PAN AMERICAN HEALTH ORGANIZATION
WORLD HEALTH ORGANIZATION

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STRATEGY FOR THE FUTURE OF THE PAN AMERICAN CENTERS

Introduction

1. The present document draws together and updates several of the elements related to the individual and collective operation of the Pan American Centers. Its purpose is to provide inputs to the Subcommittee on Planning and Programming of the Executive Committee (SPP) that can help define the criteria to develop and propose a strategy for the future of the Pan American Centers, considering current health conditions, emerging health problems, and the available financial resources, as well as the mandates and resolutions adopted by the Governing Bodies of PAHO.

Background

2. Since the creation of the Institute of Nutrition of Central America and Panama (INCAP) in 1949, the Pan American Centers have been an important element of PAHO technical cooperation, and, as such, have been the object of study and debate by the Governing Bodies for several decades.

3. Each center has its own particular origin, history, and functions and maintains a different relationship with its host country, the countries of a given subregion, and the Region of the Americas as a whole. For a little over five decades, the centers have contributed to the development of the countries' technical and scientific capacity, generally exhibiting the necessary flexibility and continuing capacity to adapt to various emerging needs both in their areas of technical expertise and in the management, administration, and financing of technical cooperation.

4. Over the course of a little more than five decades, the Governing Bodies of PAHO approved the creation of 12 Pan American Centers and the elimination of 4 of them. Furthermore, the Pan American Zoonosis Center (CEPANZO) was eliminated in 1991, and the Pan American Institute for Food Protection and Zoonoses (INPPAZ) was created that same year to replace it.

5. PAHO currently has eight Pan American Centers in seven countries. Three of the centers are subregional (INCAP, CFNI, and CAREC), and five are regional (PANAFTOSA, BIREME, CEPIS, CLAP, INPPAZ), in the following management areas:

CENTER	MANAGEMENT AREA WITH THE PAN AMERICAN SANITARY BUREAU
CAREC	Assistant Director
CFNI	Area of Family and Community Health
CLAP	Area of Family and Community Health
CEPIS	Area of Sustainable Development and Environmental Health
INCAP	Area of Sustainable Development and Environmental Health
BIREME	Area of Information and Knowledge Management
PANAFTOSA	Veterinary Public Health Unit
INPPAZ	Veterinary Public Health Unit

6. The centers' technical cooperation is considered an essential component of regional and/or subregional programs and combines the formulation of plans and policies, the dissemination of information, the development of methodologies and instruments, training, research, and direct technical cooperation with the Member States.

7. In the early 1990s, the WHO Regional Office for Europe emulated the experience of the Pan American Centers. To date, five centers, known as Geographically Dispersed Offices, are in operation. These are regional offices in five European countries; they have a total of 97 staff members, or 16% of the staff of the WHO Regional Office for Europe (EURO)[1].

[1] Strategy of the WHO Regional Office for Europe with regard to geographically dispersed offices. EUR/RC54/9 26 May 2004

Mandates of the Governing Bodies concerning the Pan American Centers

8. From their inception, the Pan American Centers were conceived as a temporary modality of technical cooperation. In resolution CSP18.R33, recognizing the usefulness of the Multinational Centers in addressing health problems of common interest to various countries, the 18th Pan American Sanitary Conference , held in 1970, resolved:

"1. To approve the following general guidelines for the establishment and operations of multinational centers:

a) For the purpose of these guidelines, a multinational center shall be defined as an institution or center administered by international staff and supported to a significant degree by international funds, which provides services to all the counties of the Region, or a group of them in a particular area.

b) The establishment and operation of multinational centers shall be based on the priorities arising out of the planning of the PAHO/WHO program. Under this system, each country's appraisal of its health problems shall determine the extent and nature of the international assistance that will best serve to support the health programs of the Member States.

c) Where the solution of a country's health problems requires services of a standard and capacity not existing in a country, PAHO/WHO will collaborate with the health authorities with a view to strengthening the national institutions in order to meet the needs of the country but resorting, in cases where this is not possible, to national institutions of other countries with sufficient resources.

d) Where there are no suitable national institutions to deal with problems of common interest, multinational centers will be planned and developed in consultation with the Governments in order to make maximum use of PAHO/WHO assistance.

e) In their own or related fields, multinational centers should support, assist, and supplement the programs of the countries and should promote international cooperation for the solution of common problems.

