

The future of financing for WHO

World Health Organization: reforms for a healthy future

Report by the Director-General

Executive Summary

1. WHO continues to play a critical role as the world's leading technical authority on health. Many constitutional functions, including the convening of experts, normative and standard-setting work, and technical cooperation with countries, have continued to meet health needs and form the backbone of WHO's work. WHO has retained a rigid administrative and managerial structure. This is outdated, and impairs WHO's ability to adapt to changing needs and respond to the shifting, complex web of international efforts to improve public health.
2. The first decade of the twenty-first century witnessed a series of commitments, opportunities, innovations, successes, setbacks, surprises, and new realities unprecedented in the history of public health. Equally unprecedented has been the vulnerability of health to new threats arising from the radically increased interdependence of nations and policy spheres. The forces driving these changes are powerful, virtually universal, and almost certain to continue to shape health for years to come.
3. At the end of this decade, WHO finds itself overcommitted, overextended, and in need of specific reforms. Priority-setting is neither sufficiently selective nor strategically focused. Given the large number of agencies now active in health, duplication of effort and fragmented responses abound, creating an unprecedented need for greater coherence and more effective coordination.
4. Financial support for WHO does not always give priority to areas where WHO is best-positioned to bring the biggest improvements in health. Preparation of programme budgets is cumbersome and often poorly aligned with implementation capacity or with the new reality of financial austerity. Procedures for staff recruitment, retention, and career development follow a staffing model established decades ago, adding to the rigidity that impairs rapid adaptation to increasingly complex challenges.
5. This paper proposes a series of reforms for consideration by the World Health Assembly.
6. The strengthening of health systems, with an emphasis on primary health care, will remain a high priority at all levels of the Organization and in policies jointly developed with other health-related international organizations. Better health outcomes for women and children will be an indicator of progress in this area.

7. Other overarching priorities will be health initiatives that contribute to poverty reduction; reducing the costs of health care, especially those related to pharmaceutical expenditures, in all countries; and standards that continue to ensure the safety of water, food, urban air, pharmaceutical products, and industrial chemicals. The rise of chronic noncommunicable diseases and mental illness world-wide demands a host of new strategies and competencies within WHO, ranging from population-wide preventive measures to individual treatments and cost-containment measures, especially through collaboration with other sectors and stakeholders.

8. As many major threats to health arise in other sectors, WHO will continue to argue for a whole-of-society approach that analyses the consequences and the costs for health of policies made in other sectors. Recommendations from the Commission on Social Determinants of Health will guide this process and underscore its urgency.

9. WHO will use its convening power to ensure that health needs in the developing world get due attention and a square deal during international negotiations on trade, agriculture, climate change, and other issues where health might otherwise be neglected in favour of other priorities.

10. WHO will seek value-added solutions when addressing internationally agreed priorities. For example, in leading forward the Commission on Information and Accountability for Women's and Children's Health, an explicit objective will be to strengthen systems for registration of vital events, data collection, and analysis as part of capacity building. Through implementation of the global strategy and plan of action on public health, innovation and intellectual property, access will be broadened to the benefits of research and development.

11. Implementation of the International Health Regulations (2005) needs to be strengthened, giving high priority to the development of core capacities in low-income countries. The increasing number of natural disasters necessitates reforms in the way WHO works to coordinate the health cluster.

12. The growing number of organizations working in health creates a need for clearer definitions of responsibility, better rules of engagement, and opportunities for multi-stakeholder dialogue on global health issues. Strong technical strategies developed by WHO can improve harmonization between development partners, but are not always sufficient to ensure overall alignment around national priorities.

13. WHO will strengthen the role of its country offices through reforms involving recruitment, training, and alignment of staff qualifications with the expressed needs of countries. Such reforms aim to increase support to countries in developing robust policies, strategies and plans and in securing more predictable financial resources in line with national health priorities.

14. WHO is currently conducting a fully comprehensive assessment of skills and expertise offered by its numerous official collaborating centres. Greater use of experts at these centres is expected to improve efficiency and to enhance capacity building through north-south and south-south collaboration.

15. Priority-setting at the level of the Programme Budget will be based on a clear and transparent decision tree to guide resource allocation among areas of work, the functions WHO is best-positioned to perform, and the level of the Organization where the work will have the greatest impact.

16. Reforms are needed in human resource policy and management to cope with rapidly changing demands. More specifically, reforms are needed to move from the current model that largely favours

long-term or career employment to one that balances core staff with staff supported by short-term project-based financing, as needs arise or decline. Changes to the current model involve the way WHO manages recruitment, contracting, retention, and staff development.

17. Greater efficiencies and improved performance can be achieved through reforms that align the work of headquarters with activities undertaken in its six regional offices. The Director-General will assume responsibility for monitoring performance across the whole of WHO. This process will be further reinforced by a new results-based planning and accountability framework.

18. Communications functions within the Organization will be unified and strengthened to encourage task-sharing and to ensure greater consistency in messages about official policies, as well as to emphasize successes that demonstrate effective initiatives or innovations.

