

CLOSING THE FUNDING GAP FOR FCTC IMPLEMENTATION AT THE GLOBAL AND NATIONAL LEVEL



SPEAKERS



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FRAMEWORK CONVENTION
ALLIANCE

Estimating the global financing gap for FCTC implementation

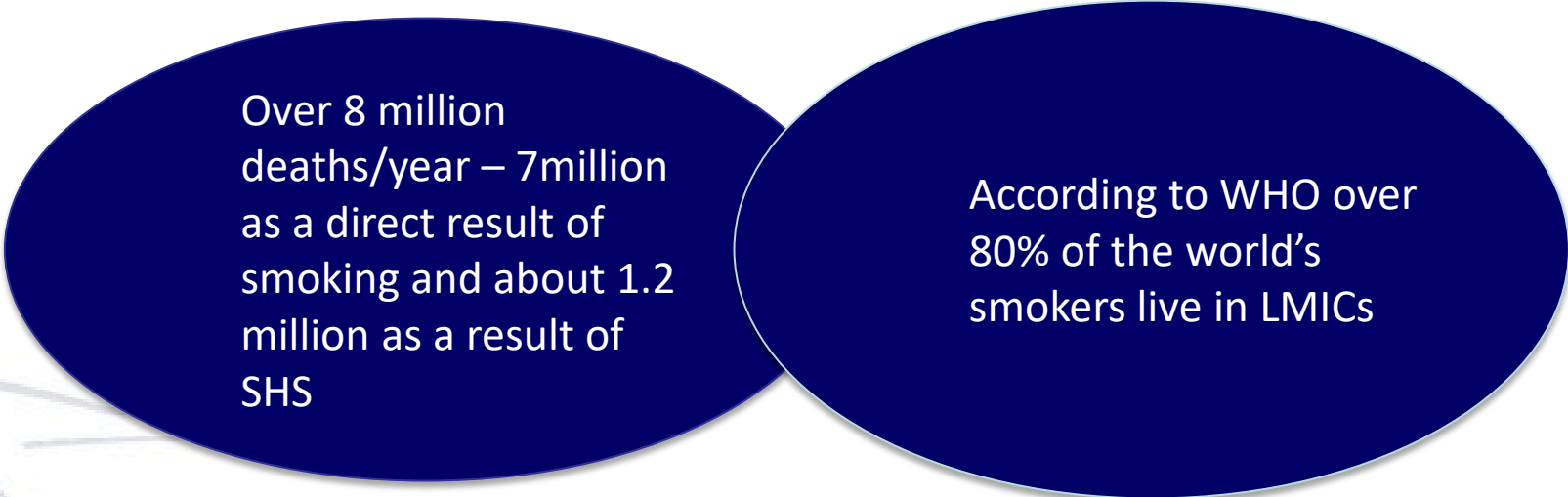
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for Tobacco Control*

