



WOAH World Animal Health and Welfare Fund

Minutes of the Nineteenth Meeting of the Advisory Committee

Monday, 27 May 2024 – Paris, France

Welcome

The 19th meeting of the Advisory Committee of the WOAH World Animal Health and Welfare Fund (World Fund) took place during the 91st WOAH General Session held in Paris (France) on 27 May 2024.

The Chair of the Advisory Committee and WOAH Delegate of Switzerland, Dr Hans Wyss, welcomed the 48 participants¹. In his opening remarks, Dr Wyss highlighted the value-added of hosting this Committee during the General Session to facilitate participation and dialogue among resource partners. He thanked WOAH for organising the meeting and for the sound management of the World Fund.

The meeting was structured around the following three agenda items: (i) 2023 Year in Review; (ii) Investment priorities and gaps, and (iii) Evolution of the World Fund and expected role of the Advisory Committee as part of WOAH's efforts to revise its financial, institutional, and technical governance². The Committee adopted the agenda without any amendment.

1. 2023 Year in review

Financial Overview

Mr Lorenz Nake, Resource Mobilisation and Grants Management Officer within WOAH's Engagement & Investment Department (E&ID) introduced the 2023 financial year in review. The presentation reported against the World Fund's six key financial performance indicators, with specific emphasis on income, expenditure, signed grants, active grants, resource partners typology and outstanding monies owing.

Looking back on past years, Mr. Nake showed that the gap between income and expenditure, after going through an upward trend, decreased in 2023. He emphasised WOAH's willingness and efforts to continuously reduce this gap in coming years. Income to the World Fund has been steadily increasing, with 30M € received in 2023, representing the second highest year since the Fund's establishment in 2004.

In 2023, expenditure totalled a record-breaking of 31M € in 2023 since the creation of the Fund. This indicator not only demonstrates WOAH's effort towards reducing the gap between income and expenses at less than 1M €, but also its ability to deliver on grant commitments. The breakdown of expenditure in 2023 was distributed as follows: global frameworks (61%), capacity building (16%), information management (9%), overheads (6%), Observatory (4%), E&ID coordination (3%) and international collaboration (1%).

The World Fund received financial contributions from 33 different resource partners, with Members remaining the principal contributors in 2023, providing 78% of annual income. The Committee noted that five resource partners contributed 49% of the funding to the World Fund for the period 2019-2023 compared to five resource partners providing 51% of income over the 2018-2022 period. WOAH will continue to diversify its resource partners to reduce dependency on a limited number of partners. Additionally, 31 grants were signed in 2023, representing a stable growth over the past years, for a record 38M €. Active grants, on the other hand, went slightly down, standing at 126 with a value of 171 M€. Mr Nake explained this was a positive outlook, demonstrating WOAH's capacity to deliver programmes and close outstanding grants.

On another note, Mr Nake presented the World Fund's outstanding monies owing – commitments made by resource partners but not yet received – at 56M € in 2023, representing a small increase from 2022. He informed the Committee that the projected disbursement time for this indicator stands at 1.8 years upon receipt of the funds. The World Fund's cumulative income marked a total value of 340,7 M€ as of 31 December 2023.

2. Investment Priorities and Gaps

A presentation by Ms Ingrid Contreras Arias, Resource Mobilisation and Grants Management Officer with E&ID, highlighted WOAH's 2023 investment priorities and gaps, as well as the geographic areas of focus of signed grants.

¹ See Appendix 1 for the list of participants

² The Discussion Paper was sent to Committee Members on 16 May 2024 and is available in Appendix 3.

Ms. Contreras Arias presented the six key investment priorities for WOAAH as highlighted at the 2023 Advisory Committee meeting. She reminded the Committee of the 19.1M € funding gap for the following areas of work: (i) digital transformation, (ii) system strengthening and capacity building, (iii) One Health, (iv) transboundary animal diseases (TADs), (v) animal welfare, and (vi) aquatic animal health. She then compared these priority needs with the investment focuses of resource partners based on the total value of grants signed as in 2023. The top investment priorities for resource partners in 2023 were: capacity building (12M €), global frameworks (11M €) and information management (10M €). She noted that while some grants addressed WOAAH's key investment priority gaps, there were still unaddressed gaps, both thematically and geographically. Regarding the latter, she indicated that an uneven distribution of funds across geographies is still visible, with the Middle East and Americas regions remaining particularly underfunded.

Middle East case study

Dr Nada Essawy, Resource Mobilisation and Grants Management Officer with E&ID, presented a case study focused on the Middle East region. The study aimed was to understand the reasons behind the lack of investments from the region and to develop an adapted resource mobilisation strategy that results in increased investments in WOAAH. Additionally, she discussed WOAAH's approach to attract new resource partners from this region as part of its future resource mobilisation strategy. Key findings from the study include: (i) currently, there are no voluntary contributions from the Middle East, and statutory contributions are among the lowest from Members. This results in limited activities in the region; (ii) the primary reason for this is the lack of adapted communication highlighting WOAAH's added value to the region.

To address this, E&ID developed a customised narrative tailored to the investor mentality in the region, aiming to position WOAAH as an essential partner for animal health and welfare in the Middle East. Participation in high-level regional events will also enhance WOAAH's visibility and help in delivering this narrative. Dr Essawy indicated future engagement opportunities to reach potential investors, including the Fourth International Ministerial Conference on Anti-Microbial Resistance, to be held in Saudi Arabia in 2024.

3. Discussion Paper “Evolution of the World Fund and expected role of the Advisory Committee as part of WOAAH's efforts to revise its financial, institutional, and technical governance”

Ms. Emily Tagliaro, Head of E&ID, traced the evolution of the World Fund over the past 20 years, as detailed in the discussion paper. She also reminded members of the World Fund's governance structure. She drew attention to the four key questions posed to the Committee Members in the discussion paper and invited them to share their feedback and insights.

Dr. Hans Wyss challenged participants to share their thoughts and ideas on how the roles, responsibilities, and governance structure of the Committee should evolve.

Participants congratulated WOAAH for its astute financial analysis, expressed appreciation for the World Fund's achievements, and commended the Organisation's notable transparency. They also welcomed the ongoing opportunity to engage in dialogue with other organisations. Some resource partners, while acknowledging the benefit of holding the Committee meeting during the General Session, highlighted the challenge of managing such a large meeting within a short timeframe.

One aspect highlighted was the size of grants. Participants suggested establishing minimum thresholds for grants and forming agreements and partnerships between WOAAH Members. This approach would support broader projects, reduce redundancy, and achieve better results.

Closing Remarks

WOAH Director General, Dr Monique Eloit, thanked participants for their suggestions and proposed creating a working group ahead of the next Advisory Committee meeting to facilitate deeper discussions on partnerships and needs. She emphasised the importance of coordination between resource partners and WOAAH's budget activities. She also encouraged resource partners to strengthen their connections with other governing bodies of the Organisation.

Dr Eloit highlighted the opportunity to prepare ahead for the next strategic plan and invited members of the Advisory Committee to engage in discussions before the plan is finalised. She also encouraged them to be informed of other strategies beyond those already supported by the Advisory Committee members.