19. Flexible funding remains an essential component of reform, enabling WHO to adapt more quickly to rapidly changing challenges. In reality, many voluntary contributions will continue to be specified. Reforms that result in clearly defined and convincing corporate priorities will help align voluntary contributions with the overarching objectives of WHO.

20. The expected outcome of these reforms will be:

(i) Greater coherence in global health, with WHO playing a leading role in enabling the many different actors to play an active and effective role in contributing to the health of all peoples.

(ii) Improved health outcomes, with WHO meeting the expectations of its Member States and partners in addressing agreed global health priorities, focused on the actions and areas where the Organization has a unique function or comparative advantage, and financed in a way that facilitates this focus.

(iii) An Organization which pursues excellence; one that is effective, efficient, responsive, objective, transparent and accountable.

BACKGROUND

21. The combination of epidemiological and demographic transitions, rising public expectations, the advent of new technologies, the growing health impact of policies in other sectors, and a proliferation of new health initiatives and partnerships is profoundly changing the face of health worldwide. In a rapidly changing world, the need for authoritative, accessible, evidence-based and strategic guidance on all matters that affect peoples' health is more acute, and more complex, today than it was when WHO was established more than 60 years ago.

22. Consultations on the future of its financing have reaffirmed the need for an effective World Health Organization,¹ but new ways of working and clarity about WHO's role in relation to other

¹ Consultations began in January 2010 at the Informal Meeting on the Future of Financing for WHO. They continued through a web-based consultation, and at each of the six Regional Committee meetings in 2010. A first outline of the reform programme was discussed at the 128th session of the Executive Board (see document EB128/21). An earlier draft of this report was presented at a briefing for all permanent missions in Geneva. 19 April 2011.

global actors are needed if it is to adapt to a changing environment. The purpose of the reform is threefold: (a) to capitalize more effectively on WHO's leadership position in global health; (b) to ensure the flexibility needed to address new challenges; and, (c) to be more selective in setting priorities.

23. While the programme of reform prepares WHO for the future, it is being initiated at a time when the Organization has to adjust to a new and more constrained financial reality. The need for immediate measures to ensure that WHO can live within its means has highlighted areas in which managerial reforms will be essential, and has added a sense of urgency to the process.

THE NEXT DECADE: TRENDS, CHALLENGES AND OPPORTUNITIES

24. If the goal of reform is to ensure that WHO is fit for purpose in the future, it must start from an understanding of what the future might hold. Much can be learnt from the first decade of this new century, which shows the importance of being prepared for the unexpected. Recent trends help to identify some of the factors in the external environment that are likely to influence health in the next decade.

25. Rapid unplanned urbanization is a reality, particularly in low-income countries and emerging economies. Urbanization brings opportunities for the provision of health services and the promotion of health, but also carries direct threats and significant risks of exclusion and inequity. In many parts of the world, climate change will increasingly jeopardize the fundamental requirements for health, including clean urban air, safe and sufficient drinking-water, a secure food supply and adequate shelter. Competition for scarce natural resources will increase.

26. As the gaps in income levels, within and between countries, continue to widen, the focus on growing inequities and their consequences for health becomes sharper. At the same time, the distinction between developed, developing and emerging economies becomes blurred in a world better understood in terms of overlapping networks and alliances of countries with common interests. In this new environment, a model of development characterized solely by donors and recipients of aid is no longer viable. In its place is a need to think about collective responsibility, shared vulnerabilities and values, sustained solidarity, and health as a global public good.

27. The first decade of the twenty-first century has seen growing complexity in the institutional landscape for global health, characterized by more partnerships, foundations, financial instruments, and bilateral and multilateral agencies active in health. It is well acknowledged that an increasing number of stakeholders seek to participate, and have their voices heard, in the shaping and making of health policy. The challenge is to manage that complexity. Doing so means seeking creative solutions that promote convergence around common goals. In addition to forging agreement around shared health problems, governance in international public health needs to be concerned with health as an outcome of global policies in areas such as trade, intellectual property, and human rights and, nationally, as an outcome of work in other sectors such as education, agriculture and the environment.

28. Epidemiological and demographic transitions in countries impose a complex burden: infectious diseases in tandem with chronic noncommunicable disease. Mental illness as well as injuries and the consequences of violence particularly affect adolescents and young adults. While monitoring of the Millennium Development Goals highlights a rapid decline in child mortality in some countries, it also reveals much slower progress in reducing maternal and newborn deaths. Progress on all health-related Millennium Development Goals – between and within countries – is uneven. There remains much

unfinished business: sustaining gains achieved in immunizing each new generation of children; controlling HIV/AIDS, tuberculosis and malaria; improving nutrition; and making greater progress with the neglected tropical diseases that anchor large populations in poverty. Gender equality and the greater empowerment of women will underpin all these efforts.

