



Australian Government

AusAID

COPY

Minute

File No. _____ Date 6 August 2008

Subject Pacific Human Resources for Health contract signature

For Rob Tranter, ADG PAC *OR*

Through *D* Gill

This minute seeks your agreement to sign the attached contract between AusAID and WHO for the Pacific Human Resources for Health Alliance.

The contract was originally signed on 17 June by the previous ADG PAC, using a scanned copy of the contract with the WHO delegate's signature. Copies of the original WHO-signed contract were subsequently sent to our office. This was sufficient to make a first tranche payment before the end of financial year 2007-08.

WHO, however, has now indicated it requires original signatures on the same page. You are therefore requested to sign the contract as the appropriate s44 delegate.

Corinne Tarnawsky
Pacific regional health program

The contract has been signed/not signed

Rob Tranter
ADG Pacific Branch

..... ⁶ August 2008

COPY
46557 (Activities
Contract
number)

DONOR ARRANGEMENT

between

THE WORLD HEALTH ORGANIZATION (WHO)

and

THE COMMONWEALTH OF AUSTRALIA, represented by
the Australian Agency for International Development (AusAID)

(herein after referred to as the Donor)

- I. This Arrangement relates to a financial contribution to be made by the Donor to WHO towards the provision of technical support for the Pacific Human Resources for Health Alliance (PHRHA) which is outlined in Annex A hereto, and which is hereinafter referred to as the "Project". Annexes A, B and C are integral parts of this Arrangement.
- II. The budget for the activities financed by the contribution is set out in Annex B. Prior to effecting major changes between categories of expenditure that may be found necessary in the course of implementing the activities, WHO will consult the Donor.
- III. Responsibility
 1. WHO will monitor and implement the Project, taking into account the responsibilities outlined in the Annexes.
 2. The Donor will provide funds to WHO for the Project, in accordance with the terms of this Arrangement and Annexes.
- IV. Financial arrangements
 1. Schedule of payments

The total amount of the contribution is USD 1 586 520. The contribution will be paid in accordance with the following schedule of payments as outlined in Annex C: Proposed Payment Schedule.

The initial instalment of USD472 905 will be paid upon the signing of this arrangement. Following the initial instalment, three annual tranches each of USD371 205 will be paid in November 2008, 2009 and 2010.
 2. Budget

The annual budget will be determined by WHO in consultation with PHRHA members and submitted in November of each year to the Donor for approval as part of the Annual Report. WHO will inform the Donor of any deviation to the budget by component, where it exceeds 20% of the total value.

3. Payment of Contribution

The contribution will be deposited according to the schedule of payments in the WHO's Geneva bank account:

USD **World Health Organization**
A/C 240-C0169920.3
UBS AG
IBAN: CH3100240240C01699203
(SWIFT-UBSWCHZH80A WITH IBAN)
C.P. 2600
CH 1211 Geneve 2, Switzerland

and clearly identified, marked WHO VFHP, and should be credited to sub-account XZ 3200.

3. Utilization of funds and accounting

- (i) The contribution will be used for the purposes indicated in Annex A hereto and will be administered in accordance with the Financial Regulations and Rules, and financial and administrative rules and practices of WHO.
- (ii) Under this Arrangement 13% of the total amount will be deducted by WHO to cover administrative costs related to administering the funds, in accordance with World Health Assembly Resolution WHA 34.17.
- (iii) Any interest earned on the cash balance of the contribution will be used in accordance with WHO's Financial Regulations and Rules, and financial and administrative rules and practices of WHO.
- (iv) Income and expenditure recorded in respect of the contribution will be identified and kept separately by WHO in the relevant account of its Voluntary Fund for Health Promotion (VFHP).
- (v) Any balance of the contribution that is outstanding at the time of completion of the project, or of termination of this Arrangement, and after all obligations by WHO prior to completion or termination have been fully liquidated, will be disclosed to the Donor. The Donor will consider any further proposals from WHO to utilise remaining funds.

V. Implementation

1. Period of implementation

The starting date of the Project will be on signature of the Arrangement by both parties. The completion date of the Project will be 30 June 2011.