f) In view of the fact that multinational centers are institutions and are created only when there are no adequate national institutions, international financial assistance is regarded as a long-term obligation. However, each multinational

center should be viewed regularly in planning the program and in the light of its importance in relation to the needs of the participating countries.

g) In planning a multinational center, the Director shall seek financial and other support from extrabudgetary sources in addition to the regular budget. The host Government should provide premises and, as far as its resources permit, also contribute supplies, personnel, and funds. The choice of a location should take into account the resources of the potential host Government as well as any other factors affecting the services rendered to the countries.

h) Proposals for multinational centers shall continue to be submitted as part of the PAHO/WHO program and budget to the Executive Committee and the Directing Council or the Conference for consideration and approval."

9. In 1978, the Pan American Sanitary Conference approved document CSP20/3 on the Pan American Centers. This report makes explicit reference to the enormous potential for cooperation at the international level that the Associated National Centers could assume, pointing out that "in effect, such a center extends the Pan American Center concept with far less burden on the program and budget of PAHO." The cited document proposes a series of recommendations on the (a) standards and conditions and (b) procedural steps for designating Associated National Centers.

10. That same conference adopted Resolution CSP20.R31 on the Pan American Centers, resolving:

"To accept in principle the recommendations concerning: the criteria that distinguish a Center; the procedure for establishing and disestablishing a Center; and the standards and conditions for designation of an Associated National Center.

To direct that any proposal for the establishment, disestablishment, or transfer of any Pan American Center be routinely submitted to the Executive Committee and the Directing Council and be accompanied by a complete study."

11. Subsequently during CE95/11 of 1985 it was mentioned that:

> "An examination of the past resolutions and discussions by the PAHO Governing Bodies indicates that the Pan American Centers were established to provide solutions to health problems of common interest to countries where no suitable national institutions existed. It was not intended that these Centers would become permanent activities of the Organization but should operate as Pan American Centers until such time as the countries and national institutions acquired the technical and institutional capacity for carrying out the corresponding functions. Pan American Centers are justified for fulfilling specific activities when national institutions are not capable of performing them."

12. As per the 31st Meeting of the Directing Council held in 1985, Resolution CD31.R24 resolved to:

1. "Ask the Director to continue to take measures adequate to improve the relation of cost-effectiveness and the efficiency of the Centers in the utilization of the available resources, including the establishment of administrative systems and of personnel new in the Pan American Centers

2. Confirm the long-term goal of the Organization to act in favor of the transfer of the administration of the Centers to the host Governments in the event that the national institutions are capable of maintaining the quality and quantity of the provided services to the Member Countries with the current administration."

13. In 2002, the 36th Session of the Subcommittee on Planning and Programming of the Executive Committee analyzed document SPP36/11 on the background and prevailing situation in the Pan American Centers, including financing, after also having discussed matters that could affect their future. The SPP delegates considered the criteria suggested in 1989 for evaluating the Pan American Centers to be in force and valid. [2] The Director of PASB reported to the SPP on the evaluation of CEPIS that was under way as a milestone that would serve as a precursor for the resumption of the general discussion on the future of the Pan American Centers. Consultants from the Pan American Sanitary Bureau, the United Kingdom's National Audit Office, and the private sector participated in this evaluation.

[2] G. A. O. Alleyne, The Panamerican Centers in the 1990s. PAHO, Health Programs Development Area. 1989.

14. The results of the CEPIS evaluation (CSP20/3) were presented at the 2002 Pan American Sanitary Conference and concluded that CEPIS is a valuable source of technical cooperation and means for exchanging knowledge. Eliminating the center would constitute too great a loss and necessitate arduous efforts to create a new international organization to perform its functions. Nonetheless, CEPIS should modify its current functions to make it more dynamic and carry out more work through institutional networks, with a view to creating a multiplier effect in the technical cooperation it provides.[TN]

Current Situation of the Pan American Centers

15. The current situation of each of the Pan American Centers is summarized below. Annex 1 shows in greater detail the nature of the constitutive agreements for each of the centers, the countries signatory to the agreements, and other co-signatory institutions.

16. **CAREC.** Founded in 1974, the Multilateral Agreement for the Operation of CAREC is in effect until December 2005. At the request of the CARICOM Secretariat and with the financing of the Caribbean Development Bank, the Canadian company Universalia is making an external evaluation of the subregional institutions working in health, studying the efficiency, effectiveness, importance, and financial viability of CAREC, as well as different aspects that affect the Center's performance. The results are being analyzed.