29. Falling fertility and the demographic dividend that accrues from a larger working population in proportion to the very young and very old can boost economic growth. But this potential boost will be wasted in the absence of efforts to increase youth employment, a measure which contributes to security and points to the need for closer links between health, social and economic policy. Moreover, with ageing now a universal trend, the demographic window of opportunity will close quickly. Social protection, which safeguards life and livelihoods and ensures access to essential services for all age groups, is likely to become more prominent on the policy agenda in many countries.

30. New technology holds many promises, but also carries risks. Astute use of information and communications technology can make health professionals more effective, health-care facilities more efficient and people more aware of the risks and resources that can influence their health. Social media can get messages to places and people beyond the reach of traditional channels of communications. Progress in meeting many of the world's most pressing health needs requires new policy instruments and new drugs, vaccines and diagnostics. At the same time, growing demand for the newest and the best contributes to spiralling costs. For these reasons, the value of health technology cannot be judged in isolation from the health system in which it is used. Electronic medical records can improve quality of care, with adequate safeguards to assure confidentiality. Scientific progress, ethical conduct and effective regulation have to go hand in hand. The fundamental challenge is to harness innovation, in both the public and private sector. Doing so involves using incentives and the stewardship of resources in ways that ensure technology development is an ethical servant to the health needs of the world's poor.

31. For the provision of health care, many of the drivers will come together: rising public expectations, increasing costs of technology, a growing burden of noncommunicable diseases, and ageing populations. In many countries, the net effect will be to threaten the financial sustainability of health systems, in some cases to the point of insolvency. In contrast, the future in other countries will be one in which current challenges continue, with inadequate levels of unpredictable funding; with too little access to life-saving technologies; with the continuing daily toll of unnecessary death and disability from preventable causes; with pressure to deliver quick results taking precedence over the need to build strong institutions; and with conflicting technical advice and increasing demands from a growing diversity of partners. A common factor in all countries is the need for skilled health staff. Access to adequate levels of training, professional development, material reward and a supportive working environment remain the only sustainable way of overcoming the pressures within and between countries that fuel shortages and maldistribution of health staff.

32. Shocks must also be anticipated, including those delivered by new and re-emerging diseases and from conflicts and natural disasters. Such catastrophic events are certain to continue, even though their provenance, location, severity and magnitude cannot be predicted. Conflict and the population displacement that follows especially affect the health of women and children. Shocks are also likely in the economic environment. While the first decade of the twenty-first century brought increased attention and resources to health, this trend is by no means certain to continue, especially as other global challenges, such as food security and climate change, stake equally compelling claims. In addition, the impact of the 2008 financial crisis will continue to be felt, though the impact will vary from one country to another. Sustaining levels of resources for health in countries will require increased support from national budgets, a broader external funding base, innovative financing mechanisms and continuing commitment from traditional donors.

33. The systemic shocks experienced in the first decade of this century – from the emergence of SARS and avian influenza, the impact on health of climate change and the financial crisis, to the devastating effects of tsunamis and earthquakes – suggest two final lessons. Firstly, all countries are vulnerable; progress, no matter how well-established, is fragile. Secondly, while it is tempting to see each shock as a problem that has to be addressed in its own right, in fact, apparently unconnected events often share underlying connections and common patterns that contribute to their causes and consequences. For this reason, a more resilient world means more than handling crises better. True resilience depends on a more just and equitable world in which the goals of social justice and environmental health compete on more equal terms with goals set for economic growth.

THE AGENDA FOR REFORM

34. WHO's quintessential job is to ensure access to authoritative and strategic information on matters that affect peoples' health. The purpose of doing so is to influence the actions of others in ways that can be shown to promote and improve health outcomes and well-being. WHO's impact needs to be assessed in terms of how the Organization's work increases the effectiveness of those that it advises. The primary clients for WHO's outputs are Member States, but in an interdependent world the actual audience, and therefore those influenced by WHO's work, includes many other stakeholders. The work of the Organization will continue to be informed by the goals and values set out in the WHO Constitution.

35. The agenda for reform in this report is organized in seven sections. The first (section I) focuses on five areas of core business. These correspond closely to the core functions set out in the General Programme of Work.¹ The five areas are inter-linked and mutually supportive. Their purpose is to provide a convenient framework for examining future roles, directions and priorities. The discussion of core business is followed by four sections which show how it will be supported by increased organizational effectiveness (section II), stronger results-based planning, management and accountability (section III), human resource policy and management (section IV), and financing, resource mobilization and strategic communications (section V). The last two sections focus on how reforms will strengthen effectiveness at country level (section VI) and WHO's role in global health governance (section VII).

36. Key milestones of the reform process for 2011–2012 are summarized in the Annex, and a more detailed development plan for the programme of reform is presented separately.²

¹ (i) Providing leadership on matters critical to health and engaging in partnerships where joint action is needed; (ii) shaping the research agenda and stimulating the generation, translation and dissemination of valuable knowledge; (iii) setting norms and standards, and promoting and monitoring their implementation; (iv) articulating ethical and evidence-based policy options; (v) providing technical support, catalysing change, and building sustainable institutional capacity; and (vi) monitoring the health situation and assessing health trends. *Eleventh General Programme of Work 2006–2015*. Geneva, World Health Organization, 2006.

