STRATEGY FOR THE FUTURE OF THE PAN AMERICAN CENTERS

CURRENT STATUS OF THE CENTERS

As the Pan American Health Organization enters its 11th decade of service to the peoples of the Americas, a continuously evolving technological, political, and economic environment demands an in-depth review of many of its technical cooperation approaches. The Pan American Centers of PAHO have been an important and very conspicuous cooperation mode since the Organization first accepted responsibility for managing the Institute of Nutrition of Central America and Panama in 1949. They have also been the subject of intense debate and discussion by the Governing Bodies at least as far back as the 1960s.

Each Center has its own particular origin, history, and functions. The Centers’ technical cooperation is a key component of the respective PAHO program, combining the functions of advisory services; dissemination of information; development of plans, methodologies and instruments; training; and research in accordance with the needs of Member States and the state of national technological development in a given field. Their existence, therefore, was directly tied to an absence of appropriate national institutions, as well as the means to effectively project technical expertise throughout the Americas.

This document originally was presented to the 39th Session of the Subcommittee on Planning and Programming of the Executive Committee in March 2005, and later to the 136th Session of the Executive Committee in June 2005, in response to the standing mandate of the Governing Bodies to undertake regular reviews and evaluations of the Pan American Centers. It provides an update on several technical, managerial, and administrative aspects pertaining to the operations of the Pan American Centers, including criteria for disestablishing Centers in the future; the operations of the Pan American Center for Sanitary Engineering and Environmental Science (CEPIS) and Latin American Center for Perinatology and Human Development (CLAP) and proposals for their reorganization in light of the further decentralization of regional technical cooperation; and it brings to the attention of the Directing Council the recommendation of the Executive Committee to disestablish the Pan American Institute for Food Protection and Zoonoses (INPPAZ).

The Directing Council is requested to review the document and provide comments to guide the Bureau in terms of policy definition and implementation concerning (a) the Centers as a whole, and (b) the reorganization of CEPIS and CLAP. It is also requested to make a decision concerning the proposed disestablishment of INPPAZ.


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Annexes
Introduction

1. The present document draws together and updates various technical, managerial, and administrative elements related to the operation of the Pan American Centers, analyzing their role as a PAHO technical cooperation modality. This updating takes three main areas into consideration: the technical cooperation needs identified by the countries, the available national institutional capacity, and the urgent need to make the best possible use of the resources allocated to the Organization.

2. The new regional program budget policy adopted in 2004; the “Managerial Strategy for the Work of the Pan American Sanitary Bureau in the Period 2003-2007;” and the discussions of the Working Group on PAHO in the 21st Century make it necessary to review current institutional arrangements to guarantee sustained technical cooperation that is effective, viable, and most responsive to the current needs of the Member States.

3. Within this context and in keeping with the mandates and resolutions adopted by the Governing Bodies of PAHO, this document presents general information on the operations of the Pan American Centers. More specifically, it describes the current situation of the Pan American Center for Sanitary Engineering and Environmental Sciences (CEPIS) and the Latin American Center for Perinatology and Human Development (CLAP) and the steps taken by the Secretariat to ensure that the two Centers carry out their mission effectively and efficiently. It also brings to the attention of the Directing Council a review of the current institutional structure and value of the Pan American Institute for Food Protection and Zoonoses (INPPAZ) to more adequately address technical cooperation needs in food hygiene and security, together with a proposal for disestablishing this Institute. Finally, it includes a brief summary of the discussions at the 136th Session of the Executive Committee (June 2005), including criteria for disestablishing Centers in the future.

Background

4. Since PAHO accepted the responsibility for managing the Institute of Nutrition of Central America and Panama (INCAP) in 1949, the Pan American Centers have been an important element of PAHO’s technical cooperation and, simultaneously, have been the object of study, much intense debate, and detailed resolutions by the Governing Bodies for several decades.

5. 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.

6. The Pan American Centers’ technical cooperation function is considered a key component of the regional and subregional programs and combines the formulation of plans and policies with information dissemination, the development of methodologies and instruments, training, research, and direct technical cooperation with the Member States in priority health areas and issues in which national capacity has been insufficiently developed.

7. Since the late 1940s, the Governing Bodies of PAHO have approved the creation of 13 Centers and the elimination of 5 of them. PAHO currently has eight Pan American Centers in seven countries. Three of the Centers are subregional in nature (INCAP, CFNI, and CAREC), and five are regional (PANAFTOSA, BIREME, CEPIS, CLAP, and INPPAZ).

Relevance of the Pan American Centers as Providers of Technical Cooperation

8. It would be fair to ask how, in the face of so much debate surrounding the Centers as well as their chronic financial difficulties, this mode of technical cooperation proved to be technically successful and politically resilient for such a long time. The answer is that the Centers introduced a number of innovative and popular approaches to PAHO’s technical cooperation. First, in creating the Centers or in accepting technical and managerial responsibility for others, PAHO decided to concentrate larger-than-average financial resources in specific areas, taking in some cases a major risk by leading ambitious programs into what, at that time, were new or experimental fields. The Pan American Centers of PAHO became catalytic agents, bringing together multilateral and bilateral funds from developed and developing countries.

