



**Australian Government**  
**AusAID**



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**PARTNERSHIP FRAMEWORK**

**BETWEEN**

**THE GOVERNMENT OF AUSTRALIA**  
**(Represented by the Australian Agency for International Development -**  
**AusAID)**

**AND**

**THE WORLD HEALTH ORGANIZATION**  
**(WHO)**  
**2009-2013**

<b>Guiding Principles</b>	<b>I</b>
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The Australian Agency for International Development (AusAID), as representative of the Government of Australia, and the World Health Organization (WHO), as the parties to this Framework, intend to continue their development cooperation in a more strategic and comprehensive manner based on the principles set out in this Partnership Framework.

1. The parties mutually acknowledge their commitment to:
  - (a) attainment by all peoples of the highest possible level of health
  - (b) the health Millennium Development Goals (MDGs)
  - (c) the *Paris Declaration on Aid Effectiveness*, the *Accra Agenda for Action* and the *International Health Partnership* and related global health initiatives
  - (d) the overarching health priorities expressed in each agency's key health policies
  - (e) supporting the UN reform agenda, with a particular focus on taking forward internal management reforms including the introduction of Results Based Management in WHO
  - (f) strengthening joint action, based on the comparative advantages of each organisation, and developing more innovative ways of programming at the global, regional and country levels
  - (g) monitoring and evaluating the overall outcomes to which we have contributed
  - (h) sharing lessons learned in health to strengthen the quality and effectiveness of joint and separate activities.

<b>Shared Objectives</b>	<b>II</b>
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2. AusAID has identified WHO as a key global partner in achieving the overarching objective of improving health outcomes, particularly in the Asia-Pacific region. AusAID recognises WHO as the global norms and standards setting agency for health. AusAID further values the lead role played by WHO in global health partnerships to give greater effect to implementation of the *Paris Declaration on Aid Effectiveness* and the *Accra Agenda for Action* at the country level.
3. WHO recognises and values AusAID's particular interests and expertise in the Asia-Pacific region as well as its commitment to achievement of the MDGs and improved aid effectiveness.
4. AusAID supports WHO's *Medium-term strategic plan (MTSP) 2008-2013*. Key areas for mutual collaboration are set out in Table 1 below:

**Table 1: Key areas for mutual collaboration between WHO and AusAID**

<b>WHO: Strategic Objectives (SO) and/or Organisation - Wide Expected Results reflected in WHO <i>Medium-term strategic plan (MTSP) 2008-2013</i></b>	<b>AusAID policy priorities</b>
<p>SO 10: To improve health services through better governance, financing, staffing and management, informed by reliable and accessible evidence and research.</p> <p>SO 11: To ensure improved access, quality and use of medical products and technologies.</p>	<p>Strengthening health system fundamentals that have an impact on service delivery.</p>
<p>SO 4: To reduce morbidity and mortality and improve health during key stages of life, including pregnancy, childbirth, the neonatal period, childhood and adolescence, and improve sexual and reproductive health and promote active and healthy ageing for individuals.</p>	<p>Addressing the priority health needs of women and children.</p>
<p>SO 1: To reduce the health, social and economic burden of communicable diseases</p> <p>SO 2: To Combat HIV/AIDS, tuberculosis and malaria.</p>	<p>Ensuring systems can reduce regional vulnerability to HIV, tuberculosis, malaria and emerging infectious diseases.</p>
<p>SO 5: To reduce the health consequences of emergencies, disasters, crises and conflicts and minimise their social and economic impact.</p>	<p>Reducing the health consequences of emergencies, disasters, crises and conflicts and minimising their social and economic impacts</p>
<p>A range of strategic objectives that will vary according to the country context.</p>	<p>Supporting country-specific priorities to address high-burden health problems.</p>

5. Key areas for joint collaboration aimed at achieving results will include:
- (a) strengthening health systems and simplifying the broader health aid architecture (this includes improving inter-regional coordination and cooperation with multilateral and other donor/development agencies, particularly in the Asia-Pacific region)
  - (b) improving regional health indicators in the Asia-Pacific region – in particular those linked to MDGs 4, 5 and 6
  - (c) identifying and addressing emerging regional health issues.