Still a long way to go

Tobacco use is still the leading global preventable cause of death

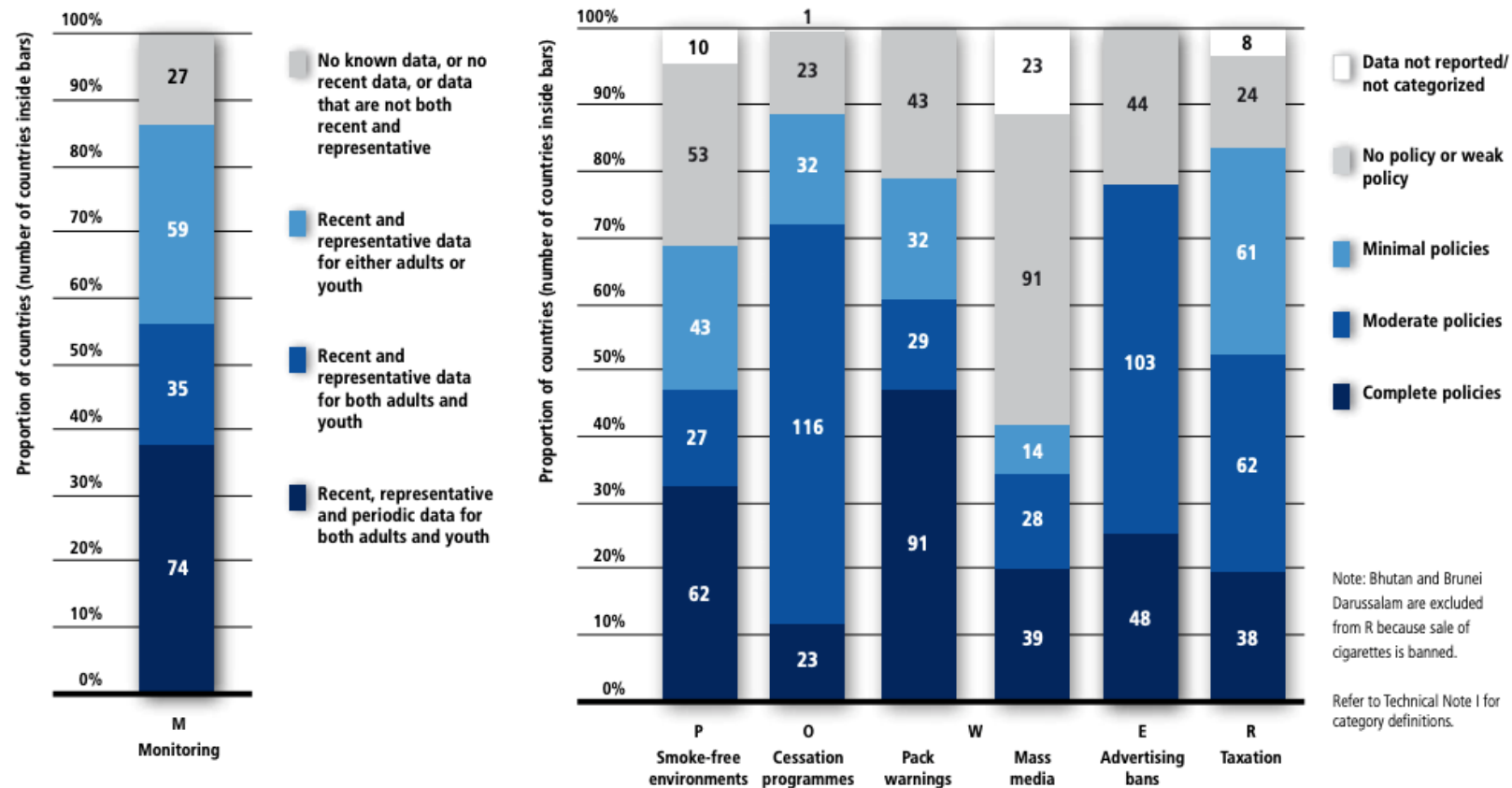
15 years since the WHO FCTC entered into force, but large gaps remain within and between regions



Over 8 million deaths/year – 7million as a direct result of smoking and about 1.2 million as a result of SHS