Dr Hans Wyss reminded participants that the next Advisory Committee meeting will be held in person on the margins of the next General Session in May 2025. The 2025 agenda will include elections for the next Chair of the Committee, as Dr Wyss announced that 2025 will be his final year as Chair. He expressed his gratitude to the Director General for the significant achievements during her mandate.

Appendices

- Appendix 1: List of participants
- Appendix 2: Presentations: (i) 2023 Advisory Committee Financial Presentation and (ii) WOAHA investment priorities and gaps.
- Appendix 3: Discussion paper: *Evolution of the World Fund and the expected role of the Advisory Committee as part of WOAHA's efforts to revise its financial, institutional, and technical governance.*

Appendix 1: List of Participants

COUNTRY- ORGANISATION (alphabetical order)	Participant
Australia - Department Agriculture, Fisheries and Forestry (DAFF)	Beth Cookson, Rob Atkinson, Mark Schipp
Bill & Melinda Gates Foundation	Sam Thevasayagam, Shannon Mesenhowski
Canada Canadian Food Inspection Agency (CFIA) Global Affairs Canada (GAC)	Martine Dubuc, Nancy Rheault Trevor Smith
People's Republic of China	Xiaodan Zhao, Peng Li
European Union Directorate-General for International Partnerships (INTPA) Directorate-General for Health and Food Safety (SANTE) Directorate General for Trade (TRADE)	Susanna Costa Francesco Berlingieri Francisco Tristante
France Agence Française de Développement (AFD) Direction générale de l'alimentation (DGAL)	Marie Edan Pierre Primot
Germany Ministry for Food and Agriculture (BMEL) Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	Christina Haarmann Nicola Watt
International Coalition for Animal Welfare (ICFAW)	Roly Owers, Masika Sophie
Ireland - Department of Agriculture, Food and the Marine	Martin Blake
Italy - Ministry of Health	Ugo della Marta
Japan - Ministry of Agriculture, Forestry and Fisheries (MAFF)	Masatsugu Okita, Kiyokazu Murai
New Zealand - Ministry of Primary Industries (MPI)	Rochelle Ferguson
Open Philanthropy	Michelle Sinclair
Spain – Spanish Embassy in Paris	Miguel Riesgo Pablo
Switzerland and Chair	Hans Wyss
Royal Society for the Prevention of Cruelty to Animals (RSPCA)	Alexandra Hammond-Seaman, Paul Littlefair
United Kingdom Department for Environment, Food & Rural Affairs (DEFRA) Defence Science and Technology Laboratory (DSTL)	Michelle Beer David Elliott
United States of America Agency for International Development Centers for Disease Control and Prevention Defense Threat Reduction Agency Department of Agriculture	Jan Morrow Casey Barton, Colin Basler Corina Monagin Conrad Estrada
WOAH Director General Engagement & Investment Department Directorate of Administration	Monique Eloit Ingrid Contreras-Arias, Nada Essawy, Mathias Las Heras, Marie Lemeunier, Lorenz Nake, Alice Pineau, Yohane Soko, Emily Tagliaro Xavier Pairault, Ali

19th World Fund Advisory Committee Meeting

Paris 27 May 2024



World
Organisation
for Animal
Health
Founded in 1924

Organisation
mondiale
de la santé
animale
Fondée en 1924

Organización
Mundial
de Sanidad
Animal
Fundada en 1924

Agenda

Welcome and adoption of the agenda

1. 2023 in Review
2. Investment Priorities & Gaps
3. Discussion:
Evolution of the World Fund and expected role of the Advisory Committee as part of WOA's efforts to revise its financial, institutional, and technical governance
4. Next meeting

Closing remarks

Agenda Item I

2023 in Review: Investing in Animal Health & Welfare

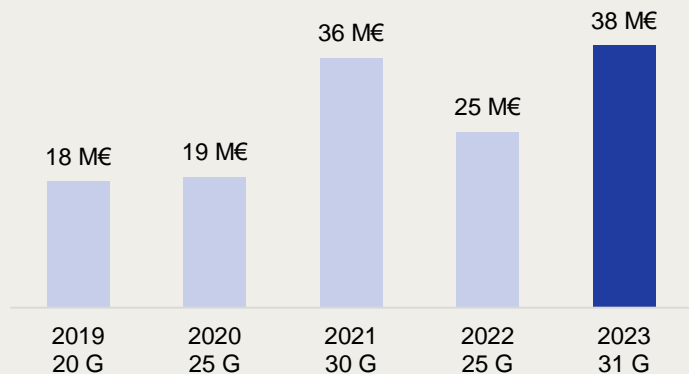
Lorenz Nake

Resource Mobilisation & Grant Management Officer

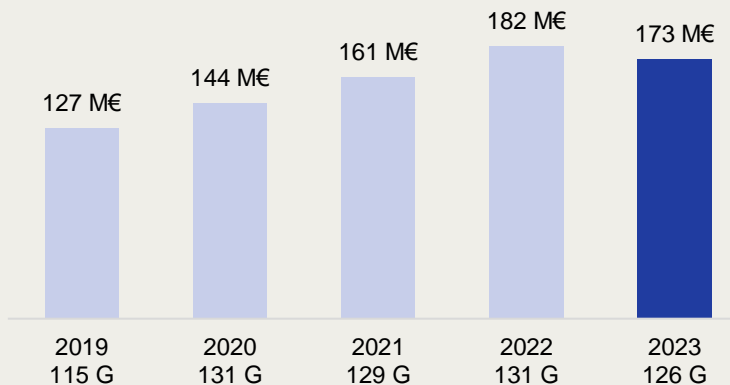
Engagement & Investment Department (EID)



