

directing council



PAN AMERICAN
HEALTH
ORGANIZATION

regional committee

WORLD
HEALTH
ORGANIZATION



XVI Meeting

Washington, D. C.
September-October 1965

XVII Meeting

Provisional Agenda Item 29

CD16/12 (Eng.)
24 June 1965
ORIGINAL: SPANISH

NON-GOVERNMENTAL FINANCIAL SUPPORT FOR HEALTH ACTIVITIES

The Director reported to the Executive Committee at its 52nd Meeting the establishment of the World Health Foundation of the United States of America and the plan for establishing similar foundations in other countries.

The Committee studied the report submitted (Document CE52/12), which is attached, and adopted the following

RESOLUTION V

"THE EXECUTIVE COMMITTEE,

Having examined Document CE52/12 on Non-Governmental Financial Support for Health Activities, which contains a report on the establishment of the World Health Foundation of the United States of America and on the plan for the establishment of similar national foundations in other countries;

Bearing in mind the advantages to world health of voluntary contributions; and

Considering Articles 3 and 9 of the Agreement concluded between the World Health Organization and the Pan American Health Organization,

RESOLVES:

To recommend to the XVI Meeting of the Directing Council, XVII Meeting of the Regional Committee, that:

1. It take note of the Agreement signed by the Director-General of the World Health Organization and the Director of the Pan American Sanitary Bureau on 15 October 1964 in Washington, D. C.

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*executive committee of
the directing council*

PAN AMERICAN
HEALTH
ORGANIZATION

*working party of
the regional committee*

WORLD
HEALTH
ORGANIZATION



52nd Meeting
Washington, D. C.
April 1965

Provisional Agenda Item 13

CE52/12 (Eng.)
27 March 1965
ORIGINAL: SPANISH

NON-GOVERNMENTAL FINANCIAL SUPPORT FOR HEALTH ACTIVITIES

Among the various sources of funds of the regular budget are voluntary contributions for specific purposes. Regardless of their origins and purpose these contributions are an integral part of the financing of health activities.

Voluntary contributions make it possible to expand and accelerate the program without increasing the Government quotas. Nevertheless, they create financial difficulties insofar as the Program and Budget of the Pan American Health Organization is planned two years in advance, which is not the case for these voluntary contributions which become available irregularly and only rarely a year before they are to be spent.

This is the reason why thought has been given to the advisability of establishing foundations or a federation of foundations through which to channel voluntary contributions. The World Health Organization has given special attention to this idea and engaged the services of a firm of experts in New York to study it and ascertain the most useful way of putting it into practice. These experts were of the opinion that there was room for a world health foundation in the United States of America, despite the very competitive market for voluntary contributions. According to the experts, there are a large number of industrial and business corporations carrying on activities in other countries that might be interested in giving large sums of money for health programs in countries in which they sell their products or in which they own industrial and commercial undertakings.

With this end in view the World Health Foundation of the United States of America was incorporated in the State of New York on 1 September 1964. The purpose of this Foundation is to further, through charitable, scientific, and educational activities, the fundamental purpose of the World Health Organization, that is, the attainment by all peoples of the highest possible level of health. The Internal Revenue Service of the United States of America has ruled that the Foundation is exempt from income tax and that donors may deduct the gifts they make in their tax returns.

The World Health Organization believes that it is essential to unify this activity in such a way that the World Health Foundation can represent both the Pan American Health Organization and the World Health Organization, since they have the same aims and interests. From a general point of view, this proposal is considered favorable to the interests of the Pan American Health Organization insofar as it would facilitate the soliciting of voluntary contributions and, from a practical point of view, it would remove the possible disadvantage for the Pan American Health Organization of acting separately and the expenses which that would occasion.

An agreement was therefore signed between the World Health Organization and the Pan American Health Organization whereby the former will act for the latter in its relations with the World Health Foundation of the United States of America.