² Document A64/INF.DOC./5.

I. Focusing core business

Convening for better health

37. WHO's role as a convener underpins all the other areas. It is central to the Organization's role in global health governance and health diplomacy. In developing negotiated instruments that address universally-shared problems, such as tobacco use and health worker migration, WHO's role is indispensable. At a technical level, WHO's convening power provides the means of bringing together experts to prepare independent and evidence-based guidelines.

38. In relation to the negotiation of global strategies and legal instruments, a growing demand for intergovernmental and other negotiations arises from the links between health and other areas of international policy and law. While WHO arguably has a unique role, and a growing track record of building consensus, such negotiations are resource intensive and take considerable time to reach a satisfactory conclusion. Clear choices are therefore essential.

39. Given the challenges arising from the multiplicity of actors in global health, WHO will give priority to using its convening power to increase coherence and inclusiveness – strengthening its role in global health governance. Specific proposals with regard to global health governance are discussed in section VII. Priorities in relation to technical convening are set out in paragraph 41 below.

40. Health is increasingly affected by decisions made in other forums. WHO will seek to use its influence where international rules and regimes are developed and monitored by other institutions (e.g. animal health, food security, agriculture, the environment and trade). In all these areas, the priority will be to clearly set out and publicly communicate the ethical and evidence base for WHO's position, and to ensure a focus on better health as a key outcome.

41. The convening role is not exclusive to headquarters. At regional level, a key priority for WHO will be to work more closely with other regional and subregional bodies including development banks and regional economic integration organizations. At country level, the priority is to ensure that country offices have the requisite skills and convening capacity, particularly to bring together multiple development partners around priority health issues and national health policies and strategies.

Generating evidence on health trends and determinants

42. The collection, collation, analysis and dissemination of health data from all countries in the world, and the strengthening of the health information systems that yield and use these data, are central to WHO's work. Monitoring allows the world to keep track of progress against internationally agreed goals, such as the Millennium Development Goals. Monitoring identifies the obstacles to be overcome in accelerating progress; it allows stakeholders to be held accountable for resources committed and results achieved; it shows trends in relation to gender, equity and progressive realization of human rights; and it informs investment decisions.

43. The analysis of trends and determinants helps in shaping the research agenda, and is a key element in promoting health in all policies, and in identifying neglected health problems. While much of the work in this area is concerned with the immediate situation, WHO will exercise foresight, using its analytical work to anticipate trends that may influence health in the future.

44. Key priorities will be to: (a) take forward recommendations emerging from the Commission on Information and Accountability for Women's and Children's Health, particularly in relation to

registration of vital events; (b) pursue the goal of widening access to the benefits of research and development as recommended in the global strategy and plan of action on public health, innovation and intellectual property; (c) explore the role that new information and communications technology can play in making the collection, analysis and dissemination of health information more effective; and (d) widen the audience for health information to include more constituencies, so that it benefits broader health literacy.

Providing advice for health and development

45. WHO is not the only actor in this area, but for many countries it remains the key source of authoritative advice on health through the production of norms, standards and guidelines. While this area will remain at the heart of WHO's work, the priority is to increase quality, focus and relevance. Given demand from countries, normative work will continue on all major health conditions, on essential medicines, on other significant health technologies, on access to reproductive and sexual health services and nutrition, and on all stages of the life-cycle from pre-pregnancy and the reproductive years, through pregnancy, the neonatal period, childhood, adolescence and adulthood. Evidence-based and innovative approaches will seek to break down traditional stereotypes of ageing and consider the health of older people in the context of the whole life course.

46. The priorities will be (a) issues linked to the achievement of the health-related Millennium Development Goals and the reduction of poverty, (b) issues which have major cost implications for low- and middle-income countries (for example, treatment guidelines for chronic noncommunicable diseases), and (c) issues concerned with public safety (for example in relation to food, water, air quality, industrial chemicals and ionizing radiation).

47. The rigour and quality control applied to formally approved guidelines will be more equally applied to other health information products. In the face of multiple and sometimes conflicting sources of information, countries will give preference to WHO's guidance only if it is genuinely impartial, solidly evidence-based, and free from vested interests.

48. Many of the drivers of health in the next decade will arise outside the health sector. WHO has an important role in deepening the understanding of these wider determinants of health. Defining the boundaries of WHO's role is therefore important when it comes to the social, economic and other determinants of health. In this regard, the need is to influence those with the capacity to act, ensuring access not only to data, but to analytical tools, methodologies, syntheses of best practice, and the advice needed to mount effective programmes and interventions.

49. In some cases, technical advice may need to be linked with direct support to countries from WHO. However, WHO will add most value through convening experts and the development of information products. Once deployed, others adapt and finance the products for national use.