6. These shared objectives will be achieved by:
- (a) a commitment by AusAID to provide WHO with a multi-year core financial contribution, in a flexible and predictable manner
  - (b) additional funding for WHO to specifically support the country work of WHO Western Pacific (WPRO) and South East Asia Regional Offices (SEARO) in line with the above MTSP Strategic Objectives
  - (c) strengthened regular policy dialogue between AusAID and WHO at the Headquarters level and with the Western Pacific and South East Asia Regional Offices
  - (d) enhanced collaboration at all levels, especially at the WPRO and SEARO regional level and at the country level.

<b>Consultations</b>	<b>III</b>
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7. AusAID, WHO Headquarters, and WHO's South East Asia Regional Office (SEARO) and Western Pacific Regional Office (WPRO) will hold annual consultations, at a date and place to be mutually agreed, to discuss strategies and policies relevant to our shared interests and to track performance, consistent with the shared objectives outlined in Section II above.
8. The consultations will include AusAID and WHO identifying and sharing information about opportunities for building public awareness and understanding of the AusAID and WHO relationship and related work including, where appropriate, acknowledging contributions to development issues, particularly in relation to aid effectiveness in the health sector, health system strengthening and the MDGs. From this an annual plan of awareness raising opportunities and activities will be developed, implemented and reviewed the following year

<b>Duration</b>	<b>IV</b>
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9. The Partnership Framework will be in force for a period of five (5) years, commencing in 2009.
10. This Partnership Framework will come into effect upon the date of the last signature of the two original copies. It will be automatically extended on an annual basis unless terminated by one of the parties.

<b>Financial Contribution</b>	<b>V</b>
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11. The Australian Government is committed to continue increasing official development assistance (ODA) so that it reaches the funding target of 0.5 per cent of gross national income (GNI) by 2015. It is also committed to supporting WHO to enhance its global presence to achieve the overarching objective of improving health outcomes and to increasingly serve the needs of vulnerable groups, especially in underserved countries.
12. The Australian Government, through AusAID, is committed to the provision of core funding to its main partners within the United Nations system, including WHO, in a predictable and flexible manner. Therefore, subject to Australian Government annual budget appropriations, and continued satisfactory performance by WHO, AusAID shall provide an annual core contribution to WHO for the period of the Partnership Framework in a timely manner as set out in Table 2 below.

**Table 2: AusAID annual core contribution to WHO: 2009-2012**

<b>Year</b>	<b>Annual Contribution</b>
<b>2009</b>	AUD 10,000,000
<b>2010</b>	AUD 13,000,000
<b>2011</b>	AUD 18,000,000
<b>2012</b>	AUD 23,000,000
<b>2013</b>	AUD23,000,000 <sup>1</sup>

13. Additional AusAID support may be provided to address elements of “*WHO's MTSP 2008-2013*” and WHO's biennial Program Budgets for the Asia-Pacific that are consistent with Australian policy priorities for development assistance in health.
14. Throughout the period of the Partnership Framework AusAID may also provide additional funding for specific initiatives, as agreed on a case by case basis between AusAID and WHO.
15. This Partnership Framework applies to all AusAID voluntary contributions unless otherwise indicated by AusAID, and accordingly sets out all terms and conditions applicable to such contributions. The terms and conditions for initiative specific funding are at Attachment A. The Partnership Framework does not apply to the assessed contributions to WHO.

<b>Exchange of Letters and Administrative Provision of Resources</b>	<b>VI</b>
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16. The funding mechanism for annual core funding will be by an annual Exchange of Letters. Such Letters will be consistent with the shared objectives outlined in Section II above as well as by WHO's annual programming and activity documentation as appropriate. The Letters may specify any AusAID priorities from WHO's work program.
17. WHO will record receipt of Australia's annual core contribution as income and will administer the contribution and the activities financed in accordance with its applicable financial rules, regulations, practices and procedures. WHO will ensure that the contribution is recorded in its accounts and reported, together with all other core contributions.
18. The contribution will be subject to the internal and external auditing procedures provided for in WHO's Financial Rules and Regulations. The External Auditors' certification of accounts and audit report is made available to the World Health Assembly on a biannual basis. WHO will provide a copy to AusAID.

