

Briefing 10: Financial resources and mechanisms of assistance

**Third session of the Conference of the Parties to the
WHO Framework Convention on Tobacco Control
17-22 November 2008, Durban, South Africa**

Recommendation

The third session of the Conference of the Parties to the WHO Framework Convention on Tobacco Control should decide to:

- **call upon developed country Parties with development assistance programmes to promote the inclusion of tobacco control in these programmes, recognizing the links between tobacco use, poverty and development;**
- **call upon developing country Parties and Parties with economies in transition to seek funding for tobacco control as part of their applications for development assistance;**
- **allocate sufficient funding to the Convention Secretariat to enable it to assist all developing country Parties and Parties with economies in transition in conducting needs assessments and in accessing financial and technical assistance for implementation of the Convention;**
- **reiterate the call to developed country Parties to provide voluntary extrabudgetary contributions for this purpose;**
- **request that developed country Parties indicate annually to the Convention Secretariat the resources that they have available to provide financial and technical assistance to developing country Parties and Parties with economies in transition to assist in implementation of the Convention; and**
- **establish a small, geographically representative committee to oversee the implementation of decisions of the Conference of the Parties regarding financial resources and mechanisms of assistance on an ongoing basis. The committee should be mandated to monitor progress in the provision of technical and financial technical assistance and its impact on implementation of the Convention, to make recommendations to both the Conference of the Parties and the World Health Assembly to increase the effectiveness of arrangements to mobilize financial and technical assistance for implementation of the Convention, and to support the Convention Secretariat in mobilizing sources of financial and technical assistance, including through cooperation with WHO's Tobacco Free Initiative.**

Background

The WHO Framework Convention on Tobacco Control (FCTC) has now been in force for nearly four years. Though the FCTC has generated enormous progress in tobacco control at both the domestic and international levels, challenges are being encountered in its implementation. As the Convention Secretariat's progress note on 'Financial resources and mechanisms of assistance – implementation of decisions FCTC/COP1(13) and FCTC/COP2(10) of the Conference of the Parties' (Document FCTC/COP/3/12) records, for many developing country Parties and Parties with economies in transition, lack of financial resources and technical capacity remain a serious problem. The progress note states that Parties' reports on implementation 'express needs for assistance that far outweigh the resources dedicated', and that '[a] significant gap has developed as a result, which is affecting implementation of the Convention' (para 11).

All Parties to the FCTC acknowledge, in the preamble to the Convention, 'that tobacco control at all levels and particularly in developing countries and in countries with economies in transition requires sufficient financial and technical resources'. At its first and second sessions, the Conference of the Parties (COP) recognized the particular needs of developing country Parties and Parties with economies in transition, and made important decisions on the provision of financial resources and mechanisms of assistance. However, only limited progress has been made in implementation of these decisions. There is an urgent need for more dedicated attention and action to ensure that developing country Parties and Parties with economies in transition have access to the resources, expertise and capacity needed to enable them to effectively implement the FCTC.

Articles 22 and 26 (Cooperation in the scientific, technical and legal fields and provision of related expertise, and financial resources)

Under Article 22.1, Parties to the FCTC agree to 'cooperate, directly or through competent international bodies to strengthen their capacity to fulfill the obligations arising from this Convention, taking into account the needs of developing country Parties and Parties with economies in transition'. Such cooperation shall promote the transfer of technical, scientific and legal expertise and technology to establish and strengthen national tobacco control strategies, plans and programmes.

Under Article 26.1, Parties recognize the important role that financial resources play in achieving the objective of the Convention. Parties agree that, 'to assist Parties in meeting their obligations under the Convention, all relevant potential and existing resources, financial, technical, or otherwise, both public and private that are available for tobacco control activities, should be mobilized and utilized for the benefit of all Parties, especially developing countries and countries with economies in transition' (Article 26.5). Parties agree 'to promote, as appropriate, the utilization of bilateral, regional,

subregional and other multilateral channels to provide funding for the development and strengthening of multisectoral comprehensive tobacco control programmes of developing country Parties and Parties with economies in transition' (Article 26.3), and Parties represented in relevant regional and international intergovernmental organizations agree to 'encourage these entities to provide financial assistance for developing country Parties and Parties with economies in transition to assist them in meeting their obligations' (Article 26.4).