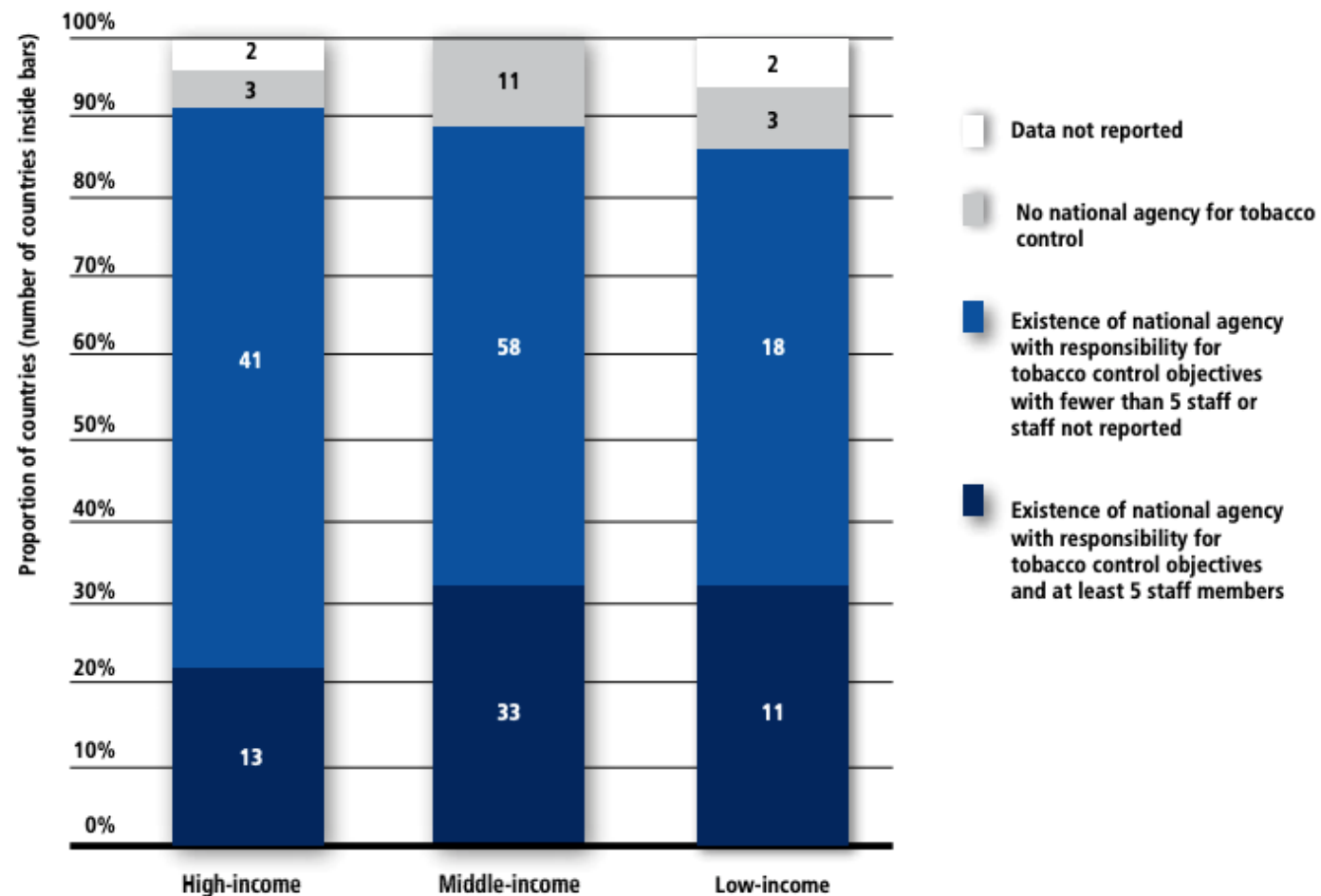
According to WHO over 80% of the world's smokers live in LMICs