9. Second, by concentrating training, research, and advisory services in the PAHO Centers, it was possible, in some cases, to strengthen local scientific and technological capacity. The PAHO Centers looked for local talents, solutions, and networks in a developing country setting, based largely on methods more appropriate to developing countries, and with each host country as the jump-off point.

10. Thirdly, PAHO introduced at the Centers approaches that in the 1950s, 1960s, and even 1970s looked quite innovative, and this made PAHO stand out among other international agencies. These approaches included:

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1 Annex A contains a table on the signatory countries to the constitutive agreements currently in force in the Pan American Centers.
- Use of local employees as professional and support staff in addition to the international staff;
- Fostering research and training facilities in developing countries, leading to the development of new products, services, vaccines, and procedures;
- Creation of an infrastructure for the development of scientific information networks in public health, and for regional reference laboratories.

11. These features gave the Centers a unique identity within PAHO and among international organizations. However, the evolving technological, financial, economic, and political environment in the Americas has created a need to take a very close and continuous look at the relevance of each Pan American Center within PAHO’s technical cooperation. The revolution that has been taking place in information technology alone, during the past 15 years, calls into question the need for at least some of the operations at the Centers. Chronic financial difficulties might call into question the viability of some of the Centers, at least under present financial arrangements, or at their present sites.

12. Moreover, it is important to point out that, despite the progress made in health indicators and the growing strength of national institutions, there continues to be marked health inequities within and among the countries. The pace urgently needs to be accelerated to meet the Millennium Development Goals (MDGs). 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 twenty-first century. In 2003, the Directing Council considered 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. Significantly, one of the internal objectives for organizational change is the creation of networks, inside and outside the Secretariat, as well as the exchange of experience and knowledge. Promoting greater decentralization of resources toward the countries and ensuring that priorities will be addressed through innovative approaches is key to the strategic management of the Secretariat’s resources.

13. In addition, the Region of the Americas currently has 204 PAHO/WHO Collaborating Centers and an important group of technical reference centers specializing in areas related to the work of the Pan American Centers. These Collaborating 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. In fact, prospective studies as well as one in-depth evaluation of the Centers have already suggested that the Pan American Centers should act as the coordinating hub of networks of PAHO/WHO Collaborating Centers and other national centers of excellence.
Governance

14. The regional Pan American Centers have an organic relationship directly integrated with the technical area programs and are governed by the administrative and managerial regulations of the Bureau. 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 recommendations have a great influence on the work of some of the Centers, as is the case of PANAFTOSA and INPPAZ, and their relationship with the Inter-American Meeting, at the Ministerial Level, on Health and Agriculture (RIMSA).

15. Some of the Pan American Centers have consultative committees or units that deal exclusively with cooperation between the Center and the host country. The three subregional Centers, INCAP, CFNI and CAREC, have their own governing bodies whose resolutions are recommendations for the Director of the Pan American Sanitary Bureau.

16. Governance of the Pan American Centers requires and demands a special ability to develop a shared vision among different interest groups, including the Governing Bodies of the Organization and the host country, with other countries in the subregion and Region, donors, staff members from the Centers themselves, and other PAHO colleagues.

Relations with Host Countries

17. A basic feature of the Pan American Centers is the existence of 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 in its territory.

Human Resources

18. In 1985, the 35th Directing Council adopted Resolution CD35.R24 on policy guidelines regarding Pan American Centers, and authorized the establishment of new administrative and personnel systems at the Centers. Accordingly, the hiring schemes were diversified, seeking greater flexibility and lower costs, and facilitating the potential transfer of the Centers’ administration to the host countries.

19. At present, there are 312 employees in several different categories at the eight Pan American Centers. Thirty-nine of them are PAHO/WHO international professionals. Each Center is considered an integral part of various areas and units of the Organization
and, in a decentralized manner, account for 68% of the total staff corresponding to four technical areas and units.

**Financial Resources**

20. Financial sustainability has long been the greatest challenge for all the Centers, as can be observed in the financial reports of the Director and the External Auditor over a long period of time.

21. As indicated in Document SPP36/11, presented to the Subcommittee on Planning and Programming of the Executive Committee in 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 are applicable to the three subregional Centers only and constitute an important part of the budgets of these Centers;

   (c) Grants (nonregular 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’ financial sustainability and growth, but entails serious legal, 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 have been many problems in connection with the timeliness with which these funds have been received.

22. In the biennium 2004-2005, as of 31 July 2005, a total of $53,749,171 in regular and extraordinary funds had been allocated to the Pan American Centers.\(^2\)

\(^2\) Annex B includes a table with the distribution of funds allocated to the Pan American Centers for the biennium 2004-2005 up to 31 March 2005.
Regular Funds

23. The combined regular budget of PAHO and WHO for the Region is $259,530,000 for the biennium 2004-2005. 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 biennium 2002-2003, when the amount allocated was $28,047,700.

Direct Quota Contributions from the Countries

24. As of 31 July 2005, the total amount allotted to the three subregional Centers (CAREC, CFNI, and INCAP) for the biennium 2004-2005 totaled $6,071,751.