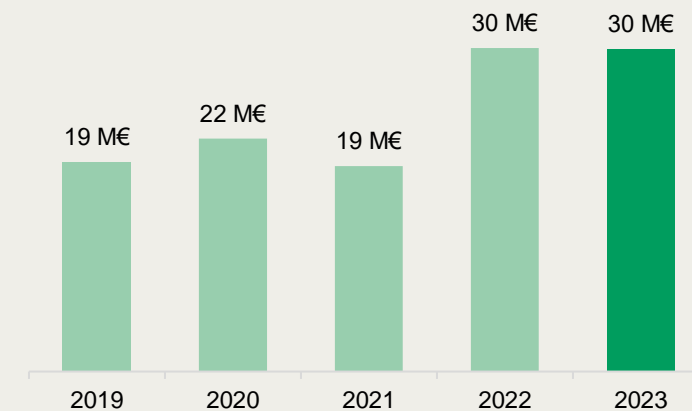
Indicator 1: Total Grants signed/year



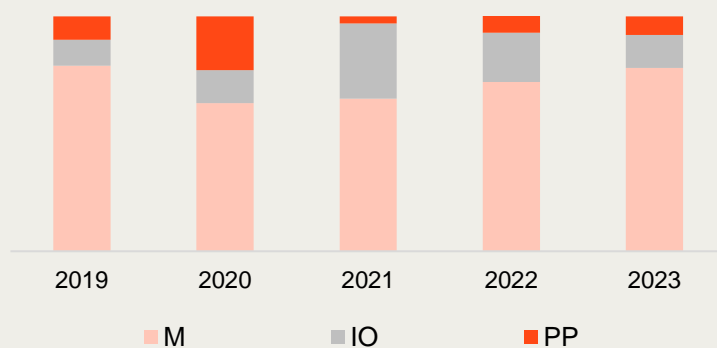
Indicator 2: Active Grants



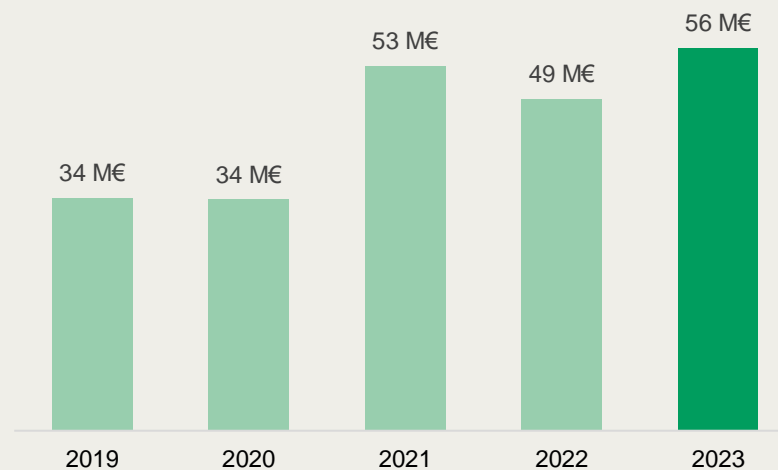
Indicator 3: Annual income



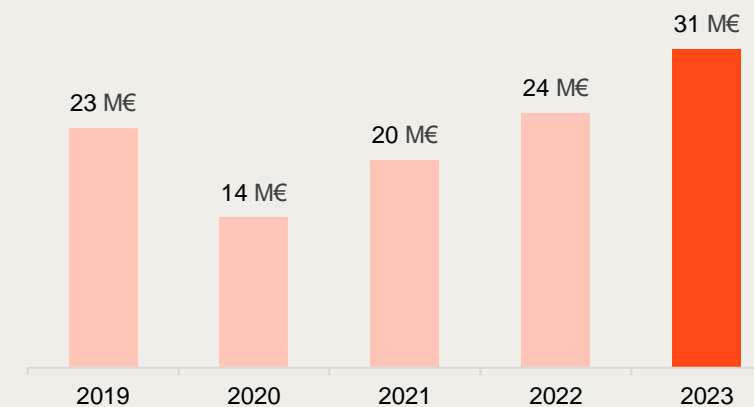