Coordinating health security

50. Health security requires the strengthening of national and international capacity to reduce peoples' vulnerability to public health risks and to implement appropriate action when adverse events occur. Threats may arise from disease outbreaks such as cholera, pandemic influenza or SARS, or from physical causes such as radiation. Many threats are acute, but others are more long term (for instance, the impact of climate change or environmental pollution). Natural disasters, conflict and its aftermath pose similar challenges through their direct impact on individuals and the risks to health that arise from the disruption of essential services and the breakdown of state structures.

51. The analysis of future trends suggests that the frequency of such shocks is likely to increase. Countries therefore expect WHO to help build the institutional capacity, networks and linkages (for instance between animal and human health) required for preparedness, and help to ensure readiness to mount a rapid response when public health emergencies strike. Lessons from recent events, including mega-disasters in Pakistan and Haiti and the 2009 H1N1 influenza pandemic, will be used to improve performance in the future.

52. For natural disasters and other humanitarian emergencies, WHO's role is primarily that of increasing preparedness, risk and vulnerability assessment and the coordination of those directly implementing response programmes. Strategic information is central to this role. For outbreaks of new and emerging infectious diseases, WHO supports health security through constant vigilance, rapid alert and verification, event management, and direct operational presence on the ground, when needed.

53. The International Health Regulations (2005) (IHR) provide WHO with a powerful tool for increasing health security. The report of the IHR Review Committee concludes that "the world is ill-prepared to respond to a severe influenza pandemic or to any similar global, sustained and threatening public health emergency".¹ A key priority will be to implement the recommendations of the Review Committee, particularly those that call for strengthening epidemiological surveillance, laboratory capacity and risk communications, and stockpiling essential commodities as part of preparedness. In the field of emergencies, the priority is equally clear cut: to reorganize WHO's work in a way that ensures increased effectiveness as the coordinator of the health cluster.

Strengthening health systems and institutions

54. Normative work in this area, unlike other more technical subjects, is more context-specific. As illustrated by *The world health report 2010: health systems financing: the path to universal coverage*, normative work takes the form of menus and options to guide decision-making. Some countries have an additional need for hands-on advice and dialogue with senior officials. For others WHO will use high-quality analysis to facilitate exchange between countries facing similar problems.

55. The analysis of future trends points to many new health systems challenges. The growing burden of noncommunicable diseases and ageing populations will require greater attention to the provision of long-term care; the development of public health infrastructure geared to promotion and prevention; stronger links with other aspects of social protection; and systems of risk assessment and accountability that involve the multiple stakeholders in the public and private sectors whose activities impact on health. The spread of technology can empower people to take greater control over their health and make community-based approaches a reality. Given the prevalence of systemic shocks (both economic and physical), a robust health system, with effective institutions, is critical for building national resilience.

56. In health system strengthening, WHO is one among many players. Defining roles and priorities is therefore essential. Countries look to WHO, not for financial or material support, but to provide strategic advice based on international evidence and experience. Of critical importance is the capacity to make evidence available in ways that help national decision-makers weigh up the merits of different options in the light of national circumstances.

¹ See document A64/10.

57. Work will focus on measures to promote more equitable access to drugs, vaccines, diagnostics, health technologies and information, particularly through prequalification; supporting countries as they move towards universal health coverage; facilitating the development and implementation of national health policies, strategies and plans; and supporting health workforce development. The effectiveness of work in this area will be judged particularly in terms of better outcomes for women and children. While support to countries with the weakest health systems will continue to be a priority, with a strong focus on primary health care, WHO's work on health systems will remain relevant to all countries. A key concern will be to avoid the replication in other parts of the world of the unsustainable costs that characterize health systems in many wealthy countries.

II. Increasing Organizational effectiveness: corporate decisions, decentralized implementation

58. To increase organizational effectiveness, WHO's structures will be more closely aligned to functions at headquarters, regional, subregional, country and, in some countries, more decentralized levels. Defining clear roles, responsibilities, division of labour and operating procedures methods is a priority in order for WHO to fulfil the objectives of increasing effectiveness, transparency and accountability.

59. The impact of reform will be a measurable increase in the effectiveness and impact of WHO's core business. In relation to its normative role across the Organization, specific measures will include steps to standardize and harmonize processes for the generation of norms, standards, policies and data based on best practice; to accelerate and align procedures for assessment of medicines, vaccines and diagnostics and technologies; and to introduce robust evaluation of the dissemination and impact of information.

60. The regions of the world are heterogeneous in terms of size, number of countries, levels of income within and between countries, and development of political and economic integrating structures. The organization of the regional level will ensure that WHO can both interact with a growing number of regional and subregional bodies as well as fulfil the regional role in supporting country operations (discussed in more detail in section VI). There is also the potential for greater synergy and mutual strengthening between the regional and the global level of WHO's governance. However, neither the Constitution nor other rules establish a clear mechanism to regulate the interaction between the two levels of WHO's governance. This issue is taken up as part of the proposals on WHO's own governance in section VII.