Extrabudgetary Funds

25. As of 31 July 2005, the Pan American Centers as a whole had mobilized $13,765,795 or 26% of the Centers’ total budget. These funds weigh heavily in the budgets of CAREC (48%) and INCAP (33%).

Sale of Products and Services

26. As of 31 July 2005, the cumulative available total generated by the sale of products and services was $7,296,178. This figure included laboratory services, information, training, and diagnostic kits for the most part. This source of income is especially important for BIREME, representing 39% of its financial resources.

27. As indicated in Document SPP36/11, income from the sale of services and from other modalities 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 Host Countries

28. As of 31 July 2005, the host countries had contributed $4,249,147 toward the maintenance of the following Centers: CEPIS (Peru: $864,546), PANAFTOSA (Brazil: $1,267,584), BIREME (Brazil: $1,972,017), and INPPAZ (Argentina: $270,000).

29. In the case of CLAP, the Government of Uruguay makes a contribution in kind by assuming part of the cost for the facilities housing the Center.
Mandates of the Governing Bodies Concerning the Pan American Centers

30. From the outset, the Pan American Centers were conceived as a special, ad hoc, temporary modality of technical cooperation. In Resolution CSP18.R33, recognizing the usefulness of the multinational centers in addressing health problems of mutual interest to various countries, the 18th Pan American Sanitary Conference, held in 1970, resolved that:

The establishment and operation of multinational centers shall be based on the priorities arising out of the planning of the PAHO/WHO program.

31. That Resolution further states:

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.

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. Nevertheless, each multinational center should be reviewed regularly in planning the program and in the light of its importance in relation to the needs of the participating countries.

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

32. In 1978, the Pan American Sanitary Conference approved Document CSP20/3 on the Pan American Centers. It is probably the most comprehensive report ever undertaken on the subject. Two major points made by this study are the following:

. . . [A] center is but a method of carrying out the program and must be coordinated with other methods. The first decision is how much effort should be invested in a program area, then comes the decision as to whether a center is a useful part of the action program. Each situation must be examined in its own merit . . .

. . . The primary program question is what health areas should have priority; the secondary operating question is whether a given program area should benefit from . . . a center as one method for achieving the objective
The key question is what is the most efficient and effective way to accomplish the goals of a particular program area, not whether there are too many or too few centers.

33. This report also makes explicit reference to the enormous potential for cooperation at the international level that the so-called 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 also proposed a series of recommendations on the standards, conditions, and procedural steps for designating Associated National Centers.

34. That same Conference adopted Resolution CSP20.R31 on the Pan American Centers, resolving among other things:

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.

To request the Director to commence the regular evaluation process of each Center called for in the report and to entrust the Executive Committee with design of appropriate evaluation methods and review of the evaluation reports.

35. Seven years later, in Resolution CD31.R24, the 1985 Directing Council 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.
36. In 2002, after commending the Director for having presented a comprehensive evaluation of CEPIS, the Pan American Sanitary Conference resolved among other things to request the Director to:

- conduct a periodic comprehensive evaluation of one of the Pan American Centers each year;
- present a written management response to the recommendations of the evaluation of CEPIS and of other Pan American Centers as they are evaluated.

**Status of Selected Centers**

37. The steps that have been taken in regard to a number of selected Centers are presented below. The Director intends to periodically present the situation of a group of Centers for the consideration of the Governing Bodies.

**Pan American Center for Sanitary Engineering and Environmental Sciences (CEPIS)**

38. The agreement establishing the Pan American Center for Sanitary Engineering was signed in 1971 between PAHO and the Government of Peru and is still in force. The name of CEPIS was later changed to Pan American Center for Sanitary Engineering and Environmental Sciences, without changing its original acronym.

**Basic Sanitation—the Unfinished Agenda**

39. At the beginning of the twenty-first century, drinking water supply and sanitation coverage in Latin America and the Caribbean were 84.6% and 79.2%, respectively. When the absolute numbers are considered, the situation is disquieting: 77 million people are without access to safe drinking water, and 105 million lack facilities for sanitation and the elimination of wastewater and other waste. Of these, 37 million live in urban areas and 68 million in rural areas. Clearly, the Region suffers from serious inequalities in terms of access to water that are generally associated with income level and place of residence.

40. The situation is most critical in periurban areas, where roughly 128 million people live in substandard dwellings. As a consequence of these cumulative deficiencies, diarrheal diseases continue to be a major factor in the disease burden. Other diseases associated with the environment, such as vector-borne diseases (especially dengue and malaria) are major public health problems. According to data from WHO, an estimated
43% of the environmental burden of disease impacts children under 5, even though this group accounts for only 12% of the population.

41. Although solid waste collection coverage in urban areas exceeds 80%, only 35% is disposed of properly. Hospital waste remains a serious problem in Latin American and Caribbean countries. Hospitals produce from 1 to 6 kg of waste per bed. Of this, 10%-40% is hazardous, consisting of infectious material, chemicals, or sharps.