Article 26.5 mandates the Convention Secretariat to advise developing country Parties and Parties with economies in transition on available sources of funding to facilitate implementation of their obligations, and mandates the COP to review existing and potential sources and mechanisms of assistance and determine the necessity to enhance or supplement existing mechanisms to channel additional financial resources to developing country Parties and Parties with economies in transition. Article 22.2 requires the COP to promote and facilitate transfer of technical, scientific and legal expertise and technology with the financial support secured in accordance with Article 26.

Decision FCTC/COP1(13)

In its decision FCTC/COP1(13) (Financial resources and mechanisms of assistance) the first session of the COP (COP-1) recognized 'the urgent need for all Contracting Parties to implement the Convention to the maximum level' and 'the urgent need for assistance to developing country Parties and Parties with economies in transition to support them in their implementation'.¹ The COP-1 decision, inter alia:

- called upon developing country Parties and Parties with economies in transition to conduct needs assessments and communicate their prioritized needs to development partners;
- called upon developed country Parties, 'in accordance with their obligations under the Convention, to provide technical and financial support to developing country Parties and Parties with economies in transition for this purpose, through bilateral, regional, international or nongovernmental channels';
- urged developed countries, international financial institutions, international organizations and other development partners 'to channel resources, based on specific requests, to developing country Parties and Parties with economies in transition for the implementation of the Convention, without which full implementation of the Convention will not be achieved'; and
- requested the Convention Secretariat to: develop and continuously update a database on available funding and 'make it available to Parties to assist them in identifying sources of funding and other resources'; assist developing country Parties and Parties with economies in transition in the conduct of needs assessments and in

¹ 'Financial resources and mechanisms of assistance' (World Health Organization, Conference of the Parties to the WHO Framework Convention on Tobacco Control, first session, decision FCTC/COP1(13)).

accessing technical and financial assistance; 'receive project proposals from developing country Parties and Parties with economies in transition' and direct these proposals to potential funding sources; and 'launch an awareness-raising campaign among potential development partners to mobilize financial and technical support for developing country Parties and Parties with economies in transition, to assist them in implementing the Convention'.

Decision FCTC/COP2(10)

In its decision FCTC/COP2(10) (Financial resources and mechanisms of assistance) the second session of the COP (COP-2), noting:²

- 'that some Parties require support to undertake needs assessments and develop their project and programme proposals for seeking financial assistance from all available funding sources';
- its awareness of 'the difficulties that Parties encounter in accessing such financial assistance and the resulting impact on their capacity to meet their obligations';
- its recognition of 'the need for taking immediate action to provide all necessary assistance to Parties to ensure sustained and predictable availability of funds'; and
- its awareness of the 'need for synergy, complementarity and cooperation between WHO's Tobacco Free Initiative [WHO TFI] and the Convention Secretariat' (as recognized in decision FCTC/COP1(10) (Establishment of a permanent secretariat of the Convention), which decided that: 'The Convention Secretariat shall cooperate and coordinate with the Tobacco Free Initiative and other relevant WHO departments on implementation of the Convention, with a view to ensuring transparency, efficiency, cost-effectiveness, and avoidance of duplication.');

decided, inter alia, to:

- 'ask the Convention Secretariat to actively seek extrabudgetary contributions from Parties and other international donors, including intergovernmental organizations, specifically for the purpose of helping Parties in need to carry out needs assessments and develop project and programme proposals for financial assistance from all available funding sources';
- 'invite the Director-General of WHO to support the Convention Secretariat in assisting Parties in need to develop project and programme proposals for financial assistance from all available funding sources, including, inter alia, through bringing this aspect of the work of the Convention Secretariat to the attention of potential donors during funding negotiations and actively encouraging contributions from these donors towards this work';

² 'Financial resources and mechanisms of assistance' (World Health Organization, Conference of the Parties to the WHO Framework Convention on Tobacco Control, second session, decision FCTC/COP2(10)).