THE STATE OF SELECTED TOBACCO CONTROL POLICIES IN THE WORLD, 2018



Source: WHO Report on the Global Tobacco Epidemic, 2019

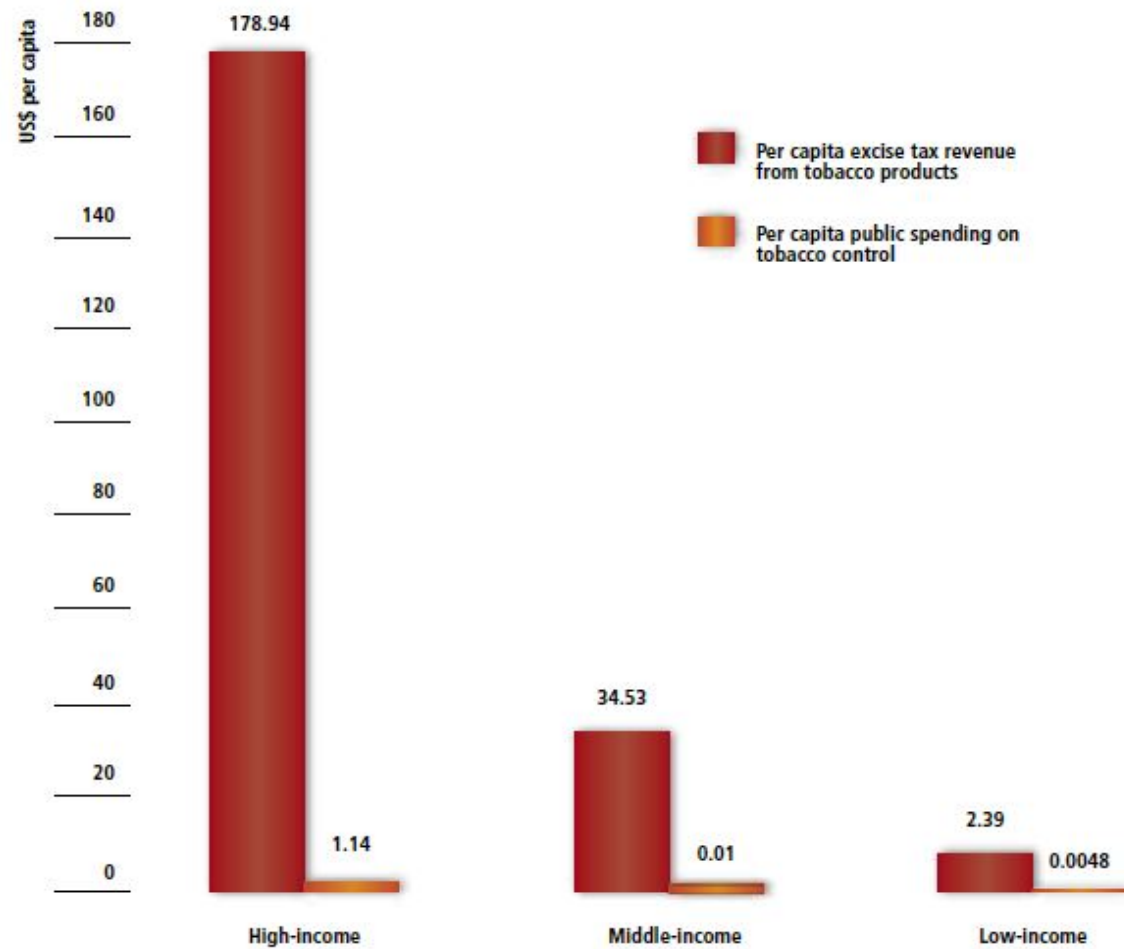
NATIONAL TOBACCO CONTROL PROGRAMMES



What is holding back progress?