61. At a level of principle, the approach to decentralization between different levels of WHO will be based on subsidiarity – implementation and independence of action being delegated to the lowest level at which responsibilities can be properly fulfilled. In practice, roles and responsibilities between all levels will be defined in relation to each of the areas of core business. The Global Policy Group (GPG)¹ has therefore decided, as a first step towards increasing transparency, coherence and accountability across the Organization, to ask the Director-General to assume responsibility for monitoring performance across the whole of WHO. This process will be reinforced by the new results-based planning and accountability framework.

¹ The Global Policy Group consists of the Director-General, her Deputy, and the six Regional Directors. It meets frequently to discuss key strategic and policy issues.

62. In the area of health security, particularly in the face of natural disasters, the role of the country team, the regional office and headquarters have been more clearly defined and are being systematized in terms of standard operating and communication procedures. The same approach will now be adopted to defining roles, division of labour and resource allocation in relation to each of the five areas of core business. The objective of the process will be to reduce duplication particularly in areas such as technical strategy development – where the need is for regional adaptation of global strategies, that have been developed with regional input – and in relation to responsibilities of each level for country support.

63. Lastly, the ongoing programme of work on organizational effectiveness is also considering how best to structure, and share responsibility for, a range of corporate functions, including communications, resource mobilization and business continuity.

III. Improving results-based management and accountability

64. The reform programme will review the role of relationship between WHO's planning instruments. If changes to the future periodicity of strategic planning, budget and report preparation are to be considered, they will be brought to the Executive Board in January 2012 and to the World Health Assembly in May 2012.

65. Changes to the 2012–2013 budget have already moved in the direction of greater realism. Work is now in hand to consolidate the planning process. A key objective is to ensure that the next Programme Budget, to begin implementation in 2014, is developed in such a way that it can effectively fulfil multiple roles. Namely, it must act as a more effective framework for accountability and transparency, as the main instrument for resource mobilization, and as a programming tool that is actually used by managers. Reaching these objectives requires both a less cumbersome process (the number of levels and number of strategic objectives will be reduced) and much greater precision in defining the chain of expected results, indicators and means of verification.

66. Priority-setting at the level of the Programme Budget will be based on a clear and transparent decision tree to guide resource allocation between topics, functions and levels of WHO. This guidance will ensure a more precise designation of what each part of the Organization is responsible for delivering and a well-defined value chain for results. In an increasingly crowded health sector, WHO will articulate more clearly how its work contributes to the achievement of national goals, as well as how it influences regional and global health agendas. The results framework will be linked to accountability for budget centre managers and will demonstrate the way work is articulated across headquarters, regional offices and country offices. The way outputs and outcomes are defined will provide Member States with greater insight into WHO's specific contribution to global health, and will more closely reflect agreed organizational priorities.

67. The Global Management System now enables all senior managers to monitor performance more effectively and regularly and to be held accountable for progress within their respective areas of responsibility. The roll out of the System is also integral to strengthening financial management and internal auditing across all major offices. The System can also be used as a management tool to monitor gender mainstreaming. Additional measures to improve accountability and increase transparency will also be explored.

68. Independent evaluation will play an important role in further shaping and guiding the reform process. A formative approach to evaluation will assist in the design of the next iteration of priorities

and strategic plans, help in strengthening WHO's country-level operations, and increase the credibility and impact of the biennial assessment of performance.

69. For independent evaluation to feed into the process of reform, more detailed plans will be developed and discussed with Member States following the Sixty-fourth World Health Assembly. The need for rapid progress, manageable costs, and a forward-looking approach argues for a focus on areas, such as WHO's involvement in health system strengthening, which will be of growing importance to WHO's core business. Evaluation will help identify areas where greater capacity is needed, and where WHO should relinquish tasks to other partners.

IV. A dynamic approach to human resource policy, planning and management

70. The rapid succession of national and international health crises that marked the past decade underscores the need to mount a sustained response characterized by flexibility and an ability rapidly to deploy human and financial resources. WHO's current ways of operating impede flexibility and speed. Similarly, a mismatch exists between a short-term project-based financing system and a staffing model which favours long-term employment with extended financial liabilities for WHO.

71. The way that WHO manages recruitment, contracting, retention and staff development is key to increasing flexibility and performance. In this case, the objective is to work towards establishing a cadre of core staff, supplemented by time-limited, project or short-term staff with specific expertise or experience. Recruitment for both core and project staff will respect the need for geographical diversity and gender equality. Within the core cadre, mobility, rotation and effective performance management will be mandatory as part of a more structured approach to career development. More strategic use of non-staff contractual arrangements will be used to meet specific needs.

72. Within the core cadre, the skill mix and experience of staff will more closely match the Organization's core business. Appropriate skills and experience are particularly important at country level, where WHO's role, in addition to providing technical advice, is increasingly geared towards helping Member States to coordinate other partners, to articulate and develop national health priorities and strategies, and to manage a growing range of emergencies and other complex events. The skill set required to fulfil these roles needs to be much more widely represented across WHO.