42. Improving basic sanitation depends to a great extent on investment in infrastructure. This demands better coordination among stakeholders, including the different levels of government; national and international financial institutions, nongovernmental organizations (NGOs), academia, and communities, in the formulation of sectoral plans. In that context, CEPIS has a fundamental and critical role to play. The decentralization of public management down to the local levels and the need to strengthen municipal governments both provide new opportunities for the technical cooperation of CEPIS.

43. CEPIS’ objectives and technical cooperation strategy are directly linked to the MDGs. They include a direct commitment to Target 10 on increasing safe drinking water and basic sanitation coverage. PAHO considers the MDGs an indissoluble commitment to public health, poverty reduction, and inclusion, creating more favorable conditions for human security and sustainable development.

Centers of Reference, Networks, and Strategic Partners

44. CEPIS has effectively promoted several collaborative networks in which diverse institutions and experts from the different countries of the Region participate. The most significant of these that remain active include the following:

- Pan American Information Network on Environmental Health (REPIDISCA)
- Program for Final Disposal of Wastewater in Coastal Cities
- Coastal Waters for Recreation
- Safe Drinking Water in Indigenous Communities
- Latin American and Caribbean Network of Environmental Laboratories (RELAC)
- Inter-American Healthy Housing Network (REDVIVSALUD)
45. Similarly, CEPIS supports subregional integration initiatives, among them the Andean Community (CAN); maintains working relations with international cooperation agencies, among them the Water Sanitation Program/World Bank (WSP/WB) and the IRC International Water and Sanitation Center, and other civil society and private sector organizations, such as the Inter-American Association of Sanitary Engineering (AIDIS) and universities and academic institutions in Peru and other countries of the Region.

**Evaluation of CEPIS**

46. CEPIS was evaluated in 2001 and the report was presented to the Governing Bodies in 2002. This was an in-depth evaluation exercise focusing on such issues as CEPIS' effectiveness, efficiency, relevance, and self-sustainability. Under the leadership and coordination of a PAHO officer, the evaluation team included experts from the National Audit Office of the United Kingdom, a health and environment consultant from the private sector, and three additional PAHO officers representing different areas of expertise.

47. The findings of the CEPIS evaluation (Document CSP26/17) stated among other things that “the evaluation concluded that CEPIS is a valuable source of technical cooperation and a broker of knowledge. It would be too much of a loss to abolish it and take too much effort to try to re-create an international agency to fulfill its role. However, CEPIS should adapt its present role and functions in terms of being more proactive, and working more through networks of institutions to achieve a multiplier effect on its technical cooperation.”

48. In specific reference to CEPIS (Resolution CSP.R16), the Pan American Sanitary Conference asked the Director to:

- Implement the pertinent recommendations of the evaluation team to ensure the evolution of a strengthened CEPIS, able to serve better the current and emerging needs of Member States in the field of health and environment;

- Promote the development of networks of cooperation among CEPIS, the Collaborating Centers, and institutions linked with health and the environment in the countries.

**Redefining the Role of CEPIS**

49. As a result of the 2001 CEPIS evaluation and based on the “Managerial Strategy for the Work of the Pan American Sanitary Bureau in the Period 2003-2007,” the Area of Sustainable Development and Environmental Health (SDE) is in the process of
restructuring to decentralize regional technical cooperation related to drinking water and sewerage services, and refuse and solid waste management of municipalities to CEPIS in Lima, taking an integrated approach to health, with special emphasis on the priority countries of the Region so that they can move toward the attainment of the respective Development Goals of the Millennium Declaration.

50. The management of these programming lines from CEPIS will facilitate the concentration of human and financial resources to boost the efficiency and effectiveness of PAHO technical cooperation in the areas indicated, with CEPIS retaining its identity as a Pan American Center, pursuant to the terms agreed to with the Government of Peru in its Constitutive Agreement.

Latin American Center for Perinatology and Human Development (CLAP)

51. CLAP was created in 1970. The last basic agreement between the Ministry of Health of Uruguay, the University of the Republic, and PAHO was renewed on 1 March 2001 and will remain in force until 28 February 2006.

Technical Cooperation Needs in Women’s Health and Maternal and Perinatal Health

52. The situation analysis for the Region of the Americas reveals that maternal and perinatal mortality and morbidity indicators in Latin America and the Caribbean are still a matter of concern. The latest available data (Basic Indicators. PAHO, 2004) show that the median regional maternal mortality rate remains at approximately 87 per 100,000 live births, with abysmal disparities between Haiti at one end, with a rate of 523, and Uruguay and Canada at the other, with rates of 11.1 and 7.8, respectively.

53. Regarding perinatal mortality, the quality of the record keeping remains poor, especially with respect to fetal mortality. CLAP estimates the number of perinatal deaths in Latin America and the Caribbean in 1995 at 483,000.

54. There is a clear and inseverable connection between health outcomes for women and newborns and the quality of sexual and reproductive health services in the Region and access to them. Inadequate maternal care implies higher maternal and child morbidity and mortality and a lower quality of life for both.

Millennium Development Goals

55. The fourth MDG is to reduce by two-thirds the mortality rate in children under 5 by 2015. The fifth is to reduce the maternal mortality rate by three-quarters over 1990 figures by 2015. The sixth addresses the need to reverse the spread of HIV/AIDS. These goals guide the present and future work of CLAP, especially in matters and programs to
monitor and reduce reproductive and perinatal risk, including vertical transmission of HIV/AIDS and congenital syphilis, with emphasis on the priority countries of the Region.