Indicator 4: Resource Partners typology

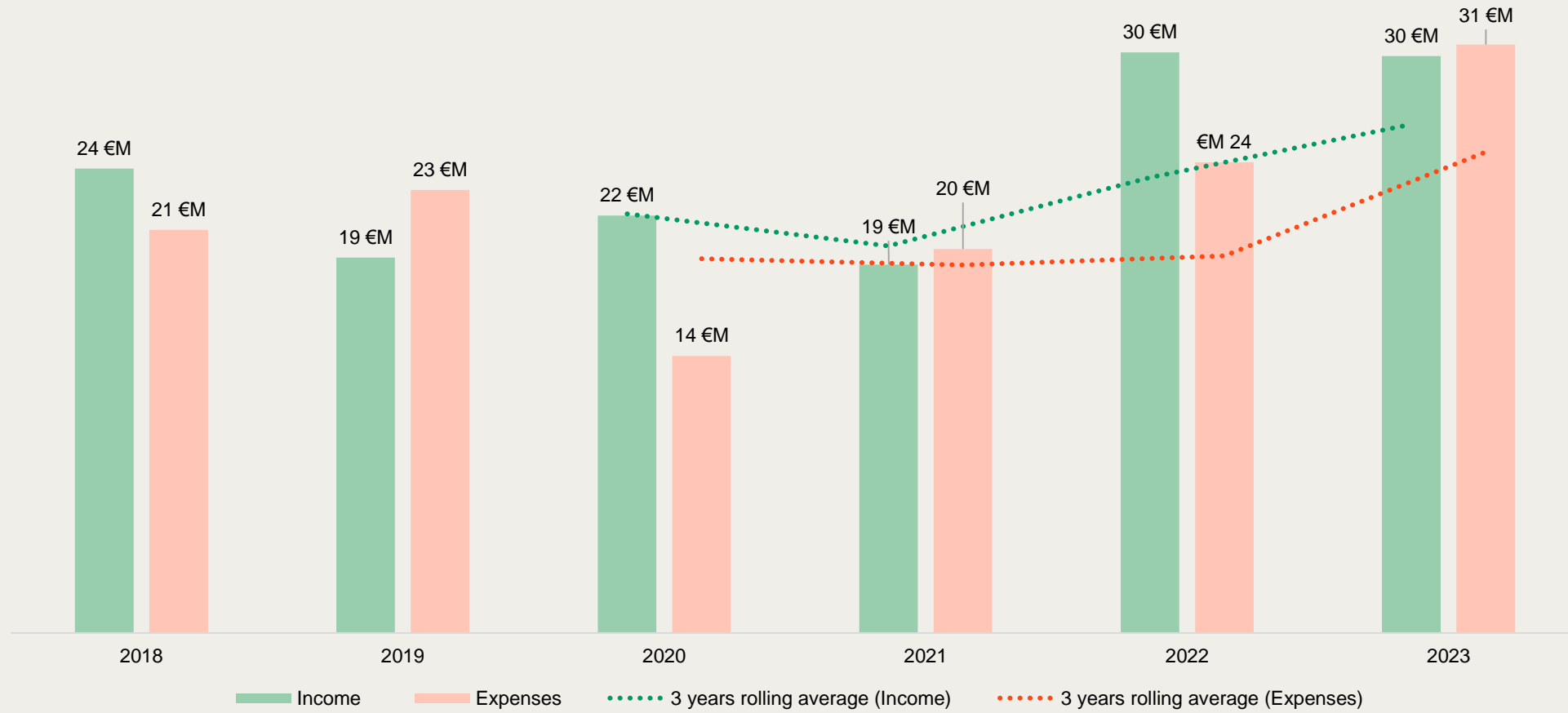


Indicator 5: Outstanding Monies owing



Indicator 6: Annual expenses





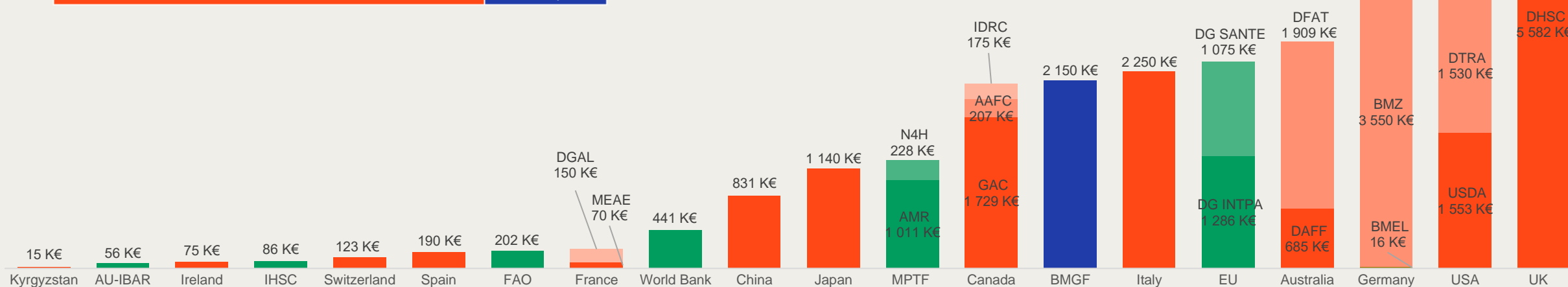
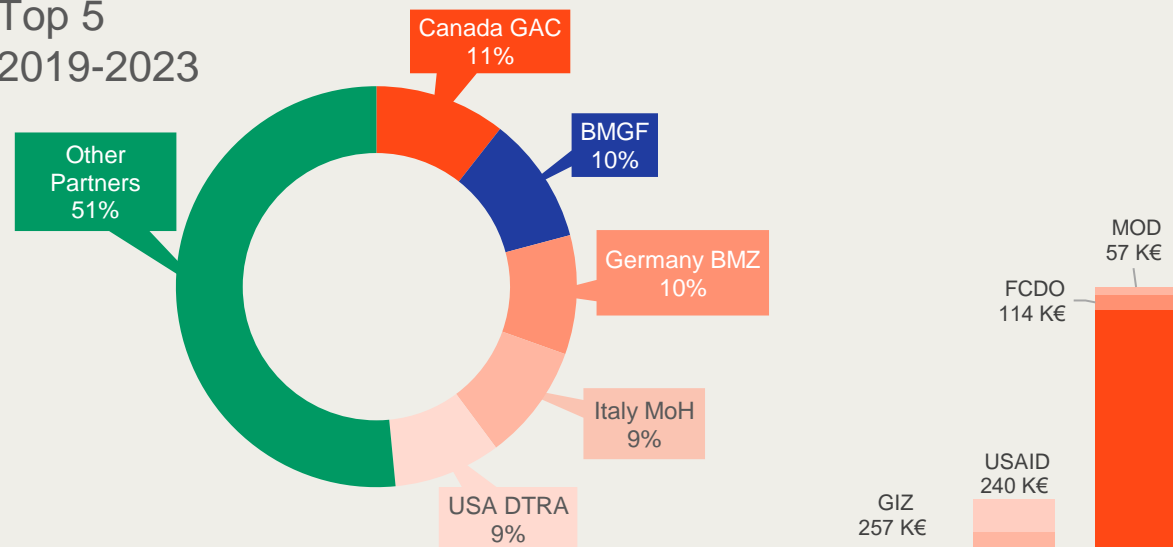


