The future of financing for WHO
2010

SWEDEN
Sweden very much welcomes the initiative of the DG to launch a discussion on governance and future financing. However, the issues at hand are complex and require much further analysis and the Swedish response should be considered from that point of view, rather than a final position. We are currently working on a Swedish strategy for WHO, which we hope to be able to present at the beginning of next year.

A) INITIAL REFLECTIONS - SETTING PRIORITIES

Several fundamental questions were raised in the first part of the meeting (see paragraphs 1-9) - a common theme is the issue of priority setting:

1) **Given a growing range of technical demands and the need to be relevant to all Member States, what criteria and/or mechanisms should be used to define WHO priorities?**

The WHO Constitution clearly sets out the role of and vision for WHO as a health organisation with a broad mandate. Although written over 60 years ago, it is still relevant. Today WHO is active in too many areas and needs to be much more focused on its core functions. Following the changes in the global health landscape, we need a smaller and sharper WHO. There is therefore a growing need to develop criteria to guide priority setting, both within WHO and the Secretariat but also in order to guide the Member States and their contributions and engagement.

One idea worth exploring could be to develop a ‘gate-keeping mechanism’ within the Secretariat, together with the Legal Council, while respecting the procedures of the EB and the WHA. The role of this mechanism could be to scrutinise and offer advice on all new programmes, initiatives, resolutions, etc., on the basis of a set of criteria. These criteria should be based on the six approved core functions set out in the Eleventh General Programme of Work and agreed priorities in the budget, they should reflect WHO added value and be relevant to all WHO members, so as to guarantee legitimacy. Moreover, the criteria would have to fall within WHO’s mandate. In addition, the mechanism would have to ensure that we avoid duplicating the work of other organisations.

Another key issue is the implementation gap. Most WHO documents have a strong rationale but implementation and sustainability lag behind.

2) **In what domains is WHO’s work indispensable (as opposed to being complementary to the roles of others)? What are the functions that only WHO can do?**

WHO’s work should be clearly guided by its six core functions, which are relevant to all its members. WHO should be an organisation for public health that gives broad guidance to its Member States through normative and standard-setting work, as well as contributing to applying this in the different country settings. While the main focus should be on public health and prevention, WHO should also engage to some extent in treatment, though only for ‘up-stream’ work on norms, standards, etc., not in providing vaccines, drugs, hospital equipment, etc. The main identified health challenges for the world, such as the global burden of diseases, must be the starting point and be better reflected in the priorities.

WHO’s work is also indispensable regarding IHR and FCTC and in taking the lead during severe crises.
3) While health is indisputably central to human development, many of the social, economic and environmental determinants of ill health fall beyond the control of the traditional health sector. What should be the extent and nature of WHO's involvement in addressing the broader determinants of health?

The broader determinants of health, as covered by the Constitution, are essential to all health-related work. WHO should further develop its role in providing intellectual and technical leadership to ensure that other sectors are investing more in ‘pro-health’ policies and actions. WHO should, however, not take over the role and mandate of other UN agencies in sectors dealing with determinants outside the health sector.

WHO has a vital role when it comes to fostering intersectoral collaboration, which is essential given the complexity of today’s health problems and how to come to grips with them. WHO should both be informed about developments in other sectors that might influence health, and inform other sectors of their potential impact on health, perhaps mainly within the UN. WHO could give input to these processes rather than getting directly involved or starting its own process on the same topic.

B) ELEMENTS OF CORE BUSINESS

Normative and standard setting work was generally seen as being core business and central to maintaining WHO's role as the world's technical authority on health issues. Similarly, there was a consensus around WHO's role in relation to surveillance and response to international health threats. On other aspects of WHO's core business several questions were raised:

4) Securing international agreements such as IHR or FTC is central to WHO's work. As health interacts with other policy areas (such as trade migration, intellectual property), the demand for different forms of negotiated agreements or codes of conduct may increase. At the same time, negotiations are time and resource intensive, and reaching common ground can be elusive. Should WHO devote more resources to servicing Member State negotiations?