17. **CFNI.** The agreement establishing this center was signed in 1967. To date it has not been modified and remains in effect. At the request of the CARICOM Secretariat and with the financing of the Caribbean Development Bank, the Canadian company Universalia is conducting an external evaluation of the subregional institutions working in health, studying the efficiency, effectiveness, importance, and financial viability of CFNI, as well as different aspects that affect the Center's performance. The results are being analyzed.

18. **CEPIS.** The agreement between PAHO and the Government of Peru establishing the Pan American Center for Sanitary Engineering was signed in 1971 and remains in effect. The Center subsequently became known as the Pan American Center for Sanitary Engineering and Environmental Sciences, although the acronym was not modified. Even though CEPIS has taken on additional functions during its lifetime, the original agreement has not been updated. Based on the evaluation and the recommendations adopted by the Pan American Sanitary Conference and the Managerial Strategy for the Work of the Pan American Sanitary Bureau in the Period 2003-2007, CEPIS is in the

[TN]: This quotation is not an exact citation, as the original English version of this document was not available.

process of transition to operate as a decentralized unit of the Sustainable Development and Environmental Health Area (SDE), applying an integrated approach in managing basic sanitation, including all aspects related to drinking water supply, sewerage, and the proper management of refuse and waste, with special emphasis on assisting the countries in the attainment of the Millennium Development Goals.

19. **BIREME.** Founded in 1967, the current agreement signed among the parties regarding the maintenance of BIREME was renewed in December 2004 and will be in effect until December 2009.

20. **CLAP.** Created in 1970, the Basic Agreement between the Government of Uruguay and PAHO was signed on 1 March 2001 and will remain in force until 28 February 2006. Recently, a technical-administrative analysis of Center operations was carried out. The results are being analyzed. It is expected that in the future, CLAP will function as a decentralized unit of the Area of Family and Community Health, with an integrated approach to women's health, reproductive health, and perinatology.

21. **PANAFTOSA.** The Basic Agreement establishing the center was signed by PAHO and the Government of Brazil in 1950 and ratified by the Brazilian Congress in 1951. It is still in force. In 1996, the zoonosis prevention and control component was transferred from INPPAZ to PANAFTOSA.

22. **INPPAZ**. The agreement between PAHO and the Republic of Argentina on the establishment of a Pan American Institute for Food Protection and Zoonoses was signed on 19 November 1991 and remains in effect. The contribution by the Government of Argentina to maintain INPPAZ is divided equally between the Ministries of Health and Agriculture. An analysis of the center's technical-administrative and financial situation is in progress.

23. **INCAP.** Created in 1949, the most recent Basic Agreement was opened for signature by the parties in 1998. It went into effect in 2004 and will remain in force indefinitely.

Issues Common to all the Pan American Centers

Relevance of Technical Cooperation

24. In recent decades, the Member States have made significant progress in health, both in terms of indicators and the development of national institutions to address local sanitary problems, building important public capital. The Pan American Centers have helped in various degrees to make these sanitary improvements at the national level. Furthermore, they have promoted and supported the structuring and operation of

horizontal collaboration networks among national institutions of recognized prestige and over time have become important vectors for PAHO technical cooperation.

25. It is important to point out that, despite the progress made in health indicators and the growing strength of national institutions, there continue to be marked health inequities within and among the countries. The pace urgently needs to be accelerated to meet the Millennium Development Goals. In this context, investments in people's health and in environmental health are the linchpin and true challenge in the fight against poverty and for human development in the 21st century.

26. One of the byproducts of globalization is greater interdependence among the countries in different political, economic, commercial, social, technological, and knowledge spheres. This has created new opportunities and challenges in technical cooperation that directly and indirectly affect how the Pan American Centers operate and the type of products that they generate in the national, subregional, regional, and global contexts.

27. The 2003 Directing Council approved Document CD44/5: Managerial Strategy for the Work of the Pan American Sanitary Bureau in the Period 2003-2007. This document includes the criteria and operational principles that guide the work of the Organization. One of the internal objectives of organizational change is the "networking and sharing of knowledge inside the Organization and between the Organization and its environment" in addition to promoting greater decentralization of resources to the countries and ensuring that "priorities will be addressed through innovative approaches to technical cooperation and the strategic management of the Secretariat's resources."