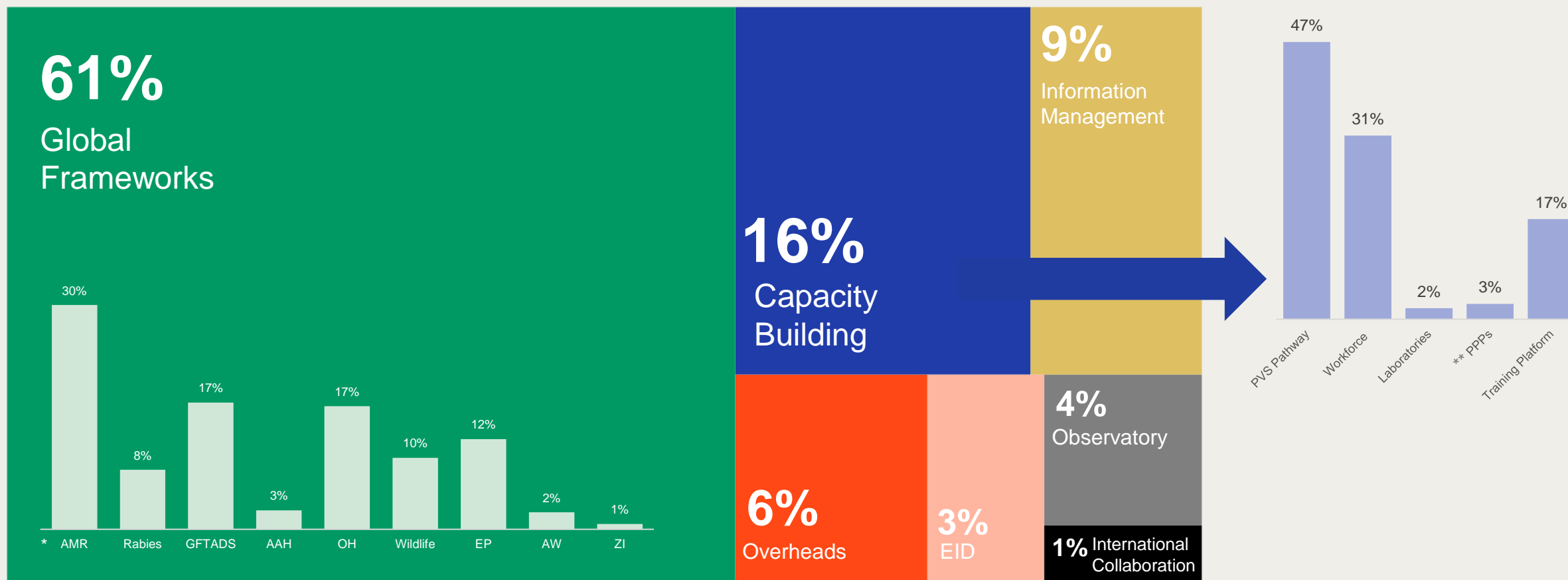
29,91 M€

2023 Annual income



Top 5 2019-2023

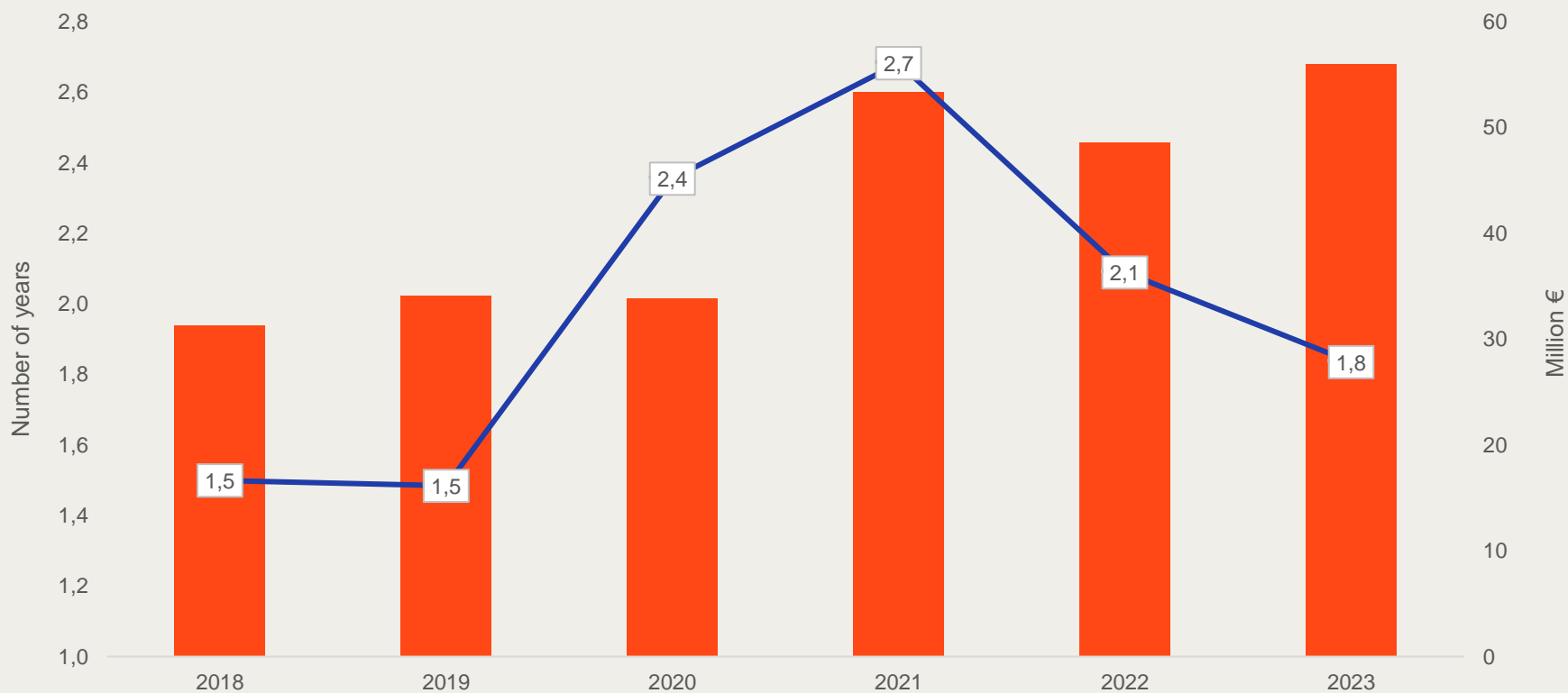




* AMR (Antimicrobial Resistance); GF-TADs (Global Framework for the Progressive Control of Transboundary Animal Diseases); AAH (Aquatic Animal Health); OH (One Health); EP (Emergency Preparedness); AW (Animal Welfare); ZI (Zoonotic Influenza) | ** PPPs (Public-Private Partnerships)