- ‘urge donor Parties to provide voluntary extrabudgetary contributions, specifically for the purpose identified in [the preceding two paragraphs]’.

In the budget adopted at COP-2 (decision FCTC/COP2(11)), the COP allocated \$400,000 to be used to provide developing country Parties and Parties with economies in transition with assistance regarding sources of funding to assist in implementation of the Convention (for example, needs assessment and supporting development and submissions of proposals for funding), setting a target of 18 Parties to be assisted in 2008-2009.

The progress note of the Convention Secretariat

COP-2 requested the Convention Secretariat ‘to prepare and present, at every session of the Conference of the Parties, an implementation report on activities undertaken to implement decisions FCTC/COP1(13) and FCTC/COP2(10), including an update of the financial mechanisms for assistance to Parties in need’. The first such report, ‘Financial resources and mechanisms of assistance – implementation of decisions FCTC/COP1(13) and FCTC/COP2(10) of the Conference of the Parties’ (Document FCTC/COP/3/12), has been submitted for consideration by the third session of the COP (COP-3).

The report indicates that progress has been made in implementation of the COP-1 and COP-2 decisions on financial resources and mechanisms of assistance. A database on existing and potential sources and mechanisms of assistance for implementation of the Convention, and tools to support identification of institutions representing potential sources of assistance and to assist in rapid assessment of gaps in resources and resulting needs, have been developed and will be presented to COP-3. Regional and sub-regional workshops and bilateral meetings between the Convention Secretariat and Parties have provided opportunities for the exchange of information and expertise and the identification of needs. Initial discussions have been held with potential donors to raise awareness of the need for assistance.

However, the report makes clear that there is still much work to be done, noting:

- that many developing country Parties and Parties with economies in transition have not yet conducted needs assessments to identify resource gaps and specific targets for the provision of assistance (para 8) and that ‘lack of technical capacity was felt to have contributed to the slow completion of needs assessment work’ (para 17);
- that many developing country Parties and Parties with economies in transition have ‘identified lack of funds and inadequate technical capacity as major challenges in implementing the treaty’ (para 8);
- that the COP’s urging of Parties to provide voluntary extrabudgetary contributions specifically for country-level work, including conducting needs assessment and developing project and programme proposals

- for financial assistance, 'has the potential to improve progress in the implementation of the Convention but is still underutilized' (para 21);
- that an analysis of Parties' implementation reports reveals that there have been good examples of Parties providing and receiving assistance for implementation of the Convention, but that 'they do not yet appear to reflect sufficiently the spirit and scope of the Convention concerning mutual assistance and a common global effort in combating the tobacco epidemic' (para 26); and
 - that '[s]everal sources and mechanisms of assistance outlined in the Convention and the decisions of the Conference of the Parties remain largely underutilized', including the provision of bilateral technical support; the integration of implementation of the treaty into strategies for sustainable development; and the utilization of Parties' representation in other international organizations and financial and development institutions in order to encourage provision of assistance to low-resource countries (para 27).

The need for 'synergy, complementarity and cooperation' between the Convention Secretariat and WHO's Tobacco Free Initiative

Noting the need for 'synergy, complementarity and cooperation' between the Convention Secretariat and WHO TFI, COP-2 invited WHO TFI to present to COP-3 a report on its activities undertaken specifically on the implementation of the FCTC. The 'Report of WHO's Tobacco Free Initiative on its activities undertaken specifically on the implementation of the WHO Framework Convention on Tobacco Control (decision FCTC/COP2(10)' (Document FCTC/COP/3/13) outlines a range of relevant activities undertaken by WHO TFI, including in capacity-building, training and research, surveillance and monitoring, and public awareness raising. The report highlights the valuable resources available through WHO TFI and the need to mobilize these resources effectively to assist in implementation of the FCTC.