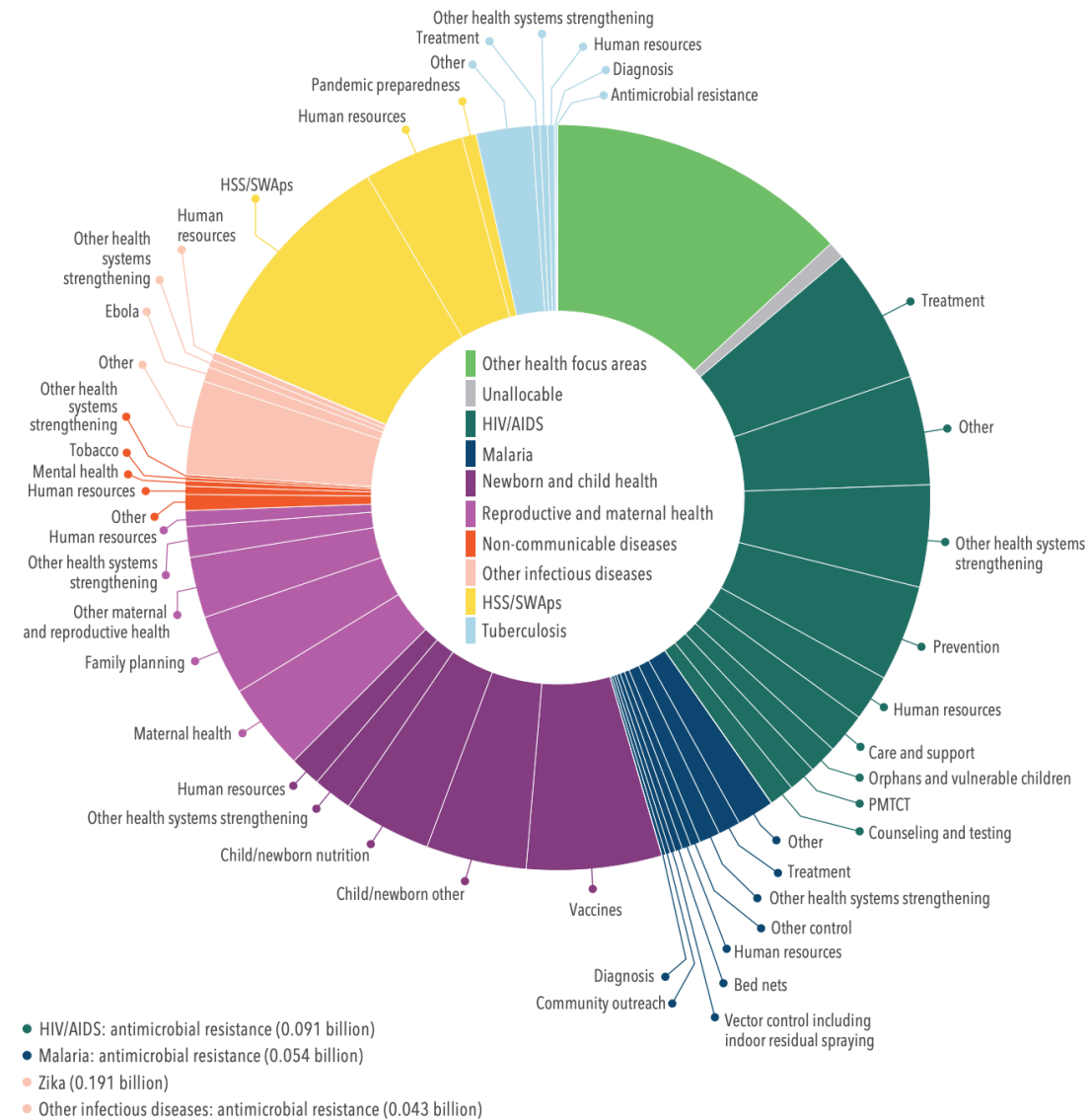
- Global evidence review for the FCTC Impact Assessment exercise (Chung-Hall *et al*, 2018) found that a **lack of financial support** is a **major obstacle to progress**
- Also echoed in the findings of the Working Group on Sustainable Measures (COP7) and Global Strategy to Accelerate Tobacco Control

TOBACCO CONTROL IS UNDERFUNDED



Source: WHO, 2017 Report on the Global Tobacco Epidemic

FIGURE 18 Development assistance for health by health focus area and program area, 2000-2019*



Source: IHME, Financing Global Health 2019

Estimating the size of the global financing gap for tobacco control

Study undertaken by RTI international for FCA in 2018 (COP8) to better understand:

- Current levels of domestic and international funding for tobacco control
- How much it costs to implement a package of FCTC-compliant tobacco control measures
- Size of the gap between existing and required resources

Methodology

- Sample of 16 representative countries
- Public data used to assess each country's level of implementation of the WHO FCTC
- WHO NCD costing tool used to estimate the costs of implementation (extrapolate from 16 countries for global figure)
- International funding levels assessed using RTI database
- Compared available domestic/int'l funding to estimated costs of implementation = Global funding gap



Photo: <https://www.teodesk.com/blog>

Results

The global tobacco control funding gap is currently estimated at
US\$27.4B

Average annual
cost to begin a
scale-up of
subset of FCTC
policies is
US\$34M

The current
average annual
amount of
domestic funding
for tobacco
control per
country is
US\$15M, ~ half of
what's needed

International
funding
provides only
4% of the
overall
resources that
would be
needed

Implications

Despite significant limitations the study can still provide useful insights:

- First time this kind of study has been done
- Points to the need for:
 - Prioritization of spending on tobacco control domestically
 - Much more ODA for tobacco control, in line with Article 26.3

Implications

With the adoption of the Global Strategy at COP8 in 2018, the FCTC Convention Secretariat mandated to develop an indicator measuring the size of the global funding gap, which might be regularly updated & reported on



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A plan with set priorities, asks, and clearly articulated costs may help to unlock funding

Thank you

Ryan Forrest

Policy and Advocacy Manager
Framework Convention Alliance
for Tobacco Control



Uganda National Health Consumers Organisation
The right to speak out

Influencing national budgetary policies through budget advocacy for tobacco control in Uganda

How can we best do it?
Lessons Learned from Uganda.