V. Strengthening financing, resource mobilization and strategic communication

73. The strategic dialogue with Member States began in 2010 with debate on the issue of future financing for WHO.¹ Initially, two questions were prominent: how to better align the objectives agreed by the Organization's governing bodies with the monies available to finance them, and how to ensure greater predictability and stability of financing. From the outset it was evident that changes in the way WHO is financed depend, in the first instance, on greater clarity about the Organization's role in a changing world. The need to define WHO's contribution to global health has therefore been the driving force behind the development of the reform agenda.

74. Flexible funding remains an essential component of reform, in that it can enable WHO to respond more effectively to new health challenges and a changing environment. Flexible funding is also a potential outcome of the reform process, on the assumption that greater confidence in WHO's

¹ See: http://www.who.int/dg/future_financing/en/index.html (accessed 30 April 2011).

policies and practices, and the implementation of the reforms set out in this report, will enable more donors to fund the Programme Budget as it stands.

75. In reality, many voluntary contributions will continue to be specified. More transparent priorities, deliverables and the process of resource allocation can reduce this problem by facilitating the alignment of specified contributions with corporate priorities. However, when looking to the future, alignment will always be difficult to achieve if less than a quarter of the Organization's funding is predictable and flexible. For this reason, Member States are urged to give serious consideration to the issue of increasing assessed contributions and, where appropriate, revisiting national policies that restrict their growth.

76. Many of WHO's traditional donors face their own budgetary pressures. WHO will therefore seek to attract new donors and explore new sources of funding. In exploring new sources of funding, the aim will be to widen WHO's resource base, for example, by drawing on Member States with emerging economies, foundations and the private and commercial sector, without compromising independence or adding to organizational fragmentation. WHO will also examine the advantages of a replenishment model for attracting more predictable voluntary contributions.

77. WHO's financing requires a more effective and corporate approach to resource mobilization. The strategy will seek to increase the effectiveness of existing efforts, expand the donor base and establish an enabling environment for resource mobilization across all levels of the Organization.

78. Stronger and more strategic communication is central to resource mobilization. The role of providing strategic information which influences others to act has emerged as a central theme underpinning all aspects of WHO's work. It is equally important, however, that WHO becomes far more adept at communicating its own role and achievements to a much wider audience. Communication to Member States and donors is part of this effort, and WHO can increase support for flexible funding by reporting on work more regularly and in a more user-friendly fashion. On another level, both the public and governments need to understand the distinct role and functions of WHO, what the Organization does and how it can change the world for the better.

VI. Increasing WHO's effectiveness at country level

79. Increasing WHO's effectiveness at country level is a key outcome of reform and an immediate priority in the agenda for organizational alignment. Country performance is the criteria used by most evaluators to judge the work of WHO. For many Member States, the country office is the most visible and immediate face of the Organization. While WHO is highly valued as a normative organization, norms and standards find their application at country level, data on health trends and determinants emanate from countries, and health information is systematically used at the country level.

80. Ongoing work to strengthen WHO's country presence has several components. One is to ensure that WHO's physical presence, when required, is more closely aligned with the needs and circumstances of the host country. In cases where countries do not need or want a physical presence, strategic support will be ensured in other ways. On another level, WHO country presence helps facilitate a country's engagement in international processes and events. This role also needs to be fulfilled in circumstances where there is no WHO office. Finally, changing circumstances, such as when stability returns after conflict, may require new skills and new ways of working. WHO must have the flexibility to adapt.

81. The key to the reform of WHO's country operation is to enhance the leadership, quality and degree of autonomy of country office staff. If the role of WHO is to provide high-level strategic and technical advice, then staff with sufficient skill and authority are required. A well-performing country office can help national authorities increase resources for health, and help attract donor funds.

82. WHO staff at country level must add significant value and not merely duplicate skills that are available from other agencies. Further reform in this regard will build on recent work to improve the selection of WHO Country Representatives and the training of country office staff. Overall, the emphasis will be on quality rather than the number of personnel. While a country presence helps ensure access to WHO's evidence-based guidance and technical resources from all levels of the Organization, WHO does not have to be the exclusive provider of technical support. WHO can also support countries through identifying other sources of technical support, including through south-south or triangular forms of cooperation.

83. WHO works in countries as part of an integrated United Nations Country Team committed to working within the United Nations Development Assistance Framework. In many countries, a core role for WHO within the Country Team is to be the facilitator and convenor as national authorities develop and implement national health policies, strategies and plans. In countries in or emerging from crisis, WHO usually acts as the convenor of the health cluster for humanitarian assistance. In both circumstances, however, the focus will no longer be exclusively on working with government agencies. Instead, WHO will broaden its convening role to work more closely with nongovernmental organizations, civil society and the private sector.