WHO will have no responsibilities to implement the Project unless all necessary and sufficient funds for the implementation have been received by WHO.

A period of up to twelve (12) months will be allowed after completion of the Project, or of any termination of this Arrangement, to liquidate all obligations for activities completed by WHO prior to completion or termination.

VI. Reporting

1. Annual

WHO will transmit to the Donor draft annual reports on the progress in the activities financed by the contribution, as outlined in the Annex C.

2. Financial

The income and expenditure recorded in respect of the contribution will be indicated in the WHO Financial Reports submitted to the World Health Assembly on an annual and biennial basis.

A final certified statement of income and expenditure will be provided by WHO, after settlement of all obligations for activities started by WHO prior to completion or early termination of the Arrangement, and no later than 1 July 2012.

VII. Audit

It is understood that all contributions to WHO are subject to its internal and external auditing procedures. The External Auditors' certification of accounts and audit report is made available to the World Health Assembly on a biennial basis. The Donor may request a copy.

VIII. Acknowledgement

WHO will make an appropriate acknowledgement of the contribution by the Donor in any of its publications emanating from the Project, or in reports that are habitually made available to its 193 Member States. In the absence of the consent of the other party, neither party may otherwise refer to the contribution or to the relationship between the parties in any material of a promotional nature. Donors are always entitled to make reference to their donations in their internal documents and in their annual reports.

IX. Termination

Either party may give the other notice of termination of this Arrangement. Such termination will enter into effect six (6) months after notice has been received, subject to the settlement of any outstanding obligations.

X. Settlement of disputes

Any claim or dispute relating to the interpretation or application of this Arrangement will, unless amicably settled, be subject to conciliation. In the event of failure of the latter, the dispute may be settled by arbitration. The arbitration will be final and conducted in accordance with the modalities to be decided by the Parties.

XI. Counter terrorism clause

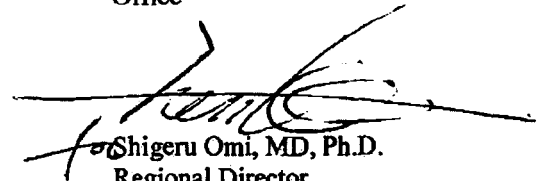
Consistent with UN Security Council Resolutions relating to terrorism, including UNSC Resolution 1373 (2001) and 1267 (1999) and related resolutions, both the Donor and WHO are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of the Donor to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with this policy, WHO undertakes to use all reasonable efforts to ensure that none of the Donor funds provided under this grant Arrangement are used to provide support to individuals or entities associated with terrorism. If, during the course of this Arrangement, WHO discovers a link with any organisation or individual associated with terrorism it will inform the Donor immediately.

Accepted on behalf
of the Australian Agency for
International Development



Stephanie Copus-Campbell
Assistant Director General
Pacific Branch

Accepted on behalf of the
World Health Organization
Western Pacific Regional
Office



Shigeru Omi, MD, Ph.D.
Regional Director

Place: Canberra, Australia

Place:

Date: 17 June 2008

Date:

Annex A – Terms of Reference

1. INTRODUCTION

The lesser-resourced Pacific Island countries and areas are at a disadvantage in competing with wealthier countries in terms of training; recruiting and retaining the skilled health workforce they require to deliver quality health services. Major challenges include: shortage of staff, uneven distribution of the health workforce, the aging of the health workforce, gender issues which affect workforce participation, insufficient production of health workers, insufficient investment in training institutions, loss of staff due to dissatisfaction with working conditions and environment, and inappropriate recognition and remuneration for health workers.

In view of these major challenges the Pacific health leaders have called for a more intensive and focused approach to the development of human resources for health. Since the 1995 Yanuca Island Declaration, subsequent meetings of the Pacific Region Ministers of Health have made a commitment to address human resources for health issues. The 2001 Madang Commitment and the 2007 Vanuatu Meeting recognized the importance of mid-level practitioners in providing basic primary health care services for rural, remote and sparsely populated Pacific island communities.