International agreements such as the IHR and FCTC have a central role and are much appreciated by the Member States, as they help advance public health policies in the Member States. As an intergovernmental and specialised agency, WHO is the body that can best facilitate the development of internationally binding conventions or treaties on health – and this is a core asset for the organisation. However, one should always be careful before entering into new long, costly and complex negotiations, especially in sectors where WHO does not have the main mandate to act. WHO has many means of acting, such as resolutions, strategies, guidelines and action plans, and should always choose the most cost-effective solution best fitted to the question at hand. It is of paramount importance to link possible negotiations to the core functions and agreed priorities as well as to the budget.

5) In the face of more, and more unpredictable crises, it was generally agreed that WHO should maintain its role in humanitarian action. In what ways could WHO’s role be made more effective in this area?

As is widely recognised, WHO has a leadership role to play in crises and as regards humanitarian action. WHO needs to support a common approach and response to emergencies together with the Member States and in close cooperation with other actors such as the ECDC, OCHA, the Red Cross and key NGOs. Besides taking the lead, WHO needs to provide norms and standards and give technical support to Member States. The monitoring function is essential and transparency as well
as communication is vital and key. WHO should, however, stay away from direct implementation and provision of supplies and funding.

C) HEALTH AND DEVELOPMENT

The discussion (see paragraphs 15 - 18) highlighted problems arising from the growing number of actors involved in health as an aspect of development policy, and the consequent fragmentation of effort and competition for resources. Different views were expressed on WHO’s role in development in general and in global health governance in particular. Specifically, whether WHO should seek a coordinating role at global and/or country level, or whether the challenge is for WHO to situate itself as one among other actors - based on an understanding of comparative advantage.

6) What should be WHO’s key objectives in relation to the governance of global health, and how might these be best achieved?

WHO is the directing and coordinating authority for health and is therefore responsible for providing leadership in the health area. We see this leadership as primarily technical and intellectual – not managerial. WHO should provide Member States and partner organisations with guidance in terms of health priorities and best possible evidence for ‘what works’ for all key health challenges.

The number of organisations dealing with health is growing and it is important to avoid duplication of work and instead ensure synergies. WHO needs to remain focused on the big picture and giving broad guidance and must leave the details, implementation and funding to other organisations. The International Health Partnership (IHP+) provides a good starting point and platform from which WHO can also provide leadership in improving the efficiency and effectiveness of the work and engagement of key health development partners. The H8 mechanism is another forum where WHO should provide leadership.

7) Given that the problems of coordination are system-wide, in what ways might it be possible to consolidate the governance of global health across different organisations?

This is a complex issue that requires more work. Sweden would welcome continued discussion between the main health actors. As stated above, Sweden supports the dialogue taking place within H8 but would also welcome the establishment of a platform for the different governing bodies. We would welcome a more structured dialogue and more work is needed on defining key strategic priorities, describing how different partners can best contribute and ensuring accountability for health outcomes, resources and conduct. A common view on the major challenges and the way forward would facilitate work and make efforts more efficient. Some sort of global forum – or marketplace – might be useful, where partners could meet and share evidence and best practices but which would also serve as a means of ensuring accountability through peer pressure.

D) PARTNERSHIPS

Partnership can be understood in many ways: the most fundamental being the partnership of solidarity between all nations envisaged in the Millennium Declaration. It is also useful to distinguish between partnerships that have been formed primarily to channel resources to countries, and those that are concerned primarily with advocacy and coordination. They each prompt important questions about the role of WHO (see paragraphs 19-24).
8) How, and through which mechanisms should WHO seek to distinguish its role and establish its comparative advantage in relation to funding partnerships such as GFATM, GAVI?

It is important to distinguish different roles based on 1) new knowledge and evidence, 2) capacity building, 3) financial transfers, and 4) monitoring. Based on those four broad role categories, it is quite easy to see the differences and complementarity between WHO on the one hand and GAVI and the GF on the other hand.

The landscape of partnership, however, is complex and difficult to gain an overview of, and this is therefore an important task for WHO. WHO is in the best position to discover opportunities for partnership, to identify gaps or overlaps and to see when different partnerships can merge or be ended. Our view is that WHO may be best suited to actually facilitate the partnerships itself, i.e. there might be a case for not having semi-independent structures such as the Partnership Secretariat and boards.

9) What are the potential advantages and/or drawbacks of partnerships hosted by WHO? How should they evolve in future?

Sweden very much welcomes the guidelines set at the last WHA. It is important to make a careful analysis before entering into a partnership. A partnership should always complement work within WHO and contribute to the core functions without overlap.