56. These lines of action will in turn make it possible to accelerate implementation of the plan of action of the International Conference on Population and Development (ICPD), held in Cairo, Egypt, in 1994, in the area of reproductive health, and fulfillment of the commitments assumed at the IV World Conference on Women, held in Beijing, China, in 1995. In 2004, the 57th World Health Assembly adopted a resolution promoting strategies to speed up compliance with the agreements of these conferences.

Centers of Reference, Networks, and Strategic Partners

57. CLAP’s main cooperation strategy is its Network of Associated Centers (CLAP/PAHO), whose purpose is to ensure more streamlined and efficient technical cooperation among countries in the Region of the Americas. The Network currently consists of 16 health institutions in nine countries of the Region.

58. This Network works to promote the implementation and use of the Perinatal Information System (PIS), improving the quality of maternal and neonatal services, chiefly through the dissemination and application of scientifically sound clinical practices and clinical research, mainly operations research.

59. The Network’s main sources of financing are the Spanish International Cooperation Agency (AECI), PAHO regular funds, and funds from national institutions such as COLCIENCIAS in Colombia. In 2004, WHO granted funds to the centers of El Salvador, Honduras, and Nicaragua, which can be renewed for the next five years.

Institutional Reorganization of CLAP

60. With a view to optimizing the available resources, the Area of Family and Community Health (FCH) is in the process of restructuring to decentralize to CLAP in Montevideo the regional technical cooperation aimed at boosting capacity to improve national epidemiological surveillance systems, reduce reproductive risks, and maternal perinatal mortality. The management of these programming lines from CLAP will permit the concentration of human and financial resources to improve the efficiency and effectiveness of PAHO technical cooperation in the areas indicated. CLAP will retain its identity as a Pan American Center, pursuant to the terms agreed to with the Government of Uruguay and the University of the Republic.
Pan American Institute for Food Protection and Zoonoses (INPPAZ)

Background

61. PAHO’s technical cooperation in food safety as a structured program was a response to the recommendations of the Inter-American Conference on Food Protection, held in Washington, D.C. in 1985, which led to the adoption of the Plan of Action 1986-1990 during the 22nd Pan American Sanitary Conference in September 1986. An evaluation of this Plan of Action in 1991 served as the basis for a new 1991-1995 Plan in late 1991, aimed at reformulating the goals and lines of action for the delivery of technical cooperation in food safety. This Plan of Action was evaluated in 1996 and, based on the findings, the Strategic Plan of the Regional Program for PAHO/WHO technical cooperation was drawn up; it was approved by the 42nd Directing Council of PAHO in 2000.

62. The Pan American Commission for Food Safety (COPAIA), which serves as an advisory body of the Inter-American Meeting, at the Ministerial Level, on Health and Agriculture (RIMSA), was created in 2000. COPAIA has representatives from the official health and agriculture sectors, producers, and consumers. Four meetings have been held to date, which have confirmed the importance of PAHO’s technical cooperation in food safety. INPPAZ acts as the Secretariat ex officio of COPAIA.

Technical Cooperation—Challenges and Opportunities

63. Food-borne diseases (FBD) are a growing public health problem. Many countries have reported a substantial increase in the incidence of diseases caused by microorganisms transmitted mainly by food. Chemical contaminants, including toxins and environmental contaminants, continue to be a major cause of food-borne disease.

64. Food safety has important implications for the international food trade. In Latin America, agricultural exports place an important role; and in Central America, the Southern Cone, and Andean Region, they contribute 48%, 34%, and 23%, respectively, to all exports. The countries must have effective food safety programs in place to operate in the new environment for the international food trade created by the Agreements on Sanitary and Phytosanitary Measures (AMSF) and Technical Barriers to Trade (TBT) of the World Trade Organization (WTO). Likewise, the countries must adapt their systems to participate in regional and subregional integration blocs such as MERCOSUR, the Andean Community (CAN), Caribbean Single Market Economy (CSME), recent South American Community initiative, and bilateral treaties such as the free trade agreement with the United States of America (NAFTA) and the agreements being reached with Asian countries.
65. Food safety is one of the requirements for sustainable tourism. Tourism is one of the fastest-growing industries in the Region. The number of tourists visiting the countries of the Region rose from 92.9 million in 1990 to 128.4 million in 2000, for a cumulative growth of 5%. Anything that interferes with quality and competitiveness is highly relevant.

**INPPAZ and Its Origins**

66. INPPAZ and PANAFTOSA are two Pan American Centers assigned to the Veterinary Public Health Unit of PAHO.

67. On 15 November 1991, an agreement was signed in Washington, D.C. between the Pan American Sanitary Bureau, the Secretariat of the Pan American Health Organization/Regional Office of the World Health Organization, and the Government of Argentina, for the creation of the Pan American Institute for Food Protection and Zoonoses (INPPAZ) to implement PAHO’s Regional Program for Technical Cooperation in Food Safety. Execution of the agreement is monitored by the International Coordinating Committee (ICC), which includes the Minister of Health of Argentina, the President of Argentina’s National Animal Health Service (SENASA), two members designated by the Director of PAHO, three representatives of governments designated by the Directing Council of PAHO, and representatives of organizations that maintain cooperation agreements with INPPAZ. The Program Committee for Argentina monitors specific areas of the Agreement related to Argentina.