<sup>1</sup> The funding allocation for the 2013 Annual Contribution is indicative only at this stage. AusAID will provide WHO further advice on funding levels beyond 2012 closer to the date.

19. Payment over the term of this Partnership Framework will, as far as possible, be made in the first quarter of the calendar year, commencing 2009. Payment will be made to the following account:

**For payment in US Dollars**

World Health Organization

A/c No. 240 – C0169920.3

UBS AG

C.P. 2600

CH 1211 Geneva 2

Switzerland

(SWIFT – UBSWCHZH 12A)

**IBAN: CH31 0024 0240 C0169920 3**

20. The funding mechanism for initiative-specific funding will be by Exchange of Letters. Each Exchange of Letters will include as an attachment WHO's funding proposal. An Exchange of Letters may contain terms and conditions specific to that funding, however, in the absence of specific terms and conditions, the terms and conditions at Attachment A will apply.

**Reporting and Review**

**VII**

21. In regard to measuring the performance of WHO and its programs, under this Partnership Framework AusAID will rely principally on WHO's own monitoring and evaluation systems. These include standard WHO mid-term and end of biennium performance assessment reports, as well as the Director General's Annual Report to the World Health Assembly, the organisation-wide mid-term review, Program Budget performance, data on strategic-objective indicators, and periodic evaluation of WHO's programs and the General Program of Work.
22. WHO and AusAID will consider Australian participation in any evaluations or mid – term reviews of work program areas supported by Australia.
23. Achievements and progress against the objectives of this Partnership Framework will be measured through regular dialogue, in particular through annual high level bilateral discussions between AusAID and WHO at a mutually agreed time and place.
24. Australia's monitoring of WHO's performance will also be informed by AusAID's Quality at Implementation Reports which will capture performance feedback from AusAID's country, regional and global offices.

**GENERAL PROVISIONS**

**VIII**

25. Consistent with UN Security Council Resolutions relating to terrorism, including UNSC Resolution 1267 (1999) and 1373 (2001), both Australia and WHO are committed to the international fight against terrorism and, in particular, against the financing of terrorism. It is the policy of Australia 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 none of Australia's funds provided under this Framework arrangement are used to provide support to individual or entities associated with terrorism. If, during the course of this Framework arrangement, WHO discovers a link with any organisation or individual associated with terrorism WHO will immediately inform Australia.

<b>Amendment</b>
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<b>IX</b>
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26. This Partnership Framework may be modified in writing with the consent of AusAID and WHO through an Exchange of Letters.

<b>Dispute Resolution</b>
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<b>X</b>
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27. Any disputes arising over the interpretation or application of this Partnership Framework will be resolved through mutual discussion and conciliation. This Partnership Framework is not an international treaty. It is an administrative arrangement between the Government of Australia (represented by AusAID) and the World Health Organization (WHO), called a Partnership Framework.

<b>Termination</b>
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<b>XI</b>
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28. This Partnership Framework will terminate by mutual agreement between the parties subject to written notice given three months in advance. Any Exchange of Letters put in place prior to the termination of this Framework arrangement will remain in effect on the terms set forth in the Framework, unless terminated separately, subject to the full settlement of any outstanding obligations.

<b>Attachments</b>
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<b>XII</b>
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29. The following attachment forms part of this Framework:

Attachment A:

Exchange of Letters – Terms and Conditions

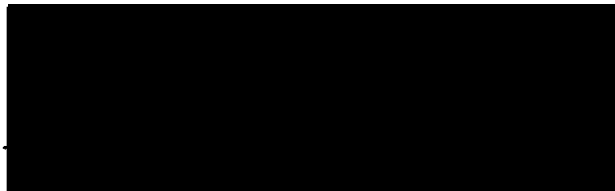
Signed in duplicate in Geneva, Switzerland on the 3<sup>rd</sup> day of March, 2009

For the Australian Agency for International Development

Name: The Honorable Mr Bob McMullan MP

Australian Parliamentary Secretary for International Development Assistance

Signature:.....