From the Foundation which has already been established and from those which will be established in the future - foundations already exist in Great Britain and in Switzerland - only benefits are to be derived. The main point now is to prepare and present health projects of humanitarian significance that will interest the foundations.

Progress reports will be submitted from time to time to the Governing Bodies on the development of these activities, of which it is hoped that important advantages will be derived in the near future.

Annexes: Voluntary Funds for Health Promotion - Report by the Director (Document EB35/39).

Extracts from the minutes of the discussions of the Executive Board, on non-governmental financial support for health activities - (Document EB35/Min/8, Part 3).

CE52/12 (Eng.)
ANNEX A

VOLUNTARY FUND FOR HEALTH PROMOTION

Report by the Director-General

(Document EB35/39)

WORLD HEALTH
ORGANIZATION

ORGANISATION MONDIALE
DE LA SANTÉ

EXECUTIVE BOARD

EB35/39
13 January 1965

Thirty-fifth Session

ORIGINAL: ENGLISH

Provisional agenda item 6.4

VOLUNTARY FUND FOR HEALTH PROMOTION

Report by the Director-General

1. Introduction

1.1 In resolutions EB26.R20¹ and EB33.R4² the Director-General is requested to report to each session of the Board on the (a) contributions accepted for the Voluntary Fund for Health Promotion; (b) financial status of the Voluntary Fund; and (c) action pursued to publicize the Voluntary Fund and to obtain increased support for it.

In its resolution EB34.R17³ the Executive Board invited the Director-General to take such further action as would effectively contribute towards obtaining increased support for the Voluntary Fund for Health Promotion.

2. Contributions accepted

2.1 The contributions accepted for the Voluntary Fund for Health Promotion for the period 1 May to 31 December 1964 are shown in Annex I to this report.

3. Financial status

3.1 A preliminary statement showing the estimated financial status of the Voluntary Fund for Health Promotion as at 31 December 1964 is given in Annex II. The figures in this preliminary statement are subject to change following the final year-end accounts and the review of the External Auditor.

¹ Handbook of Resolutions and Decisions, 7th ed., p. 300.

² Off. Rec. Wld Hlth Org., 132, 7.

³ Off. Rec. Wld Hlth Org., 137, 9.

4. Future operations

4.1 The operations which could be carried out in 1965 and 1966 subject to funds being available in the Special Account for Medical Research, the Special Account for Community Water Supply, the Malaria Eradication Special Account, the Special Account for the Leprosy Programme and the Special Account for the Yaws Programme have been projected by the Director-General. The total estimated obligations for these programmes in 1965 and 1966 compare with the estimated balances in the respective Special Accounts as follows:

Names of the special accounts	Estimated obligations for operations planned in 1965 and 1966	Estimated balance at 31.12.1964	Estimated shortfall
	US\$	US\$	US\$
Special Account for Medical Research	4 270 554	590 286	3 680 268
Special Account for Community Water Supply	1 367 627	210 766	1 156 861
Malaria Eradication Special Account	4 616 045	3 901 181	714 864
Special Account for the Leprosy Programme	1 357 910	1 382	1 356 528
Special Account for the Yaws Programme	881 189	6 030	875 159

4.2 As the policy of the Organization is that only those projects are undertaken for which funds are available to carry them out to planned completion, considerable additional contributions are required at an early date to allow the planned programmes to be implemented in full.

4.3 While no programmes have been projected under the Special Account for Smallpox Eradication, the Special Account for Accelerated Assistance to Newly Independent and Emerging States and the Special Account for Assistance to the Republic of the Congo (Leopoldville), there continues to be a great need for increased assistance by the Organization for these purposes. Donations to these special accounts so far have been minimal.

5. Publicity and fund-raising efforts

5.1 Resolution WHA17.19¹ in which the Seventeenth World Health Assembly inter alia, expressed the hope that more countries will make voluntary contributions to the Voluntary Fund for Health Promotion and the Executive Board's resolution EB34.R17² together with document EB34/14,³ Report on the Voluntary Fund for Health Promotion, have been transmitted to Members.