68. INPPAZ is the only PAHO or WHO Center specializing in food safety. WHO has been working with the Member States of PAHO in building a new vision and developing activities to improve food safety, based on a shift from traditional inspection services to a holistic approach that covers the entire food production chain, “from the farm to the table.”

69. Food safety is currently a vital global issue that demands ongoing examination for the development of national programs.

**Networks and Strategic Alliances and Partnerships**

70. Technical cooperation in food safety through INPPAZ has been buttressed by a series of global and regional networks that deal with a variety of issues connected with food safety. These networks include:
• WHO Global Salm-Surv (GSS): A Global Salmonella Surveillance Network
• Latin American Molecular Subtyping Network for Food-borne Disease (PulseNet)
• Codex Committee for Latin America and the Caribbean (CCLAC)
• Inter-American Network of Food Analysis Laboratories (INFAL)
• National laboratories as reference centers of excellence for countries of the Region
• Pan American Network on Fish Inspection and Quality Control
• Regional Surveillance System for Food-borne Diseases
• Modern Food Inspection and Quality Control Systems
• International Food Safety Authorities Network (INFOSAN).

Financial Situation

71. From the outset, INPPAZ has had a small operating budget, which has been shrinking since 2001. Since its creation it has had difficulties obtaining the counterpart funds from the host country in a timely manner to finance operating expenses. The cumulative debt to INPPAZ of Argentina as of 31 July 2005 is $1,470,294.

Institutional Reorganization

72. The need to reengineer PAHO’s technical cooperation strategy in support of food safety is evidenced by the availability in the countries of institutions of excellence and by the various networks developed in the Region to deal with food safety; by the current trend to consider technical cooperation activities across the entire food production chain (from the farm to the table); and by the need to increase efficiency in the use of resources (cutting operating expenditures to increase direct technical cooperation expenditures). Essentially, there are now technical capabilities available in the Region to develop the implementation of policies, programs, and projects in the area of food safety, without the need for a specialized Pan American Center with the characteristics of INPPAZ.

73. The disestablishment of INPPAZ would generate net savings in the amount of $600,000 per biennium, approximately, related to elimination of the general, operating, and maintenance expenses. This will permit concentrating the available resources of the food safety area of work, in new modes of technical cooperation strengthening the human resources of excellence and the mobilization of experts in the countries.
74. All these considerations have led the different parties involved to reconsider the feasibility and justification of continuing INPPAZ operations. In recent months, there have been several consultations and exchanges of letters between PAHO and the Argentine health and agriculture authorities.

75. The consensus is that continuing INPPAZ as an international center is no longer justified, and that it is necessary to take steps to begin the process of closing it.

76. On 22 April 2005, during the Inter-American Meeting, at the Ministerial Level, on Health and Agriculture (RIMSA 14) in Mexico City, the Director of PAHO invited the members of the INPPAZ International Coordinating Committee and special guests to an informal consultation. The objective was to provide an update on the status of INPPAZ, in particular, and PAHO’s technical cooperation in food safety and veterinary public health, in general, as well as to invite suggestions on how to present this issue to the Governing Bodies.

**The Proposal**

77. In view of the above, the Secretariat has proposed to the Governing Bodies the following courses of action:

(a) Discontinuing INPPAZ as a Pan American Center;

(b) Creating a network of associated national centers, coordinated by the Veterinary Public Health Unit, that would serve as referents in the priority components of the Plan of Action, taking advantage of the institutional strengths of the countries of the Region. This work strategy would enable PAHO to maintain and strengthen timely, fluid, and effective technical cooperation with the full participation of the countries;

(c) Locating the team for technical cooperation in food safety together with the team working on zoonoses and foot-and-mouth disease, taking advantage of the current PANAFTOSA infrastructure in Rio de Janeiro, Brazil. This would permit: (1) better use of the available administrative infrastructure; (2) the integration of common activities such as training, epidemiological surveillance, risk analysis, laboratory quality assurance; and (3) strengthening of the application of the “production chain” approach;

(d) Mobilizing additional resources to strengthen technical cooperation in the different subregions.
78. Listed below are the steps to be considered as part of a process for closing INPPAZ, taking political, legal, staffing, technical, and administrative issues into account.

79. According to Resolution CSP20.R31 of the 20th Pan American Sanitary Conference, any proposal for the establishment, disestablishment, or transfer of a Pan American Center should be submitted to the Executive Committee and the Directing Council.

80. With the approval of the Governing Bodies, the respective proceedings will begin with the Government of Argentina to address the following issues: (1) termination of the agreement establishing INPPAZ; (2) negotiation of the pending debt related to advances by PAHO to cover local operating costs; (3) return of the facilities currently used by INPPAZ to the National Service for Hygiene and Quality in Agricultural Products (SENASA); and (4) the decision, when PAHO turns over the INPPAZ laboratory facilities, about the PAHO laboratory equipment provided to SENASA under the “Contract of Commodatum on Laboratory Equipment between PAHO/WHO and SENASA” dated 21 February 2003.