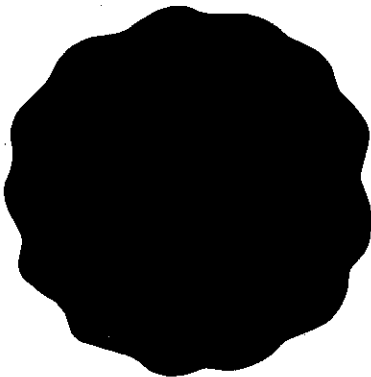
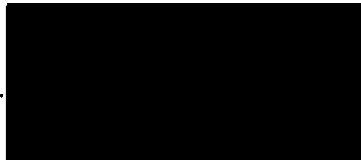


For the World Health Organization

Name: Dr Margaret Chan

Director General, World Health Organization

Signature:.....





## **ATTACHMENT A**

### **Exchange of Letters - Terms and Conditions**

In accordance with the Partnership Framework between WHO and AusAID, these Terms and Conditions will apply to any funding for specific activities between AusAID and WHO except where excluded or amended in an Exchange of Letters for an Activity.

#### **I The Contribution**

1. Funds for activities shall be transferred by AusAID to WHO within 30 days of signature of an Exchange of Letters.
2. The bank account used will be in the name of WHO. WHO will immediately acknowledge in writing to AusAID receipt of the funds.
3. If the contribution is to be paid in installments, the amount and date of each installment payment will be set out in the Exchange of Letters.

#### **II Utilisation of the Contribution**

1. WHO shall use the contribution for the purpose outlined in the Letter of Request of the individual Activity document submitted by WHO to AusAID. Prior to receiving subsequent installments of the contribution, WHO will provide a statement indicating the proportion of the previous instalment that has been expended in accordance with these Terms and Conditions.
2. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), WHO shall submit to AusAID in a timely manner a supplementary estimate showing the further financing necessary. AusAID shall use its best endeavors to obtain the additional funds required.
3. If a payment referred to in an Exchange of Letters is not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph 2 above is not forthcoming from AusAID or other sources, the assistance to be provided to the Activity under an Exchange of Letters may be reduced, suspended or terminated by WHO after written notification to AusAID.
4. Any interest income attributable to the contribution shall be credited to WHO Account and shall be utilised in accordance with established WHO financial rules and regulations.
5. In accordance with its rules, regulations and procedures WHO shall, where feasible, endeavor to maximize opportunities for building the identity of the Activity as Australian Government-funded (e.g., through appropriate references in Activity-related documentation and public information about the Activity).
6. WHO shall obtain written approval from AusAID prior to any substantive changes in the Activity or expenditure of the Organization for which the Funds are to be utilised.
7. WHO shall grant AusAID (or its representatives) access to activity site(s) subject to the full concurrence of partner government. AusAID shall give WHO reasonable notice prior to commencement of such a visit.

### **III Administration and Financial Reporting**

1. Activity management and expenditures shall be governed by the regulations, rules and directives of WHO.
2. Activity management shall be in accordance with WHO policies and practices in relation to anti-corruption and prevention, detection, and investigation of fraud and recovery of funds subject to fraud.
3. Unless otherwise provided for in an Exchange of Letters, WHO shall provide AusAID with performance reports referred to in Section V paragraph 20 of the Partnership Framework and annual financial statements of account showing the use of the contribution. The financial statements should cover the calendar year in which contribution funds are expended, and will be forwarded to AusAID within six months of closure of accounts for that year. The performance reports should be forwarded to AusAID within 60 days of publication. WHO will provide AusAID with a final statement of account showing the use of the contribution within six months of closure of accounts for the year in which the Activity is completed.
4. Financial statements shall be subject to the internal and external auditing procedures laid down in the rules and regulations applicable to WHO.
5. The financial certified statements and narrative reports for the biennium 2008-2009 will be based on the expenditure of pooled contributions by Strategic Objectives for contributions earmarked at Strategic Objective level (highly flexible). The format as stated in the 'Illustrative Outline for six-monthly CVC-Account reports' will be used (Annex I).
6. The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of WHO. Should WHO auditing processes reveal irregularities relevant to the contribution, such information shall be made available to AusAID.