5.2 A brochure briefly describing the activities financed from the Voluntary Fund has been published. At the time of writing this report, over 100 000 copies of the brochure have been distributed. The World Health issues of July-August, September and November 1964, carried specific information on the Special Account for Community Water Supply, the Special Account for Medical Research and the Special Account for Yaws Programmes respectively. Press releases were devoted to the Voluntary Fund and the donations made to it. Individual letters giving additional information on the Voluntary Fund for Health Promotion and the way contributions are made to various Special Accounts, sub-accounts of the Voluntary Fund, have been sent on request.

5.3 Co-operation continued with the promoters of the "Students' War against Yaws". The Board will remember that this campaign has been initiated by high school students in Canada. Thanks to their undiminished efforts the campaign is steadily developing; new promotional activities are at present under way and others are being planned.

¹ Off. Rec. Wld Hlth Org., 135, 9.

² Off. Rec. Wld Hlth Org., 137, 9.

³ Off. Rec. Wld Hlth Org., 137, Annex 7.

5.4 Resolution WHA17.43¹ on the smallpox eradication programme in which the Seventeenth World Health Assembly, inter alia, invited countries to contribute to the programmes by making substantial contributions in cash or kind, was transmitted to all Members. In the letters of transmittal the Director-General also suggested that, should it be possible to obtain contributions of laboratory and cold storage equipment to increase production facilities in the countries or regions where the need for freeze-dried vaccine exists, this would reduce the requirements during the latter part of the 1960's for contributions of the vaccine itself. In addition to the appeal for increased contributions to the Special Account for Smallpox Eradication sent to all Members, individual action was taken in respect of several Members producing freeze-dried vaccine in large quantities in order to encourage their contributions.

5.5 A number of selected countries were also approached with a request for specific vaccines to establish a reserve pool which would enable the Organization to increase its direct assistance in future emergencies. Some quantities of anticholera and antipolio vaccines have been pledged and credited to the Special Account for Miscellaneous Designated Contributions.

6. World health foundations

6.1 In previous reports on the Voluntary Fund for Health Promotion, documents EB33/47² and EB34/14,³ it was mentioned that some new attempts had been made to foster the interest of non-governmental sources in and encourage their contributions to international health work. Studies of the feasibility of private fund-raising were made in the United States of America and Canada and exploratory work undertaken in the United Kingdom and Switzerland. The investigations conducted showed that:

- (a) world health was viewed by business corporations as meriting voluntary support and that various private groups, foundations and the general public were potential sources of support for international health action;

¹ Off. Rec. Wld Hlth Org., 135, 19.

² Off. Rec. Wld Hlth Org., 132, Annex 15.

³ Off. Rec. Wld Hlth Org., 137, Annex 7.

- (b) to tap these sources adequate arrangements adapted to the specific conditions of individual countries should be made. Those giving voluntary financial support for world health should be assigned a role in the choice of purposes for which their contributions were given;
- (c) fund-raising should be carefully planned and organized. Once definite action has been started, it should be carried through and the possible difficulties which may be encountered should not result in the loss of initial impetus;
- (d) from the very outset, efforts to obtain voluntary support should be pursued in several countries; while organized private fund raising will be undertaken on a national level, the venture should be international in character.

6.2 These findings led to a further conclusion that foundations should be established in individual countries, with the purpose to foster the fundamental objective of the World Health Organization. Such institutions should be independent with respect to fund raising policies and the selection of health programmes and projects to be supported. Each foundation should be a legal entity incorporated according to the laws of the countries in which it is located. The national foundations should also function as parts of a whole complex devoted to the improvement of world health. To achieve the desired unity and cohesion, a federation of world health foundations should be envisaged.

6.3 Following these conclusions, the creation of national health foundations in three countries has been actively pursued. These institutions are being created as private law foundations, incorporated under the laws of the countries concerned and, as such, it is hoped that they will be granted a tax-exempt status and that contributions to them, where this is possible, will be tax deductible by the donors.