As stated above, a core function of WHO is to provide leadership and to convene partners. If it can be made clearer that WHO can actually do this as its core business, including providing opportunities for civil society and the private sector to fully engage, there might be a case for a radical spring-clean among all the existing partnerships. Sweden would welcome more work in this direction.

10) What are the key attributes that WHO brings to partnerships where it is a member and not the host or coordinator?

Providing technical leadership and expertise. However, there is no reason why WHO could not be the coordinator and leader.

E) COUNTRY SUPPORT

WHO provides support to countries in different ways, not just through a physical presence. A common theme during the discussion was the need to ensure a good match between different forms of support and country needs. Increasingly, WHO’s role at country level is shaped by its role as part of a more coordinated UN presence.

11) What criteria should be used to ensure a good match between the level of WHO support and country development needs? In what way can effective support be maintained when a country no longer needs the presence of a WHO country office?

WHO needs to be relevant to all its Member States and its support to countries differs. WHO mainly provides technical advice to its members and other international partners. However, some countries with less domestic capacity and resources need more support and WHO has an extended role through country offices. However, even at the country offices WHO should mainly keep to its guiding function and not get directly involved in implementation. There is a need to shift to more
strategic policy advice and less hands-on rewriting of guidelines. WHO senior policy advisors in
countries should be more in line with World Bank standards.

WHO also needs to develop a more explicit strategy for phasing out its activities in countries that
develop adequate domestic capacity. WHO/EURO is presently looking into the role of country
offices and principles for establishing/closing country offices, which we very much welcome.

12) In countries with many development partners, how can WHO become more effective in
supporting national authorities as they seek to coordinate development partners?

By empowering them and providing technical support by intellectual leadership based on the best
up to date analysis. As mentioned before, the IHP+ is a good platform for also ensuring
accountability.

13) In what ways can WHO most effectively contribute to UN reform at country level?

As a key member of the One UN country team. Ensuring that the strength of WHO is used – i.e.
bringing evidence, norms and global agreements to the table – and that results are properly
monitored with quality and integrity. From an accountability point of view, WHO’s independence
and integrity need to be balanced with strategic responsibility for the consolidated One UN team
commitment and agenda.

F) TECHNICAL COLLABORATION

Technical collaboration was identified as a core function in the Constitution and remains a central
element of WHO’s country support. It is also an area in which there was widespread agreement that
performance needs to improve.

14) In what areas of technical support provided by WHO is improvement needed? How can these
best be brought about?

In this area more work is needed, both in terms of what WHO should be doing and as regards
quality. The technical support provided today is too thinly spread and does not have the maximum
possible impact. WHO might also be engaging too far ‘down stream’ in the actual implementation
of programmes.

15) Should WHO give more emphasis to new approaches to technical collaboration: for instance,
by acting less as a provider and more as a broker; organizing exchanges of experience between
countries; and/or facilitating south-south collaboration?

WHO could provide more strategic policy advice, bringing evidence, research and policy options to
the table. This should be done in a way that stimulates and generates long-term sustainable national
institutional capacity. WHO needs to develop its thinking and strategic approaches here.

The best way to strengthen existing institutions and organisations is to use and empower them.
G) IMPLICATIONS FOR THE GOVERNANCE OF WHO

There was general agreement that the challenges highlighted at the meeting - in setting priorities, defining core business, improving WHO's effectiveness in partnership arrangements, in the provision of country support and in technical collaboration - are complex, but can be improved without recourse to changing the Constitution.

16) Recognizing that the problems identified are not unique to WHO, in which area, and by what means, can governance be improved?

The most important thing when it comes to governance is to align decisions, budget, priorities (i.e. the MTSP) and funding. The situation today is too complex for it to be possible to see the connections and how priorities are being implemented. A large part of the responsibility lies with the Member States, which freely introduce resolutions, sometimes not discussed in the EB, that are not in line with priorities or budgets. One way to tackle this, besides what is mentioned earlier, could be to introduce a number of recurring framework resolutions, reflecting the priorities of WHO, to which changes can be made continuously but where the main direction is set with a long-term perspective.

WHO also needs to work more with results-based management. The work on the integrated budget needs to continue.

The partners that provide voluntary contributions want to know what they are funding and what the results are. If the chain is more closely connected and more transparent, it will become easier for the partners to give core voluntary contributions. Likewise, HQ, regional and country level have to work more closely together and it has to become easier to understand the impact that decisions at HQ have at regional and country level.