### **IV. Monitoring and Evaluation**

1. Wherever possible, AusAID will accept standard WHO reporting for monitoring and evaluation purposes. An Exchange of Letters will identify what (if any) specific additional reporting may be required.
2. The content of reports shall be specified in each Exchange of Letters and may include:
  - a brief summary of the major achievements in the period
  - copies of any Impact Study Reports undertaken in the previous year
  - minutes of Activity coordination meetings held during the reporting period
  - updated monitoring frameworks.
3. In addition to the formal reporting requirements set out in these Terms and Conditions, WHO shall keep AusAID informed of progress, challenges and key issues for the Activity as they arise, through contact with the person named in the Exchange of Letters.
4. WHO shall give AusAID prior notice in writing if it proposes to make any significant changes to the Activity. If AusAID believes such proposed changes would significantly impair the development value of the Activity, AusAID and WHO shall consult on measures to address AusAID's concerns. In the event such changes are implemented without AusAID's consent, AusAID reserves the right to modify or terminate its financial contribution to the Activity, subject to the settlement from AusAID funds of all those of the Activity's outstanding obligations which have been necessarily and reasonably incurred by WHO and which are properly chargeable to AusAID; in accordance with the specified AusAID contribution.

5. WHO shall inform AusAID in a timely manner concerning the opportunity to participate in periodic multi-donor reviews and evaluations as appropriate. If relevant joint reviews are not possible, AusAID may reserve funds to field a technical advisory group to provide independent verification that the Activity is progressing satisfactorily towards its objectives and that WHO is satisfying the requirements on which AusAID payments are based. WHO is responsible for addressing any performance deficiencies that emerge from multi-donor reviews, technical group monitoring, or monitoring by normal means, and to remedy them in a pro-active manner. WHO shall cooperate fully with multi-donor or advisory group member(s) by providing all documentation reasonably requested and setting aside time to discuss issues and demonstrate progress.

**V Completion of the Activity**

1. WHO shall notify AusAID when an Activity has been completed.
2. Notwithstanding the completion of an Activity, WHO shall continue to hold undisbursed funds until all commitments and liabilities incurred, prior to the date of receipt of the notice, in the execution/implementation of the Activity have been satisfied and the Activity is brought to an orderly conclusion.
3. If the unutilised funds prove insufficient to meet such commitments and liabilities, WHO shall notify AusAID and consult AusAID on the manner in which such commitments and liabilities may be satisfied.
4. Any payments that remain unexpended after such commitments and liabilities have been satisfied shall be refunded to AusAID or may be used by WHO as agreed in writing with AusAID.

**VI Termination of an Exchange of Letters**

1. An Exchange of Letters shall terminate by mutual agreement between the parties subject to written notice given three months in advance. Any Exchange of Letters put in place prior to the termination of the Partnership Framework will remain in force on the terms set forth in that Exchange of Letters, unless terminated separately, subject to the full settlement of any outstanding obligations.
2. Notwithstanding termination of all or part of an Exchange of Letters, WHO shall continue to hold unutilised payments until all commitments and liabilities incurred, prior to the date of receipt of notice, in the execution/implementation of all or part of the Activity, for which the Exchange of Letters has been terminated, have been satisfied and the Activity brought to an orderly conclusion.
3. Any payments that remain unexpended after such commitments and liabilities have been satisfied shall be returned to AusAID or may be used by WHO as agreed in writing with AusAID.

**VII Amendment of an Exchange of Letters**

1. An Exchange of Letters may be amended through a further exchange of letters between AusAID and WHO.

**VIII Resolution of disputes**

1. Any dispute arising between WHO and AusAID over the interpretation or application of an Exchange of Letters shall be resolved through mutual discussion and conciliation.