The 2005 meeting of the Pacific health leaders in Samoa recognized that the loss of skilled health personnel (SHP) through out-migration has serious implications for the health of people in the Pacific. The meeting recommended the establishment of a *regional mechanism* to facilitate the sharing of SHP, expertise and training resources, including twinning arrangements among Pacific island countries.

The Ministers of Health for Pacific island countries and areas have since committed themselves and their governments to take strategic measures to strengthen their national health workforce capacities and to address the varied health workforce issues and challenges that their countries face.

The key actions the ministers have agreed to undertake include: collation and use of reliable human resources for health data and relevant evidence to inform policy, planning and decision-making; strengthen effective health workforce planning and management, including managing the migration of skilled health personnel; retention of health workers and improved performance through better remunerations and use of incentives; and scaling up the education and training of health workers to meet health workforce shortages. The training of multi-skilled health workers capable of providing a range of services in critical areas such as pharmacy, radiography, and laboratory services was also being explored as a strategy to ensure appropriate skill mix in health settings.

With this mandate from the Pacific health leaders, WHO convened a meeting of Pacific island countries and development partners to consider ways to support the development of human resources for health. The informal consultation resolved to establish a Pacific Human Resource for Health Alliance (PHRHA) that will promote effective partnerships and coordinated approaches for human resource for health (HRH) development in the Pacific.

2. OBJECTIVES

The goal of the PHRHA is to strengthen the HRH capacity in Pacific island countries to improve the quality of health services. The objectives of the PHRHA are to:

1. Advocate for HRH in the Pacific and facilitate effective partnerships and coordinated approaches
2. Serve as the HRH information hub for Pacific island countries and areas, monitor workforce trends and strengthen national HRH data and information systems
3. Support knowledge generation, management and sharing
4. Facilitate HRH capacity building to improve the quality of training institutions and networking
5. Support HRH policy and strategy development, leadership, and management in Pacific island countries and areas.

The priorities for the PHRHA include advocacy for intensified efforts and investments in the development and management of human resources for health, harmonizing the contributions of development partners and donors to ensure well targeted, effective and efficient use of resources and, most importantly, better cooperation and sharing of ideas and resources among the Pacific island countries and areas.

It was agreed that WHO will serve as an interim secretariat for the PHRHA to facilitate its establishment and commencement of work. In its role as interim Secretariat, WHO commenced consultation with the Pacific island countries and development partners concerning the Terms of Reference for the PHRHA and its Plan of Work. The draft PHRHA ToR (attached) identifies a set of functions for the PHRHA and its Secretariat, a set of principles and values that will underpin its operation and preliminary details concerning its management and administration.

WHO has committed staff members in its South Pacific Representative's office to serve as Secretariat to the PHRHA and provided funding for the initial informal consultation that took place in Suva in December 2007.

The informal consultation requested WHO, as the interim PHRHA Secretariat to facilitate the development of Terms of Reference and Plan of work for the PHRHA through consultation with member countries and development partners and to promote active involvement and cooperation of all its members in attaining its goals.

2.1 Scope of Work

AusAID is requested to provide financial support to enable the establishment of the PHRHA and the implementation of its work plan over the next four years (2008-11). The work plan for 2008 is as follows.

- **During the period March to May 2008, WHO Secretariat will visit member countries in order;**
 1. To further refine the TOR and Plan of work for PHRHA through briefing and discussions with HRH focal points, development partners and relevant stakeholders such as, professional associations and training institutions.
 2. To elicit the guidance of the Permanent Secretaries /Chief Executive Officers of Health and other senior officials in these countries concerning the PHRHA and to promote their active involvement in shaping its strategic directions and operational agenda.

3. To verify country priorities for the agenda of Technical Working Groups (TWG) and to explore the availability and willingness of nominated resource people to contribute to the work of TWG
4. To identify or establish appropriate mechanism at country level to engage key stakeholders, including both government and nongovernmental organisations / agencies and professional bodies in the activities of PHRHA.

