

CLOSE THE RESOURCE GAP

Fix the FCTC's Mechanisms of Assistance

The WHO Framework Convention on Tobacco Control (FCTC) represents a clear blueprint to end the tobacco pandemic. However, that goal will not be achieved until sufficient resources are allocated for its implementation.

The Framework Convention Alliance (FCA) considers that FCTC financing is a problem that can be solved.

First, strategies to garner greater investment for implementation of the Convention must be discussed by all stakeholders prior to the Fifth Session of the Conference of the Parties (COP5).

Secondly, convening a Working Group during COP5 to review *Financial Resources and Mechanisms of Assistance* (FRMA) will allow Parties to strengthen or expand the FCTC's tools to access national and international resources for implementation.

These key two steps must be taken early in 2012. The FCTC COP Bureau should ensure that the upcoming COP5 report, *A Review of Current Mechanisms of Assistance*, provides a comprehensive assessment of the scope, outcomes and impacts of FRMAs. Additionally, Parties and the COP Bureau need to actively promote the establishment of a Working Group on Mechanisms of Assistance at COP5, and take leadership on this agenda. FCA stands ready to support this challenge.

FCTC implementation won't progress until governments find ways to pay

Accelerated implementation of the FCTC is recognised as a key measure for addressing one of the major development challenges in the 21st century — non-communicable diseases (NCDs).¹ Nevertheless, a chronic lack of resources to implement the Convention at the country level still prevails.

Tobacco control is one of the most cost-effective public health tools. For example, it is estimated that five key FCTC interventions would require roughly US\$0.05 in low-income countries and US\$0.15 in upper-middle-income countries per capita per year.² Yet, the resources allocated for FCTC implementation remain inadequate. The World Health Organization (WHO) estimates that US\$0.001 - \$0.005 is spent annually per capita on tobacco control in low- and middle-income countries.³

Investment in tobacco control is undervalued also at the international level. While NCDs represent 45 percent of the overall disease burden in developing regions, only 1 percent of total development assistance for health (DAH) was allocated for their prevention or control in 2009.⁴ More than half of the DAH for NCDs came from private donors.⁵

FCTC's own mechanisms, set up to stimulate resources for tobacco control, are experiencing challenges. Official FCTC reports reveal that 40 percent of FCTC developing country Parties indicate receiving **no** assistance.⁶ Party reports also show that very little assistance is being provided overall — 7 in 10 high-income countries do not report providing **any** assistance for FCTC implementation.⁷

Ways to overcome the current barriers to mobilise resources for FCTC implementation exist. Parties need to agree on improvements to *FCTC's Financial Resources and Mechanisms of Assistance* in November 2012 — at COP5.

- 1 UN resolution A/RES/66/2 – Political Declaration of the UN HLM on NCDs.
- 2 WHO. 2011. Scaling up action against noncommunicable diseases: How much will it cost? Geneva: WHO.
- 3 WHO. 2008. WHO Report on the Global Tobacco Epidemic. Geneva: WHO.
- 4 Institute for Health Metrics and Evaluation (IHME). 2011. Financing Global Health 2011: Continued Growth as MDG Deadline Approaches. Seattle: IHME.
- 5 Ibid.
- 6 Calculated from answers provided through WHO Implementation Database: <http://apps.who.int/ctc/reporting/database/> accessed January 15, 2012.
- 7 Ibid.



Existing mechanisms of assistance must be strengthened

During the FCTC negotiations most developing countries emphasised that they would not be able to implement the Convention unless additional resources were made available. As a result, tools — also called **Mechanisms of Assistance** — were established in 2006 to stimulate greater national and international investment in the implementation of the Convention.

These tools include Needs Assessments and the Database of Available Resources.⁸ Both of them have been available to Parties for several years, but their impact has not been well documented.

The Needs Assessments [see box] were meant to stimulate the collaboration of the right mix of people to set in motion a coordinated FCTC implementation strategy at the country level.⁹ It was expected that the process would result in a clear plan, including cost estimates for activities to accelerate FCTC implementation.¹⁰ Already, eight Parties have undergone Needs Assessments,¹¹ but little information is available about the impact of this process in supporting tobacco control.

Several workshops and meetings have also occurred to stimulate knowledge-sharing among Parties. These events were organised by the Convention Secretariat, the Tobacco Free Initiative (TFI) or jointly. To reach their full potential to accelerate FCTC implementation, however, these activities should be well coordinated and their outcomes clearly identified and monitored.