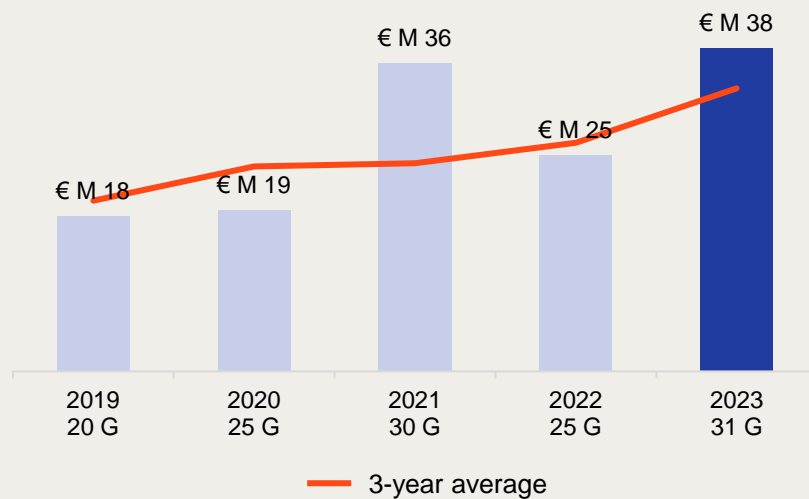


Projected disbursement time
=
Outstanding monies
÷
Expenditures

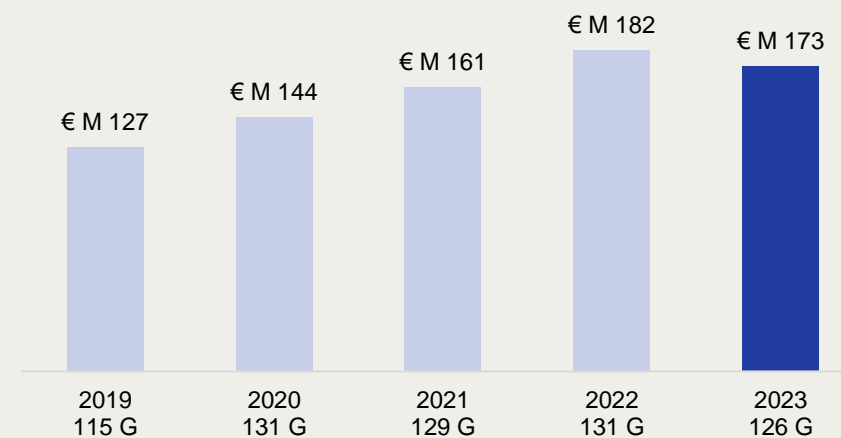




Indicator 1: Total Grants signed/year



Indicator 2: Active Grants

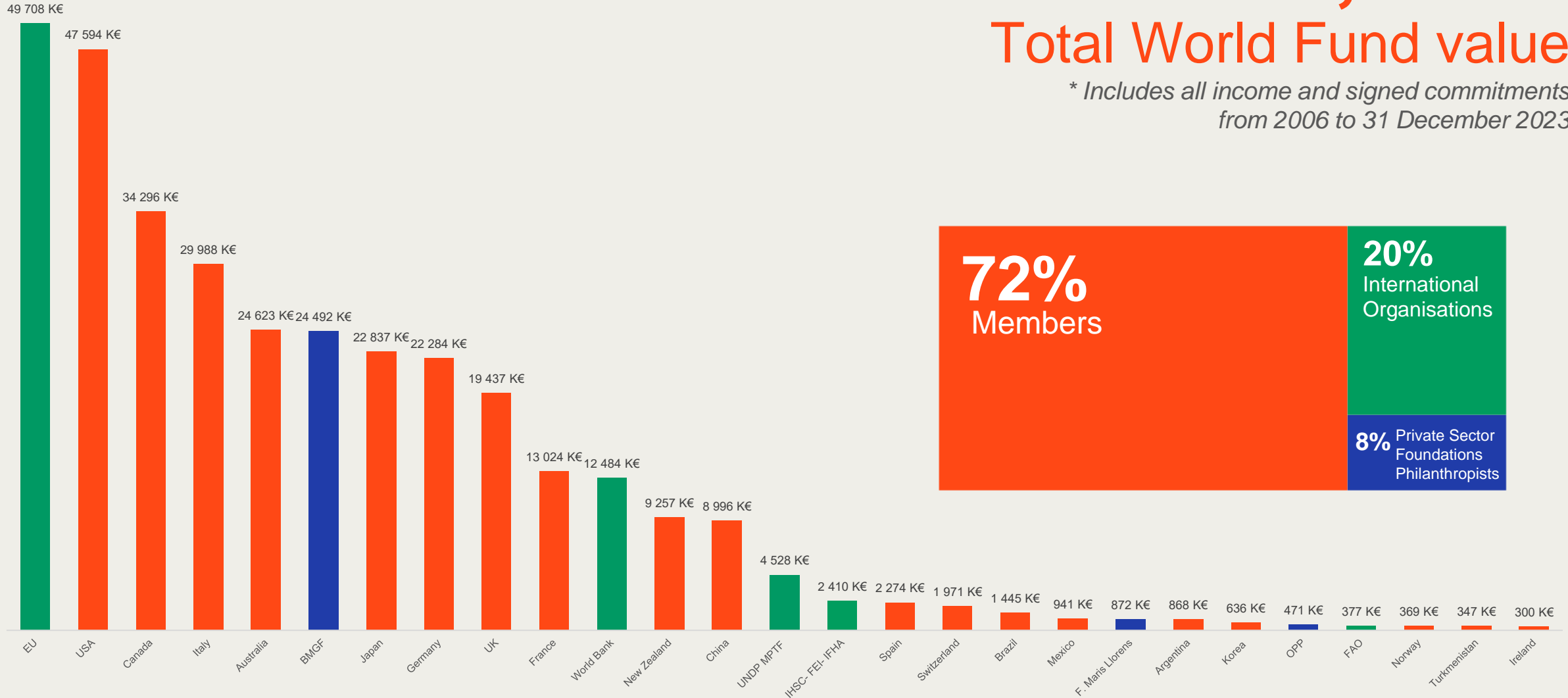




340,7 M€

Total World Fund value

** Includes all income and signed commitments from 2006 to 31 December 2023*



Investment Priorities & Gaps

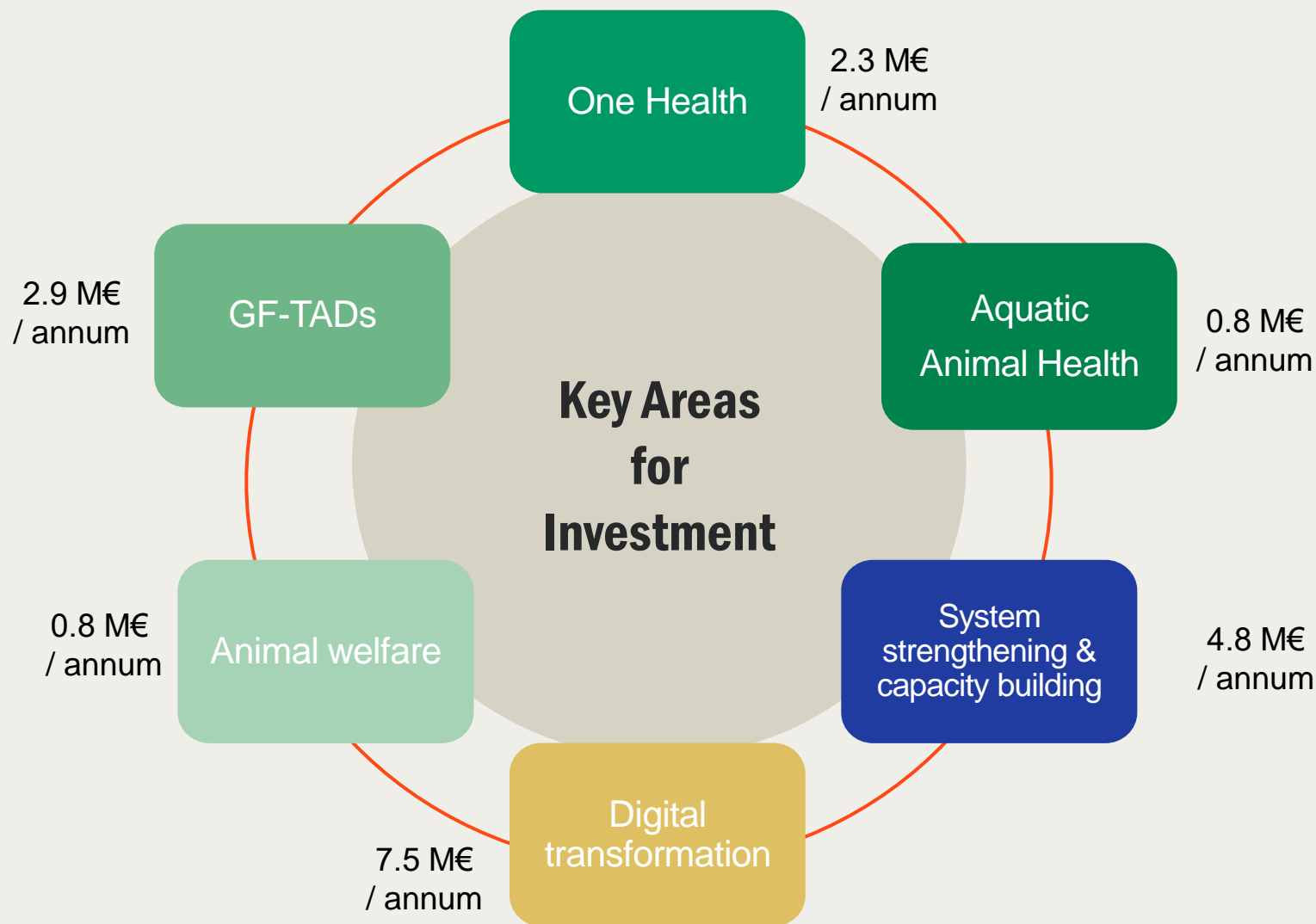
Ingrid Contreras Arias

Nada Essawy

Resource Mobilisation & Grant Management Officers

Engagement & Investment Department (EID)