81. Personnel currently working in INPPAZ will be subject to administrative review. Some will be relocated to other units of the Organization, while others will have their relationship with PAHO terminated. In terms of indemnities, approximately $250,000 will be required, for which financing has been set aside.

82. A technical team specializing in food safety will be set up in the current facilities of the Pan American Foot-and-Mouth Disease Center (PANAFTOSA), with a view to taking advantage of the functional capacity of that institution, under the supervision of the Veterinary Public Health Unit. This will require the partial relocation of some of the international professional staff currently working for INPPAZ to PANAFTOSA.

83. All current PAHO technical cooperation agreements and other commitments with the Member States in the area of food safety will be fully guaranteed and expanded insofar as possible. In the specific case of Argentina, the PAHO Secretariat will support the initiative of the Government to develop a national center of excellence in food safety, with international participation and support, based on the current Instituto Nacional de Alimentos (INAL) (National Food Center) through lines of work jointly defined with the Government of Argentina, as well as through the Regional Plan on Food Safety 2006-2007.

Budget Implications Concerning INPPAZ, CEPIS, and CLAP
84. The regional program budget policy adopted by the 45th Directing Council in
2004 creates the level of subregional action and increases the proportion assigned to
countries and reduces the proportion assigned to activities. As the regional Centers
operate in this latter dimension of the program budget, it has been necessary to introduce
some changes. It is hoped the budgetary efficiencies necessary to respond to the mandate
can be obtained while preserving effectiveness in the lines of cooperation established
within the priorities.

85. The discontinuation of INPPAZ and the realignment of CEPIS and CLAP,
granting them decentralized lines of regional technical cooperation, are to attain the
optimization of the resources allocated and a net savings of $1.5 million, which is
reflected in the proposed 2006-2007 biennial program budget, which is being presented
to this Committee.

Discussion at the 136th Session of the Executive Committee, June 2005

86. The Executive Committee examined Documents CE136/12, Rev. 1,
CE136/INF/8, Rev. 1, and CE136/INF/8, Add. 1, Rev. 1, describing the status of the Pan
American Centers with special emphasis on CEPIS, CLAP, and INPPAZ. Much of the
discussion centered on the reasons and the proposal for the disestablishment of INPPAZ.
Delegates stressed that the main concern had to be to choose the way forward that
represented the best option for the health of the Region. There was a need to move on to
new challenges, but not at the cost of losing what had already been accomplished.
Several members expressed the view that, while the financial difficulties of INPPAZ
were a factor to be taken into account, they should not be the only criterion for the
disestablishment of a Pan American Center. The Committee finally agreed on the
following criteria to guide decisions regarding the closing of a Center. Such decisions
should:

(a) minimize any potential negative impact on the Region;
(b) maximize the ability of the PAHO Secretariat to deliver technical cooperation in
the most efficient and effective way;
(c) ensure that no resources from the PAHO regular budget not originally intended
for a Center will be applied to substitute for a host government’s financial
commitment;
(d) encourage the financial contributions of a host government to be secure and sustainable over time; and
(e) analyze the funding streams and arrearages of a Center, including the impact of such arrearages on a Center’s operation.

87. The Executive Committee then approved Resolution CE136.R8 which, among other things, asked the Director to:

(a) reorganize and streamline the technical cooperation capacity in food safety at country, subregional, and regional levels;
(b) disestablish the Pan American Institute for Food Protection and Zoonoses (INPPAZ) created by Resolution CD35.R21 of 1991;
(c) submit to the 138th Session of the Executive Committee a review of the Pan American Foot-and-Mouth Disease Center (PANAFTOSA) and the Latin American and Caribbean Center on Health Sciences Information (BIREME), and a proposal to align the subregional Caribbean Epidemiology Center (CAREC), Caribbean Food and Nutrition Institute (CFNI), and the Institute of Nutrition of Central America and Panama (INCAP) with the subregional allocation criteria set in the new regional policy, in consultation with the respective subregional institutions;
(d) submit to the 46th Directing Council for its information an update on the planning for the reorganization and streamlining of technical cooperation capacity in food safety over the coming biennium.3

Action by the Directing Council

88. The Directing Council is requested to review this document, and to provide comments to guide the Secretariat concerning (a) the Centers as a whole, and (b) the reorganizations of CEPIS and CLAP. It is also requested to make a decision concerning the proposed disestablishment of INPPAZ.