Estimated Funding Required: 2008 US\$ 50,000

- **Commencing June 2008, recruit a Programme Manager (International Staff) and a Program Assistant (SSA) to support WHO Secretariat in the logistic arrangements and follow up of the meeting of Country Focal Points and the TWG and other secretarial duties such as making arrangements for short term consultants and assisting in preparation and dissemination of resource documents.**

Estimated Funding required annually: US\$ 170,000 and US\$ 35,000

- **During June 2008, WHO will convene a meeting of country focal points and development partners in order:**
 1. To refine and endorse the direction of the draft PHRHA work plan, and develop a simple monitoring and evaluation framework for the PHRHA
 2. To promote Pacific island countries and areas' commitment and capacity to provide leadership for strengthening the HRH capacity in the Pacific region
 3. To formulate and assign responsibilities for the operation of the TWG.
 4. To mobilize required technical and funding support.

Estimated Funding required: 2008 US\$ 100,000

- **Commencing October 2008 WHO will convene the Governance Board and support the work of a number of TWG made up of PHRHA members that will be invited to review the current situation and make recommendations for the development of five and ten year costed plans in agreed priority areas such as:**
 1. Recruitment and retention of skilled health workers,
 2. Multi-skilling of health workers,
 3. Up-scaling and strengthening the capacity of training institutions,
 4. Strengthening on line learning through the Pacific Open Learning Network (POLHN)
 5. Establishment of HRH data base and dissemination of information concerning key areas, such as, job vacancies and migration trends across the region of skilled health workers

Estimated Funding required: 2008 US\$ 101,000 (including US\$ 57,500 for meetings and US\$ 43,500 for three months Short Term Consultants to support TWG)

- **During October 2008 provide support for HRH strategy development at country level**, including situational analysis and review of workforce plans implementation in PIC in the Northern and Southern areas of the Pacific

Estimated Funding required: 2008 US\$ 60,000

- **Commencing June 2008 provide support for developing a plan to strengthen nurse training in the region and for phase 2 of the Enhancing and Standardizing Regional Training Programmes in Nursing Mapping Exercise**, including staff development , curriculum review, development of quality standards and development of operational plans for up scaling production of skilled health workers.

Estimate Funding yet to be determined

The Work Plan for out-years (2009-2011) will be determined in consultation with PHRHA members, including Pacific Island Country representatives. The budget at Annex B is based on figures for 2008 implementation, and is indicative only. The forward budget will be submitted by WHO in November each year, and agreed to by AusAID.

2.2 Outputs

The funding described for the PHRHA is expected to yield the following outputs

1. Management /Administrative structure for the PHRHA

A possible management /administrative structure for the PHRHA will involve the creation of a Steering /Advisory Group. Details of the composition and Terms of Reference for the group will be worked out with PICs in the June 2008 consultation meeting. It would potentially include 3 country representatives (rotated biannually), one representative from the Fiji School of Medicine, one representative from Nursing, 2 representatives from health partners, and one representative from the World Health Organization.

2. Five and Ten Year Plans of Work

Detailed five year and ten year plan of work will be developed reflecting a coordinated approach to improving HRH in the region. The plans will include a determination of HRH priorities, an implementation plan to achieve outcomes necessary to have a positive impact on HRH and a financial plan to achieve these results. These plans of work will be the result of extensive consultations with countries and partners.

3. Reports and proposed strategic directions and plans to the Health Ministers of Pacific island countries

Detailed reports of PHRHA activities and proposed changes in TOR, strategic directions and plans will be submitted for clearance by the Steering /Advisory Group and approval by the Ministers of Health of member countries such as during their biennial meetings convened by WHO and SPC or by official communication /correspondence.

3. MONITORING AND EVALUATION

WHO will monitor progress in meeting the objectives of this proposal. WHO has an established project management system for reporting, monitoring and evaluating projects. The activities under this proposal will be included under WHO's Strategic Objective 10 to improve health services through better governance, financing, staffing and management informed by reliable and accessible evidence and research. Reporting on progress is required every six months. A simple monitoring and evaluation framework will be developed as an output of the 2008 Annual Work Plan, and will measure the effectiveness of the Alliance and the Secretariat in achieving the proposal's objectives.

WHO has well established procedures for tracking expenditures against planned activities and budgets. These procedures prevent spending on non-project activities. In addition to the budget oversight provided by the Western Pacific Regional Office of WHO, the planned activities will also be managed and monitored by the WHO Representative South Pacific office.