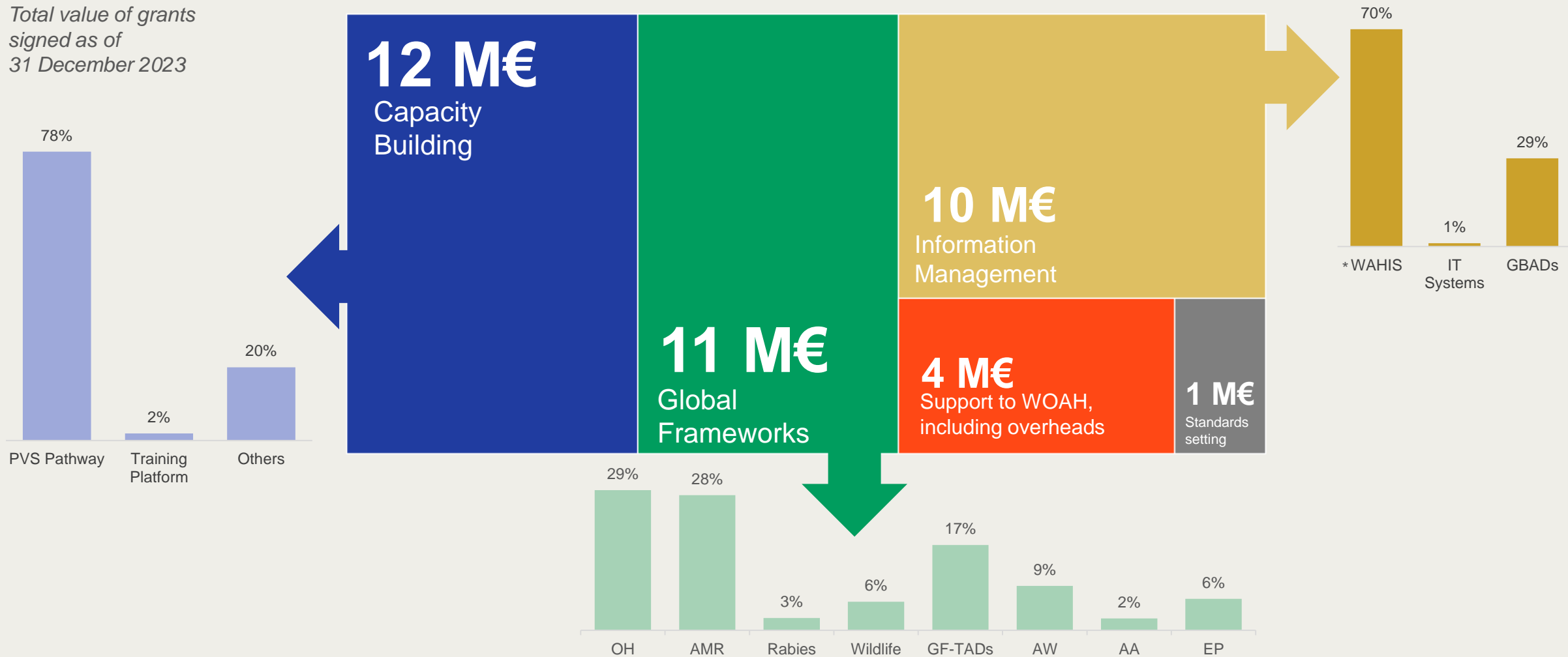


Total additional investment = 19.1 M€



38 M€

Total value of grants signed as of 31 December 2023



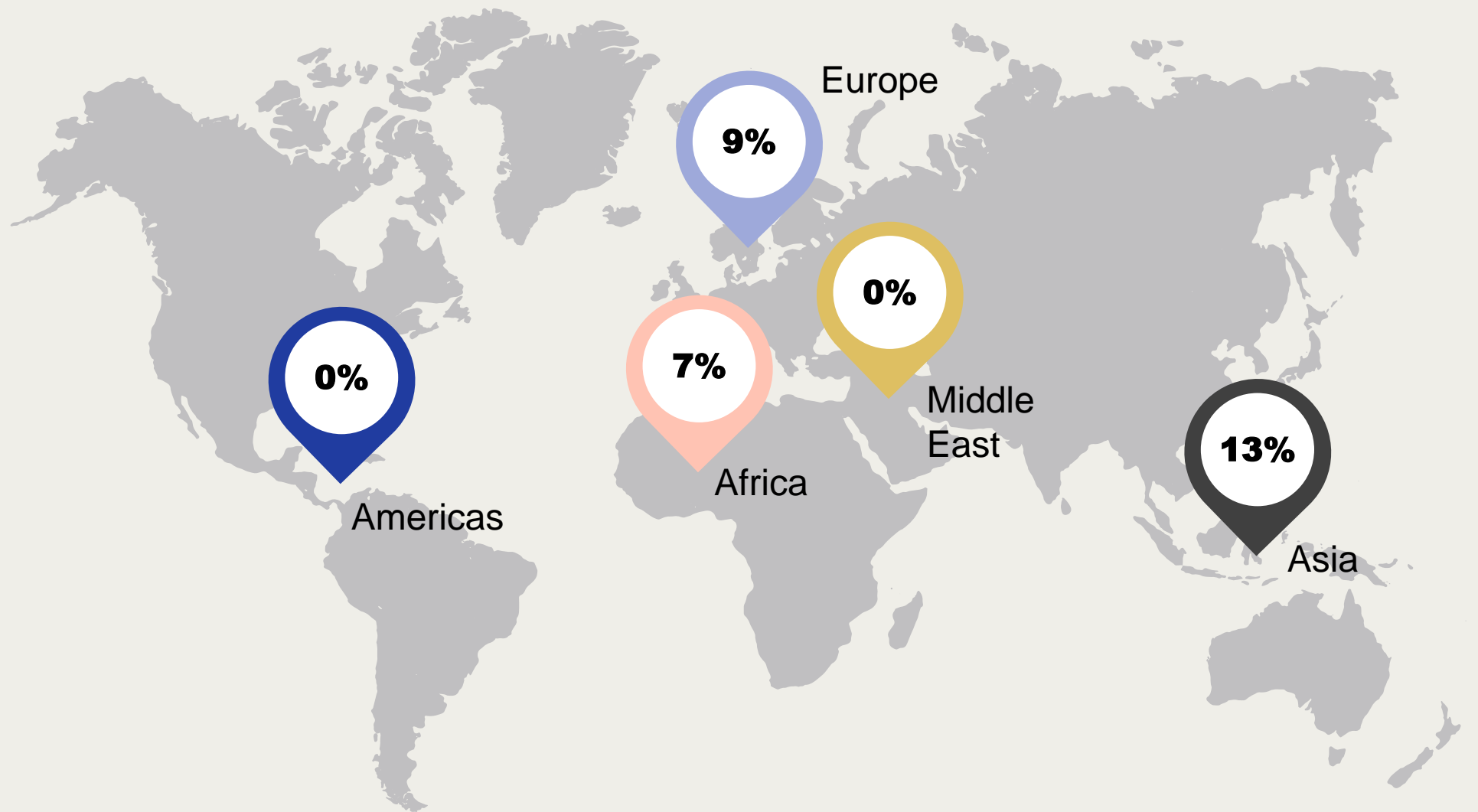
* WAHIS (World Animal Health System); GBADs (Global Burden of Animal Diseases)



All Regions



Institutional





1

Develop Resource Mobilisation Strategy:

- Identify desired outputs, KPIs, target countries.
- Identify targeted funding sources.
- Develop adapted narrative to the region.

2

Engagement 1 with the Region:

17th Conference of the Regional Commission for the Middle East, Riyadh October 2023

3

Engagement 2 with the Region:

Targeted Tours (UAE and KSA)

4

Future Engagement Opportunities:

Fourth international ministerial Conference on AMR in KSA in 2024.