Recently, Australia and the European Union provided extra-budgetary contributions to ensure that all activities of the COP and FCTC Secretariat scheduled for 2012 and 2013 take place as planned. It will be essential, as these resources are applied, to assess their outcomes and engage in discussions on needs, improvements and further action to maximise the impact of invested efforts and to attract further resources.

Finally, Parties play a key role in mobilising resources. Both donor and recipient Parties should engage in continuing dialogue and exchange information on their efforts to strengthen investment in tobacco control. Parties that could benefit from assistance should ensure that FCTC implementation is a priority in their National Development Plans. Similarly, Parties that can provide development support should demonstrate which steps were taken to streamline official development assistance (ODA) resources for FCTC implementation.

8 COP1 decision FCTC/COP1(13).

9 COP2 official document A/FCTC/COP/2/5.

10 Ibid.

11 FCTC official website: <http://www.who.int/fctc/implementation/needs/en> accessed March 1, 2012.

NEEDS ASSESSMENTS

FCTC Needs Assessments include four key stages: assessment of the implementation of all substantive articles of the Convention; analysis of gaps and corresponding needs; development of concrete recommendations to accelerate FCTC implementation; and promotion of access to international resources.

The output of a Needs Assessment mission — *Needs Assessment Report* — therefore needs to provide information that will serve as the basis for developing national plans and starting discussions with development partners for concrete support for tobacco control.

Hence, the completion of Needs Assessments represents a critical step in enhancing implementation, developing national plans, and triggering targeted discussions between a Party that requires assistance with FCTC implementation and potential donors.

DATABASE OF AVAILABLE RESOURCES

The FCTC database represents a useful tool to connect potential donors with potential recipients of resources for tobacco control.

The main purpose of the database is to allow Parties real-time access to information on possible resources for FCTC implementation. At the same time, the tool provides an opportunity for donors to advertise available funds or technical assistance for FCTC implementation.

Hence, the FCTC Database of Available Resources complements FCTC Needs Assessments.

The FCTC is facing new threats ...

The tobacco industry continues to take aggressive legal action against tobacco control, in particular litigation to delay or overturn laws implementing the FCTC.

Over the last five years, the tobacco industry has brought legal action in the domestic courts of a number of FCTC Parties, including Australia, Brazil, Finland, India, Ireland, Norway, South Africa, the Philippines and Turkey. These have challenged a range of FCTC measures, including smoke-free environments, health warnings, bans on misleading packaging and bans on tobacco advertising, promotion and sponsorship.¹²

Philip Morris is currently suing the Governments of Australia and Uruguay in international arbitration tribunals under bilateral investment treaties between Australia and Hong Kong, and Uruguay and Switzerland respectively, challenging Australia's world's-first plain packaging legislation and Uruguay's packaging measures.

At COP4, the *Punta del Este Declaration on the Implementation of the WHO Framework Convention on Tobacco Control* was adopted. Parties declared a 'firm commitment to prioritise the implementation of health measures designed to control tobacco consumption in their respective jurisdictions', and their 'right to define and implement national public health policies pursuant to compliance with conventions and commitments under WHO, particularly with the WHO FCTC'.¹³

Litigation is often expensive. Defending against tobacco industry legal challenges requires resources, be it technical expertise or intelligence sharing and coordination. Additionally, the industries' legal attacks may contribute to a "regulatory chill" — a climate in which governments shy away from implementing strong tobacco control measures, fearing industry attacks. Governments must stay firm and provide adequate resources so that they can continue to accelerate FCTC implementation.

It is essential that FCTC Parties coordinate to share resources — information, evidence, expertise, laws, court decisions and legal strategies — to resist tobacco industry attacks.

12 Campaign for Tobacco Free Kids (CTFK) website – database of litigations: http://www.tobaccocontrolaws.org/litigation/advancedsearch/?type_litigation=Challenge%20to%20Government%20Policies%20Relating%20to%20Tobacco%20Control%20Public%20Health accessed March 5, 2012.

13 COP4 decision FCTC/COP4(5).

... but parties have new opportunities to meet them ...

Various global commitments to accelerate FCTC implementation were made in 2011.^{14,15,16} Countries must make every possible effort to meet these commitments. Accelerated FCTC implementation must form an essential component of any comprehensive NCD Plans currently being established at the national level.¹⁷ Tobacco control must also be identified as a priority in National Development Plans to secure the appropriate level of funding for FCTC implementation. These will also contribute to ensuring that FCTC implementation is promoted within the post Millennium Development Goals (MDGs) agenda.