6.4 Since under Article 71 of the Constitution, arrangements for consultation and co-operation between WHO and non-governmental national organizations in which category the proposed foundations fall, is subject to the consent of the governments concerned, the governments of the three countries have been approached to this end.

6.5 The foundation in one country was incorporated on 1 September 1964, consequent upon approval by the Government concerned of the conclusion of co-operative arrangements between WHO and the Foundation. These arrangements provide, inter alia, for permission to be granted by WHO to the Foundations to use the words "World Health" in their title.¹

6.6 In two other countries, the Articles of Association of the two foundations have been drafted and government approval sought. The two proposals are receiving the scrutiny of the various national authorities involved and it is hoped that it will be possible to incorporate these foundations in the near future.

6.7 The establishment of world health foundations in other countries is envisaged. At such time as the foundations in two or more countries have begun to operate, it is envisaged that they would associate themselves together in a federation of world health foundations for purposes of mutual consultation and co-operation between themselves and with WHO.

7. Future action

7.1 The Director-General expects to continue to take such action as he believes would most effectively develop non-governmental financial support for health activities, by pursuing actively the work already undertaken and by undertaking new initiatives, such as, e.g. the development of plans for fund-raising directed towards establishment of endowments. He would welcome any additional guidance which the Board may wish to give him.

¹ For the use of the emblem, name and initials of WHO, see resolution WHA1.133 - Handbook of Resolutions and Decisions, 7th ed., p. 258.

VOLUNTARY FUND FOR HEALTH PROMOTION

Statement of Contributions Pledged or Received during the Period
1 May to 31 December 1964

	<u>Equivalent</u> <u>in US dollars</u>
<u>Special Account for Malaria Eradication</u>	
Germany, Federal Republic of	28 125
India	21 000 ¹
Lebanon	1 631
Morocco	3 000
Nigeria	8 512
Philippines	5 000
Tunisia	2 015
Upper Volta	2 039
Miscellaneous Contributions	1 219
<u>General Account for Undesignated Contributions</u>	
Miscellaneous Contributions	1 089
<u>Special Account for Smallpox Eradication</u>	
Jordan (in kind)	84 010 ^{2*}
Madagascar (in kind)	5 102 ^{1*}
Switzerland (in kind)	23 148 ^{3*}
<u>Special Account for Medical Research</u>	
<u>Specified Activities</u>	
National Institutes of Health, United States of America, grants in respect of:	
Insecticide resistance and vector control, 1963-64 and 1964-65	204 750
Bilharziasis research, 1963-64 and 1964-65	66 000
Virus diseases, immunological surveys, vaccine studies, 1964 .	94 000
Hypovitaminosis A - xerophthalmia and keratomalacia 1964-65 . .	32 500
Swedish National Association against Heart and Chest Diseases (fellowships for 1964 and 1965)	28 996 ⁴

¹ Pledged but not received as at 31 December 1964.² Of which \$ 58 660 pledged but not received as at 31 December 1964.³ Of which \$ 9330 pledged but not received as at 31 December 1964.⁴ Of which \$ 14 498 pledged but not received as at 31 December 1964.

* Contributions in kind held at the disposal of the Organization; these can be called forward when required.

Equivalent
in US dollars

Special Account for Community Water Supply

Laos	500
Morocco	1 000

Special Account for Accelerated Assistance to Newly Independent
and Emerging States

Cambodia	500
Ceylon	1 050
Pakistan (fellowships and supplies)	10 500 ^{1*}
Miscellaneous contributions	10

Special Account for Miscellaneous Designated Contributions

India (cholera vaccine)	13 500 ^{1*}
Various laboratories, United Kingdom (polio vaccine)	169 000 ^{1*}
Miscellaneous contributions (aid in medical education)	1 960 ¹

Special Account for the Yaws Programme

Campaign "Students' War against Yaws", Canada	3 633
Miscellaneous contributions	46

¹ Pledged but not received as at 31 December 1964.

