes of the meeting were reviewed by Working Groups and reports were presented by their chairs. The following main points were noted by country delegations during the Consultation:

### **Theme 1: Effectiveness of Delivery Systems and Monitoring of Outcomes**

- political commitment by all parties is fundamental to progress toward the MDGs and to successful implementation of the CMH vision, and requires Finance, Health and Planning Ministries to collaborate at all levels to create an environment of sustained attention to the challenges linking macro-economy and health;
- the CMH Report follow-up has helped countries and sub-regions to develop their own political, financial, economic and health strategies, and the process should be continued;
- good governance is critical throughout and every effort needs to be made to promote transparency, accountability and efficiency;
- advocacy of the value of health and its importance to economic growth and poverty alleviation is a core part of the process;
- a multi-sectoral approach beyond the health sector, taking into account water and sanitation and education with due attention paid to gender issues, is necessary and requires appropriate coordinating mechanisms;
- the private and voluntary sectors may be critical for positive solutions in many countries, not least for the important processes of social mobilization;
- focus has to be on results, emphasizing improved access to health services and better outcomes for the poor, and including greater access to essential and generic drugs, strengthened health systems and better management;
- improved research and analysis capabilities must provide the foundations for the national Health Investment Plans;

- lifting of human resource constraints is critical for improving performance of the health system and deserves urgent attention. These constraints are linked to conditions of service, training, and remuneration, and will fundamentally determine capacities for sustained improvement in health services.

## **Theme 2: Health in the Macroeconomic Framework and Allocation of Resources**

- the burden of debt for some countries, including both those under the Heavily Indebted Poor Countries Initiative (HIPC) and non-HIPC countries, disrupts the provision of health services and must therefore be reduced with appropriate debt relief grants to safeguard public health and protect vulnerable people;
- domestic and international economic crises can have catastrophic health consequences for the most vulnerable, and therefore special attention to health is required in the negotiations to resolve the crises;
- at the national and international level, there is an urgent need for more flexibility in macroeconomic frameworks to respond to adverse economic shocks, including contingent spending plans to handle possible large supplementary inflows for health from global funds to avoid harm to the health of poor people, especially children;
- countries must evolve appropriate strategies based on realistic assessment of how health systems function currently and must press vigorously for additional grants for health to the extent required for improving their performance;
- while increased tax revenues along with reallocation of subsidies may be necessary, other innovative approaches to mobilizing additional domestic resources for health should be considered; however, taxation of tobacco is of high priority as a resource for health;
- linkages and mutual accountability will be required across global initiatives and partnerships aimed at better health for the poor, including further work on harmonization, policy coherence and scaling up to reach the MDGs.

## **Theme 3: Predictability of External Funding and Increased Coordination**

- additional investments, from both domestic resources and external grants, will be required to finance health investments, including strengthening infrastructure and human resources, pursuing system reforms, and scaling up of essential health interventions;
- the international agencies and the donor community must further expand their financing for health, and support health within the framework of national poverty reduction strategies and as part of debt relief arrangements;
- at the country level, urgent and continuing efforts must be made to improve absorptive capacities for increased funding, and donors must be willing to finance associated costs to improve both the effectiveness and efficiency of resource use;
- the international agencies and the donor community must improve flexibility and predictability in the provision of external resources, harmonize their procedures and reporting requirements and respect country priorities;

- development assistance commitments to health must be fulfilled, with monitoring of the commitments and annual disbursements thereof by low and middle-income countries and with the assistance of external partners such as the WHO and OECD;
- in line with the CMH Report recommendations, middle-income countries will develop approaches tailored to their specific needs; low-middle income countries will need additional external funding, mainly to cover the high cost of HIV/AIDS.

**We have therefore concluded that:**

- countries should continue to be encouraged and supported to prepare and implement Investment Plans to accomplish the CMH recommendations consistent with the core themes of the Macroeconomics and Health work:
  - i. **Investing in the health of the poor.**
  - ii. **Ensuring more resources for health overall**, from all sources and with greater efficiency and impact.
  - iii. **Lifting the non-financial and systemic constraints** to effectively use additional investments in health.

**We request the WHO, working with the international and bilateral agencies, to:**

- continue dissemination of the messages of the CMH;
- make necessary arrangements to support countries and sub-regional partnerships that have already established mechanisms to prepare their Investment Plans and help countries that have not yet begun their efforts, with the support and involvement of the international community;
- assist countries and sub-regional partnerships in securing financing for both further preparation and implementation of their Investment Plans;
- continue to provide technical cooperation to countries and sub-regions for their plans in coordination with other agencies.

**And, we will:**

- establish, strengthen and operate appropriate national and sub-regional mechanisms for development of our specific national Health Investment Plans and orient priorities toward pro-poor approaches, including approaches within poverty reduction strategies;
- give the highest attention within our Investment Plans to capacity building, leadership skills and incentives for retention and utilization of skilled human resources, bearing in mind that human resource constraints constitute the main impediment to progress.

**Mindful of the serious challenges ahead and the compelling need for rapid action, we conclude these Consultations and look to the progress to be reported in our next meeting.**



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