Many countries are using tobacco taxes to support tobacco control: Djibouti, Estonia, Finland, Iceland, Iran, Korea, Poland, Qatar, Serbia, Slovenia, Switzerland, Thailand, and Tuvalu.

With billions of dollars in the tobacco market, funding can also be secured nationally for FCTC implementation. The resources may be generated by imposing new consumption taxes on tobacco products¹⁸ or new income taxes on tobacco industry profits.¹⁹ For instance, in 1994 Canada implemented an additional 50 percent income tax on tobacco manufacturers.²⁰

Many other countries have already found a way to use tobacco taxes to support tobacco control: Djibouti, Estonia, Finland, Iceland, Iran, Korea, Poland, Qatar, Serbia, Slovenia, Switzerland, Thailand, and Tuvalu.^{21,22} However, many countries currently lack the resources necessary to apply such taxes.

Through cooperation and knowledge-sharing, these and similar tools could be spread among Parties worldwide. COP5 provides a critical opportunity for FCTC Parties to discuss and assess ways to secure resource for accelerated FCTC implementation, nationally and internationally.

First steps to overcome barriers to mobilise resources for FCTC implementation must be taken early in 2012.

14 UN resolution A/RES/66/2 – Political Declaration of the UN HLM on NCDs.

15 Rio Political Declaration on Social Determinants of Health.

16 Commonwealth Heads of Government Meeting (CHOGM) 2011 Communiqué.

17 UN resolution A/RES/66/2 para 43 - plans are due by 2013.

18 WHO. 2011. The Solidarity Tobacco Contribution: A new international health financing concept prepared by the World Health Organization. Geneva: WHO.

19 Callard, C. 2010. Follow the money: How the billions of dollars that flow from smokers in poor nations to companies in rich nations greatly exceed funding for global tobacco control and what might be done about it. Tobacco Control.

20 Ibid.

21 WHO. 2010. WHO Technical Manual on Tobacco Tax Administration. Geneva: WHO.

22 Southeast Asia Tobacco Control Alliance (SEATCA). 2011. Lessons Learned in Establishing a Health Promotion Fund. Bangkok: SEATCA.

THE WAY FORWARD

The **FCTC COP Bureau** should ensure that the COP5 report, *A Review of Progress in the Mobilization of Resources and the Performance of the Mechanisms of Assistance to Support Implementation of the WHO FCTC*, provides a comprehensive assessment of the outcomes and impacts of FCTC's tools to access national and international resources for tobacco control, such as:

- Highlights examples when FCTC Mechanisms of Assistance successfully stimulated support for FCTC implementation;
- Clearly identifies existing challenges to engaging mechanisms of assistance for FCTC implementation;
- Assesses the effectiveness of the existing FCTC Mechanisms of Assistance.

The Bureau is in the best position to support Parties' deliberations on *FCTC Financial Resources and Mechanisms of Assistance* at COP5 by requesting that additional background documents be produced **prior to COP5**, and that on-sight expertise be available at COP5 to support in-depth discussions on related issues, such as:

- Available and emerging strategies to overcome difficulties in accessing existing resources for tobacco control nationally and internationally;
- Additional FCTC tools to stimulate greater national and international investment in tobacco control.

Finally, the Bureau should champion the establishment of a Working Group on Mechanisms of Assistance.

"Tobacco control at all levels and particularly in developing countries and in countries with economies in transition requires sufficient financial and technical resources."

WHO FCTC Preamble

Working Group On *FCTC Financial Resources And Mechanisms Of Assistance At COP5*

Convening a Working Group during COP5 to review *FCTC Financial Resources and Mechanisms of Assistance* will allow Parties to strengthen the current tools to access national and international resources for tobacco control and accelerate FCTC implementation. Parties must take the lead and request the establishment of the Working Group prior to COP5.

The Working Group should propose improvements, such as:

1. Developing **terms of reference** and expected outcomes for all implementation support activities and mechanisms of assistance;
2. An **ongoing review** of the impact of the Needs Assessment missions and Database of Available Resources in supporting the implementation of the Convention;
3. **Technical support** for all FCTC Parties to include FCTC implementation as a key component of comprehensive national NCD and Development plans and to support Parties' participation in the review of the Millennium Development Goals (MDGs) prior to 2015;
4. **Additional ways** which have the potential to channel existing or innovative resources for FCTC implementation;
5. **Guidance** for implementation of FCTC Article 5.2 and an estimate of the resources required for implementation of all FCTC Articles in low- and middle-income countries;
6. A **roadmap** to promote the Convention at international and regional events during the review of the MDGs and during establishment of post-2015 international development goals.



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