* Contributions in kind held at the disposal of the Organization; these can be called forward when required.

Financial Status as at 31 December 1964

(expressed in US dollars)

[illegible]

VOLUNTARY FUND FOR HEALTH PROMOTION
Financial Status as at 31 December 1964
(expressed in US dollars)

	Malaria Eradication	Un- designated Contribu- tions	Smallpox	Medical Research		Community Water Supply	Assistance to Congo (Leopold- ville)	Accelerated Assistance to Newly Independent and Emerging States	Miscel- laneous Designated Contribu- tions	Leprosy	Yaws	Total
				Specified activities	Unspecified activities							
CONTRIBUTIONS RECEIVED (Continued)												
International Union for Child Welfare (services of a team of four members)	4 667						173 600					173 600 4 667
German Red Cross in Eastern Germany (in kind)												
Swedish National Association against Heart and Chest Diseases (fellowships)	4 772	1 501		14 498		36		10		1 382	6 030	14 498 13 731
Miscellaneous												
Sub-total	8 849 288	19 952	431 443	987 739	618 034	384 689	173 600	3 782	-	1 382	6 030	11 475 939
Less:												
Estimated 1964 obligations	4 948 107	-	370 578	680 902	334 585	173 923	173 600	-	-	-	-	6 681 695
BALANCE AVAILABLE	3 901 181	19 952	60 865	306 837	283 449	210 766	-	3 782	-	1 382	6 030	4 794 244
CONTRIBUTIONS PLEDGED												
Afghanistan	2 000											2 000
India (in kind, cholera vaccine)*	21 000											34 500
Israel (fellowships)								10 250	13 500*			10 250
Ivory Coast					2 000							2 000
Jordan			58 660*									58 660
Madagascar			5 102*									5 102
Pakistan (fellowships and supplies)								10 500*				10 500
Switzerland			9 330*									9 330
United States of America				250 000								250 000
National Institutes of Health, United States of America				679 250								679 250
Swedish National Association against Heart and Chest Diseases (fellowships)				14 498								14 498
Various laboratories, United Kingdom (polio vaccine)												
Miscellaneous	8 400								169 000*			169 000 10 360
TOTAL	31 400		73 092	943 748	2 000	-	-	20 750	184 460			1 255 450

* Contributions in kind held at the disposal of the Organization; these can be called forward when required.

CE52/12 (Eng.)
ANNEX B

EXTRACTS FROM THE MINUTES OF THE DISCUSSIONS
OF THE EXECUTIVE BOARD, ON NON-GOVERNMENTAL
FINANCIAL SUPPORT FOR HEALTH ACTIVITIES

(Document EB/35/Min/8, Part 3)

EXTRACTS FROM THE MINUTES OF THE DISCUSSIONS OF THE EXECUTIVE BOARD,
ON NON-GOVERNMENTAL FINANCIAL SUPPORT FOR HEALTH ACTIVITIES

(Document EB/35/Min/8, Part 3)

Mr. SIEGEL, Assistant Director-General, introducing the Director-General's report (document EB35/39), said that contributions accepted for the Voluntary Fund for Health Promotion for the period 1 May to 31 December 1964 were shown in Annex I to the report. A preliminary statement showing the estimated financial status of the Fund as at 31 December 1964 was given in Annex II; the figures were subject to change following the final year-end accounts and the review of the External Auditor.

A table was included in section 4 showing the estimated obligations for operations planned for 1965 and 1966 under the component special accounts, together with the estimated balances in them at 31 December 1964 and the estimated shortfalls. It was the policy of the Organization to undertake only those projects under the Voluntary Fund for which funds were available to carry them through to completion. No programmes had been planned under the Special Account for Smallpox Eradication, the Special Account for Accelerated Assistance to Newly Independent and Emerging States and the Special Account for Assistance to the Republic of the Congo (Leopoldville), although there was still a great need for increased assistance by the Organization for those purposes. It was therefore to be hoped that further contributions would be forthcoming.