Presented at the FCA/ASH Webinar
By Robinah Kaitiritimba – UNHCO Executive Director
Nov 2020



What is Budget Advocacy?

- **Budget advocacy** is a strategic approach to influence governments' budget choices, aimed at achieving clear and specific outcomes—e.g., healthier people, less poverty, or improved governance” - IBP 2020
- **In the context of Uganda**, it means having a proactive engagement of civil society organizations within the government budget process in order for TC to be given financial priority in the national budgetary agenda and to hold the government accountable to the people.

Launching Tobacco Ctrl Budget Advocacy for Uganda

- Given Uganda's Tobacco Control Act was tabled by a private member, rules of parliament denied inclusion of financing measures and taxation, this is a preserve of government, not a mere MP;
- The 2017 Uganda Tobacco Health cost study and 2016 NCDs prevalence survey exposed a funding gap to Tobacco control Act implementation, thus
- Lessons from UNHCO & FCA earmark and increase Taxes on cigarettes campaign, found Uganda lacked sustainable funding models to support implementation, enforcement and dissemination of tobacco control regulation;
- FCA twined Teams in Uganda & Senegal into a Budget advocacy capacity building in Senegal which launched the pilot, Tobacco Budget Advocacy campaign in both countries.



Talabita
VHCC

Kenneth Mwehonge
HEPS

What we learnt in Senegal?

Benefits of investing in tobacco control

Policy	Impact size	Note(s)
Smoking bans in public places	4%	Ban in ALL public places
Advertising bans	10%	Direct & indirect advertising bans
Large graphic health warnings	4%	Covering $\geq 50\%$ of the package
Plain Packaging	0.5-3.8%**	
Mass Media Campaign	3.8%	Sustained, high-frequency national campaign. Aired on TV/radio, and variety of other mediums. Content refreshed often.
Cessation support	5.5-11%	National quit line, NRT and some cessation services cost-covered
Taxation	Elasticity dependent	Range b/n -0.2- 0.5

*Levy et al. The Impact of Implementing Tobacco Control Policies: An Update and Extension of the Tobacco Control Scorecard. Forthcoming. ** Range from experience of Australia (0.5%), and WHO upper estimate of effectiveness

Source: RTI International



Project has **two specific objectives:**

- Build the capacity of civil society actors to understand how decisions about spending on health issues are made.
- Carry out advocacy campaigns aimed at increasing budget allocations for tobacco control plans and programs.

Strategic Alliance Partners

- Civil Society – Advocacy and Lobbying
 - UNHCO
 - UDN
 - HEPS
- Academia – Providing evidence through research to support advocacy
 - Makerere University
- Government – Strategic alliance for buy-in and support
 - Ministry of Health
 - Tobacco Control Committee -



Partners pose for a photo after a meeting

Overview of Activities

- Capacity building for Civil Society Actors on Health Sector Spending Priority Setting
 - Tobacco Tax Advocacy Coalition- Uganda Functionalised
- Conduct a media advocacy campaign to frame tobacco taxation within the context of development
 - **Cigarette Taxation media campaign launched;**
- Build partnership with the NCD community and other influential civil society organisations in Uganda to support tobacco taxation within the context of development
 - **Functional Cigarette Taxation Coalition formed;**
 - **Communications materials and social media campaign was created to raise awareness**



So far the project outcomes are:

- A functional Tobacco Control Budget Advocacy Coalition
- Successful media campaign on tobacco control budget and tax advocacy
- Enhanced civil society actors' budget literacy capacity – they now know where decisions on health financing are made
- Tobacco Control Focal Person has integrated budget in the Budget Framework Paper to be discussed by Parliament
- The Coalition has disseminated key messages to the Directorate of Budget of Parliament and Department of Planning of the Ministry of Health
- The National Development Plan removed Tobacco from the Ministry of Agriculture's Priority List of Cash Crops
- In 2020, taxes on unprocessed tobacco were raised from the 2014 USD 0.2 levy to USD 0.8 levy as a result of the budget and tax advocacy campaign.