28. The Region of the Americas currently has 204 WHO Collaborating Centers. These centers constitute a powerful group of institutions that in one way or another are or could assume greater responsibilities and functions in support of international technical cooperation.

Governance

29. The regional Pan American Centers have an organic relationship more directly integrated with the technical area programs and are governed by the administrative and managerial regulations of the Office. The Governing Bodies of the Organization approve their priorities and budgets. The majority have technical, advisory, or scientific committees that operate differently. There are other forums whose mandates also direct the work of some of the centers, as is the case of PANAFTOSA and INPPAZ, through the Inter-American Meeting, at Ministerial Level, on Health and Agriculture (RIMSA).

30. Some of the Pan American Centers have consultative committees or units that deal exclusively with cooperation between the center and the host country.

31. Governance of the Pan American Centers requires and demands that its directors have the special ability to develop a shared vision among different interest groups, including the Governing Bodies of the Organization and the centers, as well as relationships with the host country, with other countries in the subregion and region, as the case may be, with donors, with staff members from the centers themselves, and with other PAHO colleagues.

Relations with Host Countries

32. A basic principle of the Pan American Centers is signing a collaborative agreement with the host country, which commits to providing the sites, basic services, equipment, and essential support services for the maintenance and operation of the center. This commitment requires a substantial investment on the part of the country, which is partially compensated by both the programming and economic advantages of having a Pan American Center under national jurisdiction.

Human Resources

33. In 1985, the 31st Directing Council adopted Resolution 24 on policy guidelines regarding Pan American Centers and authorized the establishment of new administrative and personnel systems in the Pan American Centers. Accordingly, the hiring schemes were diversified, seeking greater flexibility and lower costs, facilitating the transfer of the centers' administration to the host countries.

34. At present, there are 322 staff members of different categories at the eight Pan American Centers. Forty of them are international professionals. If each center is considered an integral part of various areas and units in the Organization, then the decentralized centers account for 69.3% of the total staff corresponding to these technical areas and units at Headquarters (SDE, DPC, FCH, IKM).

Financial Resources

35. As indicated in document SPP36/11 of 2002, the Pan American Centers have essentially five sources of income:

a. PAHO regular funds. These have been reliable, but are decreasing in real terms.

b. Direct country quota contributions. These account for a substantial part of the budget for the three subregional centers.

c. Grants (non-regular or extrabudgetary funds). These funds are increasing in several centers, while others have not appropriately prepared to take advantage of the possibilities in this field.

d. Sale of products and services. This element represents possibly one of the greatest potentials for the centers' growth but entails serious political and regulatory concerns.

e. Contributions from Host Countries. These are the funds the host country contributes to the center's maintenance or operations. The respective arrangements vary from center to center. There are problems in connection with the timeliness with which these funds are received.

Regular Funds

36. The combined regular budget of PAHO and WHO for the Region was US$ 259,530,000 for the 2004-2005 biennium. Of this, the Pan American Centers received $22,366,300, or 8.6% of the regular budget. This figure represents a 20.3% reduction with respect to the 2002-2003 biennium, when the amount allocated was $28,047,700.

37. When the distribution of regular funds for technical areas and the Pan American Centers that depend on them is analyzed, it can be seen that the resources allocated to the centers range from 16.22% for IKM up to 48.18% for SDE.

Direct Quota Contributions from the Countries

38. By 31 January 2005, the contribution of the Member States had reached $3,156,014, including the funds corresponding to previous years. The total received by 31 January 2005 for the current biennium is $2,170,038. However, it is important to point out that CAREC had a cumulative quota arrears of $3,672,397; INCAP, $47,400; and CFNI, $1,413,769.

Extrabudgetary Funds

39. By 31 January 2005, the Pan American Centers as a whole had mobilized $10,163,630—the equivalent of 23.30% of the total budget for the centers. These funds are significant in the budgets of CAREC (45.33%), BIREME (14.81%), and CEPIS (30.84%).

Sale of Products and Services

40. Between 1 January 2004 and 31 January 2005, the Pan American Centers as a whole generated $3,797,033. The cumulative total available was $5,430,976, as a result of the sale of products and services. This primarily included laboratory services, information, training, and diagnostic kits.

41. As indicated in document SPP36/11, the sale of services and other associations with the private sector can be an ingredient that contributes to the financial viability of the centers. However this matter needs to be discussed in greater depth to ensure that the identity of the Pan American Centers and adherence to the mandates issued for the centers do not become distorted.