Fundamentally, a governance reform is needed to create a much stronger link between the setting of priorities and funding. To this end, WHO should explore possibilities for negotiated voluntary contributions or replenishment processes. These processes need to be fully anchored with the governing bodies.

17) If nation states are no longer the only actors in global health (or the only financial contributors to WHO) should WHO’s governance mechanism be made more inclusive? How might this be brought about?

WHO should work to facilitate dialogue between all major health actors. The H8 is a good informal mechanism that facilitates coordination within the organisations. However, coordination is also needed between the governing bodies. One solution that could be further explored is to arrange pre-meetings ahead of the WHA or a third committee (i.e. a committee C1). This would also put pressure on the Member States to become more closely coordinated and to speak with one voice in WHO and other organisations. Lack of coordination is a problem given the traditional division between health ministries and foreign ministries, where the former engage in discussions on WHO priorities and the latter decide on funding.

http://graduateinstitute.ch/webdav/site/globalhealth/shared/1894/Article%20Committee%20C%20The%20Lancet%20May%202008.pdf
H) IMPLICATIONS FOR FINANCING: NOT MORE BUT BETTER

The way WHO is financed is key to understanding how it performs. The difficulties inherent in the current situation where less than 20% of income comes from Assessed Contributions, and that the majority of voluntary funding is earmarked for specific purposes, are widely recognized. With this division of income it will be difficult to improve the alignment between resources and agreed priorities. Equally there is little prospect of Assessed Contributions increasing to past levels. New approaches are therefore needed.

18) What can be done by donors to increase the predictability and flexibility of funding to WHO?

A more radical reform of WHO financing is desired. This work needs to start by sorting out what should actually be included in the budget, i.e. 1) WHO should not be hosting facility, but if it is, as in the case of UNAIDS this should not be reflected in the core budget (a number of partnership budgets should be handled in this way if they should continue at all); 2) substantive work is needed on becoming more focused on the six core functions – a review could be carried out to establish genuinely core and critical work and functions (this applies specifically to WHO’s technical support work and provision of equipment and supplies); and 3) the cost of achieving certain results needs to be challenged.

Linked to such an exercise is the need to change the way the organisation is funded. The need for independence and integrity is critical to the actual execution of the core functions. The way in which WHO is funded today puts this – the core asset of the organisation – at high risk.

WHO should explore the possibility of negotiated voluntary contributions or replenishment processes. These processes need to be fully anchored with the governing bodies.

However, a great responsibility also rests with the Member States, which should always strive towards core voluntary contributions. Member States should also abstain from setting up reporting systems that are not in line with WHO indicators. If possible Member States should also extend their agreements and seek to enter into agreements with WHO together with other members. This would create a win-win situation, increasing predictability and sustainability for WHO and sharing the burden between the Member States.

As stated previously, better coordination within the Member States is also important so that decisions and financing speak the same language.

19) What can the Secretariat do – from its side – to make it easier for donors to provide funds in a way that permits greater alignment with agreed priorities?

It is important to try to turn the process around. For procedural reasons the budget process is not properly addressed. When it is first brought up at regional committees, only 30 per cent of the income is known. In the next stage at the EB, the room for manoeuvre is very limited, and finally at the WHA only marginal adjustments can be made. In addition, at the WHA, new unfunded proposals can be approved. The process is very unsatisfactory and minimises the influence of Member States. The result is that it is very difficult for donors to know what the ‘real’ budget will be or where their contribution will go if not earmarked. One way to tackle this would be to look closely at other organisations, such as the World Bank or IFAD.
Moreover, the process must become much more transparent. It is also important that when Member States decide to give core voluntary contributions, WHO makes sure that their priorities are not neglected over a long period of time. Otherwise, there is a serious risk that Member States providing unearmarked voluntary funding will soon go back to earmarking.

Moreover, the levels and units within the organisation should refrain from seeking special funding from countries by contacting them directly, without informing higher management. WHO must enforce unified contacts with the Member States. Member States should address such contacts to the management.

20) How might WHO most effectively explore new processes for mobilising resources and new sources of funds?

WHO should do less on resource mobilisation and focus more on a reform of the governance and financing of the organisation to reduce transaction costs and ultimately to be more effective.