Key Challenges/ mitigation measures

- Economists are yet to appreciate the health arguments that slight price increments can create health gains
- Aligning campaign with Tax and Budget cycle of Uganda
- Reinforcing Capacity Building for the Advocates



Lessons learned

- Capacity building sessions including country exchange programs that combine policy, law makers, media and advocates is vital
- Harmonizing Budget advocacy to expand tobacco program Budget allocations with the law reform
- Policy impact studies and reviews must be conducted to inform decisions
- Participation in budget framework papers development processes right from the district level to the national levels must be factored in



Uganda National Health Consumers Organisation

The right to speak out

THANK YOU



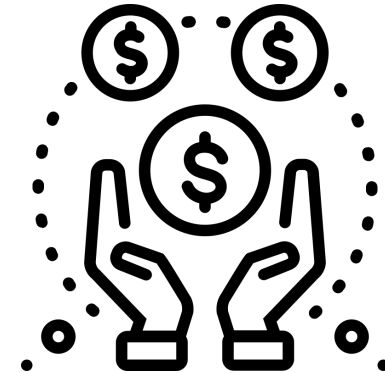


FCTC

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S E C R E T A R I A T

THE WHO FCTC INVESTMENT TRUST FUND



Providing predictable and sustainable income supporting the implementation of the WHO FCTC.

WHY AN INVESTMENT FUND ?

- **Stable and predictable funds** are needed to bridge the gap between the workplan and budget of the WHO FCTC
- **Augments existing funds** received through existing core assessed contributions and extra-budgetary funds.

KEY ELEMENTS OF THE FUND:

How is it structured ?

- **Financial mechanism** of the WHO FCTC; capital assets placed in an investment portfolio managed by the World Bank.
- **Capital investment in the Fund is not accessible**; only the earned interest is available to the WHO FCTC.
- **Parties, and other investors volunteer** to contribute to Fund with interest-free loans for a pre-determined fixed term.
- **Fund will operate in accordance with the provisions of its Governing Instrument** which defines the governing and operational elements of the Fund.

KEY ELEMENTS OF THE FUND:

How will it operate?

- **Co-mingling** of the Fund with other investment portfolios to maximize the rate of return.
- **Prescribed interest rate** set by the WHO FCTC in consultation with the World Bank will establish a rate of return available from the Fund.
- **Surplus will remain in Fund** for use in periods in which the prescribed interest rates were not realized.
- **Capital investments in the Fund are returned**, subject to market fluctuation, to the investors on the maturity of their investment term.

KEY ELEMENTS OF THE FUND:

How are funds applied?

- At the end of the 2-year investment cycle, **World Bank will withdraw earned interest from the Investment Fund** at the prescribed rate, and provide funds to WHO for deposit to WHO FCTC account.
- **Funds will be available for consideration in funding allocations** of workplan and budget of the WHO FCTC and key priorities as defined by the WHO FCTC Global Strategy to Accelerate Tobacco Control 2019-2025.

NEXT STEPS:

- Consultation with Parties
- Presentation of draft Governing Instrument and draft Decision for consideration of the Conference of the Parties
- Deliberations at the ninth session of the Conference of the Parties on the launch of the Fund



FCTC

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S E C R E T A R I A T

Options for sustainable global funding mechanisms for FCTC implementation

Sara Rose Taylor, Senior Research Associate, University of Ottawa

Raphaëlle Faure, International Development Freelance Consultant

Aim of the report & methodology

1. **Review of funding instruments** used for other international issues & assessment of their respective strengths and weaknesses
2. Identifying the **main financing challenges** to fully fund WHO FCTC implementation
3. Considering whether the funding instruments reviewed can provide a **response to the challenges** identified
4. Analysis of governance and financial structures of five pooled funds and **recommendations** for a potential FCTC pooled fund