Annexes

### Signatories to the Current Constitutive Agreements on the Centers

<table>
<thead>
<tr>
<th>CENTER</th>
<th>AGREEMENT</th>
<th>SIGNATORY COUNTRIES</th>
<th>OTHER SIGNATORIES</th>
<th>FOUNDATION AND END DATES</th>
<th>LATEST MODIFICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIEME</td>
<td>Agreement between Brazil, through the Ministries of Health and of Education, the State of São Paulo, the Federal University of São Paulo, and PAHO, through BIEME, for the maintenance and development of BIEME</td>
<td>Brazil</td>
<td>State of São Paulo</td>
<td>Founded: 1999</td>
<td>Ends: December 2009 For the maintenance and development of the Center, signed 2 December 2002</td>
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<tr>
<td>CEPIS</td>
<td>Agreement for the establishment of a Pan American Center of Sanitary Engineering on Environmental Science</td>
<td>Peru</td>
<td></td>
<td>Founded: 1971</td>
<td>Currently in force</td>
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<tr>
<td>CLAP</td>
<td>Agreement for the establishment of a Latin American Center for Perinatology and Human Development in Uruguay, between the Government of Uruguay, represented by the Ministry of Public Health and the University of the Republic, through the Medical School; and PAHO</td>
<td>Uruguay</td>
<td>University of the Republic</td>
<td>Founded: 1970</td>
<td>Ends: February 2006 Extended to date</td>
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<tr>
<td>INPPAZ</td>
<td>Agreement between Argentina and PAHO for the establishment of a Pan American Institute for Food Protection and Zoonoses</td>
<td>Argentina</td>
<td></td>
<td>Founded: 1991</td>
<td>Currently in force</td>
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Signatories to the Current Constitutive Agreements on the Centers (cont.)

<table>
<thead>
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<th>CENTER</th>
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<th>OTHER SIGNATORIES</th>
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<th>LATEST MODIFICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAREC</td>
<td>Multilateral agreement for the operation of CAREC</td>
<td>Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Netherlands Antilles, Aruba, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, United Kingdom and the Caribbean Overseas Territories</td>
<td></td>
<td>Founded: 1975  Ends: December 2005</td>
<td>Latest multilateral and bilateral agreements went into effect on 1 January 2001</td>
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<td></td>
<td>Bilateral agreement between PAHO and Trinidad and Tobago for the operation of CAREC</td>
<td></td>
<td>Trinidad and Tobago</td>
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### Signatories to the Current Constitutive Agreements on the Centers (cont.)

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<th>CENTER</th>
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<th>OTHER SIGNATORIES</th>
<th>FOUNDATION AND END DATES</th>
<th>LATEST MODIFICATION</th>
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<tbody>
<tr>
<td>INCAP</td>
<td>Basic agreement on INCAP between PAHO and countries of Central America and Panama</td>
<td>Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama</td>
<td></td>
<td>Founded: 1946</td>
<td>Indefinitely in force</td>
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<tr>
<td>PANAFOSA</td>
<td>Agreement between Brazil and PAHO for the organization and operation of the Pan American Foot-and-Mouth Disease Center in Brazil</td>
<td>Brazil</td>
<td></td>
<td>Founded: 1951</td>
<td>Currently in force</td>
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<td>CFNI</td>
<td>Agreement for the operation of CFNI</td>
<td>Antigua, Bahamas, Barbados, Bermuda, Belize, British Virgin Islands, Cayman Islands, Dominica, Grenada, Guyana, Jamaica, Montserrat, St. Kitts, Nevis, and Anguilla, Saint Lucia, Saint Vincent and the Grenadines, Trinidad and Tobago, Turks and Caicos</td>
<td>University of West Indies, FAO</td>
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<tr>
<th>CENTER</th>
<th>PAHO/WHO APPROVED REGULAR BUDGET</th>
<th>ASSESSED CONTRIBUTIONS MEMBER STATES</th>
<th>GRANTS AND OTHER CONTRIBUTIONS (5)</th>
<th>INCOME FROM PRODUCTS AND SERVICES</th>
<th>HOST GOVERNMENT CONTRIBUTIONS</th>
<th>TOTAL</th>
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<td>BIREME</td>
<td>1.137.600</td>
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<td>3.143.536</td>
<td>1.972.017</td>
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<td>6.523.497</td>
<td>1.227.040</td>
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<td>CEPIS</td>
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<td>1.135.370</td>
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<td>1.391.015</td>
<td>119.915</td>
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<td>4.615.864</td>
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<td>CLAP</td>
<td>1.567.500</td>
<td>510.761</td>
<td>7.735</td>
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<td>INCAP</td>
<td>2.698.400</td>
<td>1.180.766</td>
<td>1.895.845</td>
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<td>5.775.011</td>
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<td>INPPAZ</td>
<td>2.762.400</td>
<td>268.312</td>
<td>11.329</td>
<td>145.000</td>
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<td>PANAFTOSA</td>
<td>5.685.600</td>
<td>335.682</td>
<td>1.651.253</td>
<td>1.267.584</td>
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<td>TOTAL</td>
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<td>13.765.795</td>
<td>7.296.178</td>
<td>4.249.147</td>
<td>53.749.171</td>
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SOURCE: PPS/PB

(1) Total budget ceiling approved for Pan American Centers for the biennium 2004-2005 is $22,366,300.
(2) Actual quota contributions received from CAREC members as of 31 July 2005 is $3,686,044.
(3) Actual quota contributions received from CFNI members as of 31 July 2005 is $389,358.
(4) Actual quota contributions received from INCAP members as of 31 July 2005 is $844,345.
(5) Includes voluntary contributions received from donors and Program Support Costs assigned by the Director.