

WHO Sustainable Financing

The world's principal health agency has begun to design a modern, flexible, and sustainable financing program to promote the highest possible level of health and a more equitable future



Thorikild Tylleskar, CC BY-SA 3.0 <<https://creativecommons.org/licenses/by-sa/3.0/>>, via Wikimedia Commons



World Health Organization (WHO)

A specialized agency of the United Nations formed in 1948. Its objective is “the attainment by all peoples of the highest possible level of health.”



Budget Expense Comparison (FY 2019)

US\$ 4.79b - MD Anderson Cancer Center
US\$ 3.88b - Cedars-Sinai Medical Center
US\$ 3.29b - Gov't of Nova Scotia Health Budget*
US\$ 3.09b - World Health Organization**

*CAS 4.37b **annualized number



Assessed Contributions

The amounts each WHO Member State must pay to support the WHO budget.

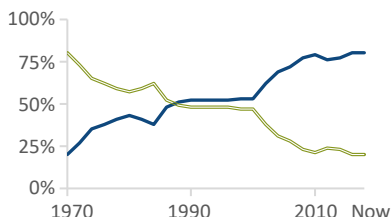


Voluntary Contributions

The amounts Member States and non-state actors elect to donate to the WHO. This restricted funding is often earmarked to particular purposes.



Assessed* vs. Voluntary Contributions



Roughly 80% of WHO's budget is now funded from voluntary contributions, much higher than other UN agencies.

*The Assessed Contributions line contains certain other revenue

The financing issues we face are not new; they go back decades. Now is the time for boldness [to support] WHO with the resources it needs to fulfill our shared mission to promote health, keep the world safe, and serve the vulnerable.

- WHO Director-General Tedros, September 27, 2021

The Process

In early 2021, the WHO Executive Board formed a time-bound *Working Group on Sustainable Financing* to develop and recommend ways to “enable WHO to have the robust structures and capacities needed to fulfill its core functions as defined in its Constitution.” The Working Group must identify WHO’s essential functions that require sustainable financing, determine the costs of those functions, and identify appropriate funding sources.

Methods Under Consideration

Increases to Assessed Contributions: Assessed Contributions could be restored to 50-66% of WHO’s core budget either immediately or over the next 6-8 years. Many countries view this as the preferred mechanism to ensure WHO receives reliable financing that can be flexibly deployed (compared to more indiscriminate and earmarked Voluntary Contributions). Other countries believe increases to Assessed Contributions must be accompanied by governance reforms that strengthen WHO transparency, efficiency, accountability, and compliance. Non-state actors may need to see significant Member State commitments to be enticed to invest in the Organization.

Replenishment Conference: Successfully deployed by global health public-private partnerships, WHO may hold a periodic high-level assembly at which donors publicly announce major financial commitments and work together to reach an overall funding target.

Financing Facility: Meanwhile, the G20 is considering the establishment of a US\$ 10 billion financing facility, potentially housed at the World Bank. While its scope is unclear, early indications are that it could help underwrite improved disease surveillance and may provide funding to WHO and countries directly.

What Happens Next

The Working Group is due to deliver a final report to the Executive Board in January 2022. Because it has not reached a decision on Assessed Contributions, the Executive Board may elect to extend the Working Group’s mandate to maximize the possibility of forwarding a consensus proposal to the World Health Assembly in May 2022.

Resources

WHO Working Group on Sustainable Financing Micro Site - <https://apps.who.int/gb/wgsf/>

COVID-19 Reveals Urgent Need to Strengthen the WHO (JAMA) - <https://jamanetwork.com/journals/jama/fullarticle/2767148>