➤ **Methodology:** *literature review, data analysis and semi-structured interviews with actors active in tobacco control*

1. Funding instruments

	PUBLIC	PRIVATE
INTERNATIONAL	Bilateral donor project aid (grants/loans)	Philanthropic assistance
	Sector budget support	
	Multi-Donor Trust Funds	
	Vertical funds	
DOMESTIC	Domestic public resources	

2. Five major financing challenges to WHO FCTC implementation

❖ Challenges to attract funding for specific activities

1. Lack of implementation capacity
2. Lack of awareness

❖ Challenges with existing funding

3. Lack of predictability and sustainability
4. Lack of strategic focus and prioritisation
5. Lack of policy coherence and coordination

3. Funding instruments and their potential to respond to the financing challenges

Challenges Instruments	Capacity	Awareness	Predictability & sustainability of funding	Focus & prioritisation	Policy coherence & coordination
ODA grants	High	Mixed	Low	Mixed	Mixed
ODA loans	Mixed	Mixed	Mixed	Mixed	Mixed
Sector budget support	High	High	Mixed	Mixed	Low
Multi-donor trust funds	High	High	Mixed	Mixed	High
Vertical funds	Low	High	High	High	Mixed
Philanthropic assistance	Mixed	Mixed	Mixed	Low	Low
Domestic public resources	Mixed	Mixed	High	Mixed	High

4. Pooled funding mechanisms: A closer look

- Diverse case selection strategy with 5 illustrative cases, all under international conventions
 - The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal (hereafter, the Basel Convention)
 - The Convention on Rights of Persons with Disabilities (UNPRPD Fund)
 - The Montreal Protocol on Substances that Deplete the Ozone Layer (hereafter, the Montreal Protocol)
 - The UN Framework Convention on Climate Change (UNFCCC)
 - The World Heritage Convention

Pooled funding mechanisms: Governance & financial structure

- **Purpose of the fund:** what are the resources used for?
- **How the funds are structured and governed:** who makes decisions and how are they made?
- **How the funds are collected and held:** including sources, frequency, and earmarking
- **How the funds are disbursed:** to whom and how?

Recommendations:

Pooled funding mechanism

What it is used to fund	Who makes decisions	Application process	Who holds the fund	How funds are collected	Who pays into the fund	How funds are disbursed
WHO FCTC implementation in developing country Parties	Committee structure, with representation from developing and developed country Parties	Formal call for proposals, requiring in-country consultations	World Bank	Voluntary contributions, with no set amount or frequency	Parties (primarily developed countries), with potential for international, non-governmental, and philanthropic organizations	Provided to Parties and partner organizations

Recommendations:

Domestic public resources

- Increase tobacco tax levels
- Improve coordination between Ministries of Finance and Health and the Treasury to align taxation and budgeting for tobacco control

Next steps for FCA and the global tobacco control community

- Discuss findings with FCA members, other stakeholders in global tobacco control, and experts in the field
- Support further discussion on this topic among Parties in the lead-up to COP9
- Find Parties to champion this issue

Q&A

Stay Involved



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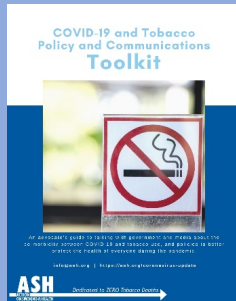
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Recordings from previous webinars and Live Chats
on social media: <https://ash.org/webinars>



Toolkit for Advocates

Talking with government and media about the COVID-19 and tobacco use co-morbidity and policies to protect the health of everyone during the pandemic.

ash.org/covid19

NEXT WEBINAR:

ASH 2020 Town Hall

Tuesday, December 1st
at 2:00pm ET / 11:00am PT

Our 2020 ASH Town Hall is your chance to find out exactly what progress ASH has made this year and learn how we will build on it next year. With your ongoing partnership, we can begin building truly tobacco-free communities by phasing out the sale of commercial tobacco products.

Register: <https://ash.org/2020>



Global action for *everyone's* health.



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