Contribution of the Host Countries

42. By 31 January 2005, the host countries had contributed $2,769,629 toward the maintenance of the following centers: CEPIS (Peru: $218,394), PANAFTOSA (Brazil: $1,125,994), and BIREME (Brazil: $1,425,241). It should be mentioned that the cumulative debt for INPAZ is US$ 1,426,886.

43. In the case of CLAP, the Government of Uruguay makes a contribution in kind by assuming part of the cost for the installations housing the center.

44. Financial sustainability has long been the greatest challenge for the centers, as can be seen in the financial reports of the Director and the External Auditor.

Action by the Subcommittee on Planning and Programming

In light of this situation, the SPP Delegates are asked to consider the following questions:

Is it still important to maintain the Pan American Centers to fulfill the mission of PAHO and contribute to international cooperation in public health and environmental health, or are they an antiquated model in terms of the current context and future prospects?

Do the Pan American Centers complement, substitute, or duplicate national efforts?

Should the Pan American Centers be executors or facilitators of technical cooperation to the countries?

How does expanding the sale of services and products, as well as the continued expansion of the number of projects and amount of extrabudgetary funds, affect the mission, importance, and identity of the Pan American Centers?

Considering the individual context of each center, what criteria would be most appropriate in defining its future?

Do Latin America and the Caribbean have expert national centers that can efficiently and effectively assume the functions of the Pan American Centers, conserving access to international technical cooperation?

Can the Centers gradually be absorbed by each host county or subregional institution, all the while ensuing their utilization and benefits for all the countries of the Hemisphere?

Annex

SIGNATORIES TO THE CURRENT CONSTITUTIVE AGREEMENTS ON THE CENTERS

CENTER	AGREEMENT	SIGNATORY COUNTRIES	OTHER SIGNATORIES
BIREME	Agreement between Brazil, through the Ministries of Health and Education, the State of São Paulo, the Federal University of São Paulo, and PAHO, through BIREME, for the maintenance and development of BIREME	Brazil	- State of São Paulo - Federal University of São Paulo
CEPIS	Basic Agreement between the Government of Peru and PAHO/WHO on Institutional Relations and Privileges and Immunities	Peru	
CLAP	Agreement for the Establishment of a Latin American Center for Perinatology and Human Development in the Eastern Republic of Uruguay, between the Government of the Eastern Republic of Uruguay,	Uruguay	The National University

CENTER	AGREEMENT	SIGNATORY COUNTRIES	OTHER SIGNATORIES
	represented by the Ministry of Public Health; the National University, through the Medical School; and PAHO.		
INPPAZ	Agreement between the Argentine Republic and PAHO for the Establishment of a Pan American Institute for Food Protection and Zoonoses	Argentina	
CAREC	- Multilateral Agreement for the Operation of CAREC between PAHO and several Caribbean countries	- Antigua and Barbuda - Bahamas - Barbados - Belize - Dominica - Grenada - Guyana - Jamaica - Netherlands Antilles - Aruba - St. Kitts and Nevis - St. Lucia - St. Vincent and the Grenadines - Suriname - Trinidad and Tobago	

CENTER	AGREEMENT	SIGNATORY COUNTRIES	OTHER SIGNATORIES
	- Bilateral Agreement between PAHO and Trinidad and Tobago for the operation of CAREC	- United Kingdom and the Caribbean Overseas Territories - Trinidad and Tobago	
INCAP	Basic Agreement on INCAP between PAHO and the Central American countries and Panama	- Belize - Costa Rica - El Salvador - Guatemala - Honduras - Nicaragua - Panama	
PANAFTOSA	Agreement between Brazil and PAHO for the Organization and Operation of the Pan American Foot-and-Mouth Disease Center in Brazil	- Brazil	
CFNI	Agreement for the Operation of CFNI between several Caribbean countries, the University of the	- Antigua - Bahamas - Barbados	- University of the West Indies

CENTER	AGREEMENT	SIGNATORY COUNTRIES	OTHER SIGNATORIES
	West Indies, PAHO/WHO, and FAO	- Bermuda - Belize - British Virgin Islands - Cayman Islands - Dominica - Guyana - Grenada - Jamaica - Montserrat - St. Kitts–Nevis–Anguilla - St. Lucia - St. Vincent - Trinidad and Tobago - Turks and Gaicos	