4. RISK

A major risk to the implementation of this proposal is the need for active participation of senior levels of leadership in the Ministries of Health, Ministries of Finance and Public Service Commissions in the region. Senior management are often preoccupied with dealing with crises in providing health services and have difficulty finding the time to devote to long term planning in HRH.

Communication with leaders and focal points in the countries is essential to minimize this risk and ensure activities are implemented on schedule. Communication strategies include frequent country visits, phone discussions, email contact, and the creation of online discussion forums to further the work of the Alliance.

The interim secretariat has already visited the countries involved in the establishment of the PHRHA to further engage senior officials. Staff in the WHO South Pacific Office regularly travel to the individual countries and will be tasked with following up with HRH focal points and senior leaders on regional and country activities during their visits. These visits will be supported by frequent phone discussions, email listserves and online discussion forums.

There is a clear need for better coordination of funding and planned activities addressing HRH issues in Pacific island countries and areas. WHO is committed to continuing to focus on working in collaboration with governments and other partners in mobilizing collective action towards improving HRH capacity and responsiveness.

There is the potential for lack of support from Ministries of Health and Finance and Public Service Commissions. By convening a meeting of permanent secretaries in Ministries of Health and engaging permanent secretaries of Finance and senior management in the Public Service Commission, the Interim Secretariat will seek to minimize this risk.

5. GENDER ISSUES

Gender issues associated with the workforce involve a tendency for women to predominate in the nursing and allied health professions while the medical professions are mainly comprised of men. Gender also influences health workforce recruitment, migration and retention. While women usually represent a majority in the nursing and midwifery professions, they typically

have lower status, lower salaries and fewer leadership opportunities than male physicians or administrators. The activities under this proposal will monitor trends on gender in the health workforce and advocate for increased number of women at high levels of management and responsibility.

Annex B – Indicative Program Budget

	2008 (In US\$)	2009 (In US\$)	2010 (In US\$)	2011 (In US\$)	Total (In US\$)
Undertake country visits	50,000	30,000	30,000	30,000	140,000
Employ a Programme Manager (P-4, ICP country -based, International Staff) (50%) and a Program Assistant (SSA) to support Secretariat	90,000 17,500	90,000 35,000	90,000 35,000	90,000 35,000	360,000 122,500
Convene a meeting of country focal points	100,000		103,500		203,500
Convene and support the work of the Steering Committee and Technical Working Groups	101,000	100,000	70,000	100,000	371,000
Provide support for HRH strategy development at country level	60,000	73,500		73,500	207,000
Sub-Total	US\$ 418,500	US\$ 328,500	US\$ 328,500	US\$ 328,500	1,404,000
WHO Administrative Fee 13%	54,405	42,705	42,705	42,705	182,520
Total	US\$ 472,905	US\$ 371,205	US\$ 371,205	US\$ 371,205	US\$ 1,586,520

Annex C – Proposed Payment Schedule

<i>Milestone No.</i>	<i>Milestone Description</i>	<i>Verifiable Indicators</i>	<i>Date</i>	<i>Up to Amount USD</i>
1.	Signing of the Donor Arrangement	Signed Donor Arrangement	Upon signing of The Donor Arrangement	472,905
2.	Annual Report to PHRHA on work of the Secretariat for 2008 (including Work Plan and Budget for following year)	Acceptance by AusAID of Annual Report, Work Plan and Budget	30 November 2008	371,205
3.	Annual Report to PHRHA on work of the Secretariat for 2009 (including Work Plan and Budget for following year)	Acceptance by AusAID of Annual Report, Work Plan and Budget	30 November 2009	371,205
4.	Annual Report to PHRHA on work of the Secretariat for 2010 (including Work Plan and Budget for following year)*	Acceptance by AusAID of Annual Report, Work Plan and Budget	30 November 2010	371,205
TOTAL				1,586,520

* A report on the PHRHA Secretariat's work for the first half of 2011 should be submitted to AusAID by 15 June 2011. There is no payment attached to this report.