In its 'Performance report for the 2006-2007 budget and workplan (decision FCTC/COP2(11))' (Document FCTC/COP/3/18), the Convention Secretariat identifies as one of the 'main lessons learnt by the Secretariat in the period 2006-2007' that: 'It is important to continue to seek synergy and complementarity between the work of the Convention Secretariat and the Tobacco Free Initiative and other relevant programmes of WHO at global and regional levels, to ensure effective planning and use of expertise and resources and for the provision of coordinated, efficient support to governments in implementation of the Framework Convention' (para 19).

FCA agrees with this observation of the Convention Secretariat. FCA considers that there is a clear need to ensure consistent and coherent activities to facilitate implementation of the FCTC, which effectively utilize the resources available to assist Parties in implementing the Convention as a whole. FCA notes that the responsibility for overseeing implementation of the FCTC rests with the COP. As Article 23.5 states: 'The Conference of the

Parties shall keep under regular review the implementation of the Convention and take the decisions necessary to promote its effective implementation'. FCA therefore considers that the further development of the relationship between the Convention Secretariat and WHO TFI towards the effective implementation of the Convention would benefit from greater involvement by the COP, and further guidance from the COP with respect to the activities and application of resources necessary to ensure effective implementation.

The need for further work

In order to move forward to ensure that developing country Parties and Parties with economies in transition have optimal access to the resources, expertise and capacity needed to enable them to effectively implement the FCTC, FCA considers that COP-3 should:

- recognizing the links between tobacco use, poverty and development: call upon developed country Parties with development assistance programmes to promote the inclusion of tobacco control in these programmes; and call upon developing country Parties and Parties with economies in transition to seek funding for tobacco control as part of their applications for development assistance. The importance of 'mainstreaming tobacco control' into broader development strategies and plans was recognized in both the COP-1 and COP-2 decisions on financial resources and mechanisms of assistance. While these decisions described this as 'a medium- to long-term objective', practical action towards mainstreaming is required as a matter of urgency if the objective is to be realized;
- allocate sufficient funding to the Convention Secretariat to enable it to assist all developing country Parties and Parties with economies in transition in conducting needs assessments and in accessing financial and technical assistance for implementation of the Convention. The \$400,000 provided by COP-2 for this work is inadequate to enable it to be performed effectively for a sufficient number of Parties. In its 'Interim performance report for the 2008–2009 budget and workplan' presented to COP-3, the Convention Secretariat notes that '[t]he relatively small budget for this work in the 2008–2009 workplan, is, however, an impediment, as all interested Parties might not be covered' (para 15);
- reiterate the call to developed country Parties to provide voluntary extrabudgetary contributions for the purpose of assisting developing country Parties and Parties with economies in transition in conducting needs assessments and in accessing financial and technical assistance. It is disappointing that not a single Party has yet acted upon the COP's urging to provide such voluntary extrabudgetary contributions;
- request that developed country Parties indicate annually to the Convention Secretariat the resources that they have available to provide financial and technical assistance to developing country Parties and Parties with economies in transition to assist in implementation of the Convention. Such information is needed to enable the Convention

Secretariat to effectively carry out its function of receiving project proposals from developing country Parties and Parties with economies in transition and directing them to potential funding sources, as requested by the COP in its decision on financial resources and mechanisms of assistance at COP-1;

- establish a small, geographically representative committee to oversee the implementation of the COP's decisions regarding financial resources and mechanisms of assistance on an ongoing basis. The committee should be mandated to monitor progress in the provision of technical and financial technical assistance and its impact on implementation of the Convention, to make recommendations to both the COP and the World Health Assembly to increase the effectiveness of arrangements to mobilize financial and technical assistance for implementation, and to support the Convention Secretariat in mobilizing sources of financial and technical assistance, including through cooperation with WHO's Tobacco Free Initiative.