An account of the Director-General's publicity and fund-raising efforts was given under section 5. A brochure describing the activities financed from the Voluntary Fund had been published and over 100 000 copies distributed. Information on the work carried out under some of the special accounts had been given in issues of World Health, and a number of press releases had been issued on the subject.

Co-operation was being continued with the promoters of the "Students' War against Yaws", a campaign initiated by high-school students in Canada. The campaign was steadily developing and continued good results were anticipated.

In compliance with resolution WHA17.43, the Director-General had sought contributions in cash or kind towards the smallpox eradication programme. A number of selected countries had also been approached with a request for specific vaccines to establish a reserve pool designed to enable the Organization to increase direct assistance in future emergencies.

Section 6 dealt with developments to foster the interest of non-governmental sources of financing in international health work. Studies of the feasibility of fund-raising had been made in two countries and exploratory work undertaken in a further two. The investigations had shown, inter alia, that business corporations, private groups, foundations and the general public were potential sources of support for international health action and that, to tap those sources, arrangements adapted to the specific conditions of individual countries were required. A further conclusion had been that independent foundations to foster the fundamental objectives of WHO should be established in individual countries. Such foundations would of necessity have to be legal entities incorporated according to the laws of the country concerned, and to achieve the desired unity and cohesion a federation of world health foundations should be envisaged.

That objective had been actively pursued and, under Article 71 of the Constitution, the governments of three countries had been approached, with the result that in one of the three a foundation had already been incorporated and in the other two the articles of association of foundations had been drafted and government approval sought.

The Director-General intended to continue to take action on those lines, as being the most effective way of developing non-governmental financial support for health activities. He would welcome any additional guidance the Board might wish to give him in the matter.

Dr. KAREFA-SMART was gratified to find that the idea of formalizing non-governmental efforts in support of the Organization's objectives was taking shape. Unless there were strong reasons for anonymity, the Director-General might care to give the Board the names of the countries where efforts towards the setting up of foundations were already well advanced and give it some idea of the articles of association envisaged.

Mr. SIEGEL, Assistant Director-General, saw no difficulty in complying with that request. The three countries concerned were the United States of America, the United Kingdom of Great Britain and Northern Ireland and Switzerland. The foundation already incorporated was in the United States and had been set up under the laws of the State of New York. In making arrangements with that foundation, provisions had been included for it to finance programmes or projects of particular interest to it, undertaken either by WHO or PAHO. That had been done in order to preclude a multiplicity of such foundations in the United States.

Arrangements could be made to make the articles of association of the United States foundation available to the Board in English and French.

The CHAIRMAN, noting that there were no further comments, submitted the following draft resolution for the Board's consideration:

The Executive Board,

Having considered the report of the Director-General on the Voluntary Fund for Health Promotion;

Appreciating the contributions made to the Fund;

Noting that the Director-General has already expressed the thanks of the Organization to the individual donors; and

Believing that the Voluntary Fund for Health Promotion offers unique opportunity to public and private sources for supporting international health work in a co-ordinated and rational way;

1. NOTES the report;
2. COMMENDS the Director-General for his manifold efforts to tap potential sources of support for international health work;
3. WELCOMES the developments in respect of the establishment of national world health foundations, the purpose of which is to foster the fundamental objectives of the World Health Organization;
4. REQUESTS the Director-General to take such further action as would encourage the establishment and functioning of national world health foundations in various countries;
5. INVITES the Director-General to continue enlarging and strengthening activities to enlist support for the purposes and policies of the Voluntary Fund for Health Promotion;
6. EXPRESSES the hope that contributions to the Voluntary Fund for Health Promotion will be substantially increased; and
7. REQUESTS the Director-General to transmit this resolution, together with the report which he has submitted to the Executive Board, to the Members of the Organization, calling particular attention to the Executive Board's expression of appreciation of the contributions made.

Decision: The draft resolution was adopted.