VII. Strengthening WHO's role in global health governance

84. An overarching objective of reform is to capitalize more effectively on WHO's leadership position in global health, specifically to strengthen the role that WHO can play in line with its primary Constitutional function as the "directing and coordinating authority on international health work".

85. Increased investment in health over the last decade has resulted in significant improvements in health outcomes, a growing number of players and an increasingly fragmented global health landscape. Given that health has to compete for attention and resources with other global priorities, more effective governance is not just important in its own right but is a means of securing better outcomes. Additionally, there is a need to recognize that a growing number of stakeholders have a role in shaping and making policy at global and country level. The immediate governance challenges therefore are to improve coherence and to increase inclusiveness.

86. In the longer-term, the growing number of actors in global health creates a need to follow clearer definitions of responsibility and better rules of engagement. Short-term measures can, however, start the process. First, WHO will convene a multi-stakeholder forum for global health. The purpose of such a forum will be to increase engagement (particularly of those whose voices are less heard in current settings) and to increase trust. It should be problem-solving in orientation and seek to amplify important issues on which others, and not just WHO, may act. The potential for developing a mechanism, such as a charter that begins to define the rules of engagement in global health, will be an issue to be considered as part of the forum's agenda. Critically, a multi-stakeholder forum may help shape decisions and agendas, but it will not usurp the decision-making prerogative of WHO's own governance, which will remain intergovernmental.

87. Specifically, it is proposed that, subject to the approval of the Health Assembly, the first World Health Forum be held in Geneva in the last quarter of 2012 and that its deliberations be reported to the

Executive Board at its 132nd session in January 2013. The World Health Forum will be established in the first instance for a time-limited period, after which its work will be evaluated. Participants will include Member States, civil society, private sector, academia and other international organizations. The size of the meeting and the organization of constituencies will be informed by a review of experience and best practice in other similar forums both in health and in other sectors. The World Health Forum will have a clear thematic focus but will also have a role in identifying, from the different perspectives of its participants, future priorities in global health. It is expected that the World Health Forum will continue to evolve, drawing ideas and inspiration from its constituent members. More detailed plans for the World Health Forum will be developed prior to the 130th session of the Executive Board.

88. WHO will also work to increase coherence through the existing global health governance mechanisms in which it is involved. These include the United Nations System Chief Executives Board for Coordination and other mechanisms within the United Nations system, including the United Nations Development Group's Regional Directors' Teams; the informal Health Eight (H8) grouping; and the multi-stakeholder Working Party on Aid Effectiveness hosted by the OECD's Development Assistance Committee.

89. The third element concerns WHO's governance. The fundamental objective is for WHO's own governance to foster a more strategic and disciplined approach to priority-setting. This will require that several related issues identified by Member States be addressed: the growing trend for multiple resolutions with uncertain funding, weak alignment to corporate priorities and uncoordinated implementation and reporting requirements; the need for greater synergy between the work of Regional Committees and the Health Assembly; the need for the Executive Board to play a more distinct role from the World Health Assembly; and the need to review the relationships between different governance meetings (including the Programme, Budget and Administration Committee of the Executive Board) so as to increase effectiveness and ensure full complementarity. It is proposed that Member States may wish to consider establishing a process that would explore ways of addressing these important issues.

ACTION BY THE HEALTH ASSEMBLY

90. The Health Assembly is invited to provide guidance on the key directions set out in the seven sections of the agenda for reform, and to consider the draft resolution below, which reads:

The Sixty-fourth World Health Assembly,

Having considered the report of the Director-General entitled World Health Organization: reforms for a healthy future,¹

1. ENDORSES the agenda for reform as set out in the Director-General's report;
2. URGES Member States to support the implementation of the reform programme;

¹ Document A64/4.

3. REQUESTS the Executive Board to establish an appropriate process to examine the issues related to WHO's governance identified in the report;
4. REQUESTS the Director-General:
 - (1) to present a detailed concept paper for the November 2012 World Health Forum, setting out objectives, numbers of participants, format and costs to the Executive Board at its 130th session in January 2012;
 - (2) in consultation with Member States to develop an approach to independent evaluation, and to present a first report on the independent evaluation of the work of WHO to the Sixty-fifth World Health Assembly in May 2012;
 - (3) to present an update of progress to the Sixty-fifth World Health Assembly, through the Executive Board.

ANNEX

WHO REFORMS: MILESTONES 2011–2012

Date	Events
17–25 January 2011	128th Executive Board meeting discusses the future of financing for WHO
11 March 2011	Informal meeting on Global Health Governance
19 April 2011	Mission briefing on draft proposals for WHO Programme of Reform
16–24 May	World Health Assembly reviews proposed programme of reform
June–October 2011	Further development of the elements of the programme of reform, based on expert guidance, and consultations with Member States, partners and staff
July 2011 – Dec 2011	Independent formative evaluation of the work of WHO
January 2012	130th Executive Board discusses report on the programme of reform
May 2012	Sixty-fifth World Health Assembly

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