Discussion



**Evolution of the World Fund and
expected role of the Advisory
Committee as part of WOAH's
efforts to revise its financial,
institutional, and technical
governance**

1

CONTEXT

Analysis and evaluation of WOAHA's institutional, technical and financial governance. Focused on financial governance recommendations

2

EVOLUTION OF THE WORLD FUND

Traces evolution of the World Fund since its establishment in 2004. Reports on growth, funding sources, and role in supporting WOAHA to deliver on its mandate

3

WORLD FUND GOVERNANCE

Describes its governance structures, roles, responsibilities and practices

4

DISCUSSION

Four questions for feedback and insights from the Members of the Advisory Committee

The evolution of the World Fund and the expected role of the Advisory Committee as part of WOAHA's efforts to revise its financial, institutional, and technical governance

Purpose

- 2024 marks the World Fund's 20th anniversary since its inception. This document presents the World Fund's trajectory, focusing on its financial performance and the consequential impact on WOAHA as well as its specific governance structures. Through introspection on its journey, the paper aims to furnish a contextual backdrop for discussions at the upcoming 19th World Fund Advisory Committee meeting in May 2024.
- Delving deeper, the paper outlines the present role of the Advisory Committee with the intention of exploring during the Advisory Committee meeting potential options for the future governance of the World Fund for consideration of the WOAHA Membership.
- The paper is structured into several sections:
 - Context:** This section explains why WOAHA commissioned an external evaluation to assess its institutional, technical, and financial governance structures, and summarises the key findings and recommendations pertaining to financial governance.
 - Evolution of the WOAHA World Fund:** This section traces the evolution of the World Fund since establishment in 2004. It outlines the Fund's growth, funding sources, and its role in supporting WOAHA deliver on its mandate and activities.
 - World Fund Governance:** This section describes the World Fund's governance structures, namely the roles and responsibilities of the Management Committee and Advisory Committee. It highlights the evolution of these Committees over time.
 - Questions:** The paper concludes by raising questions to the members of the Advisory Committee for discussion at its forthcoming meeting on 27 May 2024.

Context

- 2024 is a momentous year for WOAHA, marking a 100-year journey of dedication, resilience, and a shared commitment to its Members, mandate and mission. This landmark occasion provides the Organisation, Members and partners with a unique opportunity to reflect on its history, acknowledge the milestones achieved, and, most importantly, set the stage for an even more impactful future.
- To support this, in 2023, WOAHA commissioned an external and independent *Analysis and Evaluation of the institutional, technical, and financial governance of the World Organisation for Animal Health* (hereinafter called 'Report') to identify, in a first stage, areas for possible improvement to help WOAHA deliver its mission. "Governance" refers to the legal frameworks, bodies, acts and processes involved in managing WOAHA. Financial governance encompasses the rules and procedures governing WOAHA's budgets, including the Regular Budget, the World Fund, Regional and Sub-Regional Representation budgets, as well as other funding sources. The [Report's Executive Summary](#) is available as a public document on the WOAHA website. The full Report can be accessed through the hyperlinks provided in the Executive Summary.
- [Section III.6 of the Report](#) describes the rules and processes applicable to WOAHA's financial governance, focusing on the statutory and extraordinary contributions made to WOAHA as well as the management of WOAHA financial resources and its budgetary processes. It also benchmarks WOAHA's financial governance and practices against those of other international organisations.
- The Report signals that statutory contributions play a crucial role in facilitating WOAHA's mission by providing financial stability, reducing dependence on voluntary contributions, and ensuring alignment with the Organisation's objectives and plans. Contrary to other international organisations in today's world, WOAHA Members have the flexibility to choose from six predefined categories to determine their mandatory contributions as outlined in the Founding Treaty. While the Organic Statutes

Management Committee

Membership

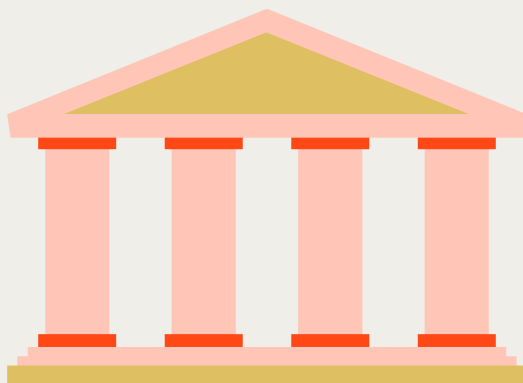
WOAH President, two council Members and representative of the Advisory Committee

Role

Establishing World Fund activity programme

Review & recommend endorsement of World Fund accounts to the Council for adoption by the World Assembly

Frequency: Annual meeting in May



Advisory Committee

Membership : Resource partners and key technical partners

Role

- Examine the work program and priority activities conducted and to provide recommendations for future activities.
- Review financial performance.
- Build alliances between WOAHA, other IEs, donors and partners
- Identify parallel investments, ensure coordination and avoid duplication of investments
- Identify opportunities to leverage funding or additional donor potential

Frequency: Annual meeting in December
Shifted to May (17th AC minutes)

- 1** Do the Advisory Committee Members consider that the Committee Terms of Reference reflects their current and intended role?
- 2** Should the Membership of the Advisory Committee change? Or the Advisory Committee modalities change?
- 3** In the reflection on the evolution of WOAHA's financial governance, is there a role for the Advisory Committee? If so, what function should it have?
- 4** Would you be in favour of participating in a working group to further reflect on WOAHA's financial governance?



Next meeting

Thank you

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[YouTube](#)
[Flickr](#)



World
Organisation
for Animal
Health
Founded in 1924

Organisation
mondiale
de la santé
animale
Fondée en 1924

Organización
Mundial
de Sanidad
Animal
Fundada en 1924





The evolution of the World Fund and the expected role of the Advisory Committee as part of WOAH's efforts to revise its financial, institutional, and technical governance

Purpose

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2. Delving deeper, the paper outlines the present role of the Advisory Committee with the intention of exploring during the Advisory Committee meeting potential options for the future governance of the World Fund for consideration of the WOAH Membership.
3. The paper is structured into several sections:
 - I. Context: This section explains why WOAH commissioned an external evaluation to assess its institutional, technical, and financial governance structures, and summarises the key findings and recommendations pertaining to financial governance.
 - II. Evolution of the WOAH World Fund: This section traces the evolution of the World Fund since establishment in 2004. It outlines the Fund's growth, funding sources, and its role in supporting WOAH deliver on its mandate and activities.
 - III. World Fund Governance: This section describes the World Fund's governance structures, namely the roles and responsibilities of the Management Committee and Advisory Committee. It highlights the evolution of these Committees over time.
 - IV. Questions: The paper concludes by raising questions to the members of the Advisory Committee for discussion at its forthcoming meeting on 27 May 2024.

Context

4. 2024 is a momentous year for WOAH, marking a 100-year journey of dedication, resilience, and a shared commitment to its Members, mandate and mission. This landmark occasion provides the Organisation, Members and partners with a unique opportunity to reflect on its history, acknowledge the milestones achieved, and, most importantly, set the stage for an even more impactful future.
 5. To support this, in 2023, WOAH commissioned an external and independent *Analysis and Evaluation of the institutional, technical, and financial governance of the World Organisation for Animal Health* (hereinafter called 'Report') to identify, in a first stage, areas for possible improvement to help WOAH deliver its mission. "Governance" refers to the legal frameworks, bodies, acts and processes involved in managing WOAH. Financial governance encompasses the rules and procedures governing WOAH's budgets, including the Regular Budget, the World Fund, Regional and Sub-Regional Representation budgets, as well as other funding sources. The [Report's Executive Summary](#) is available as a public document on the WOAH website. The full Report can be accessed through the hyperlinks provided in the Executive Summary.
 6. [Section III.6 of the Report](#) describes the rules and processes applicable to WOAH's financial governance, focusing on the statutory and extraordinary contributions made to WOAH as well as the management of WOAH financial resources and its budgetary processes. It also benchmarks WOAH's financial governance and practices against those of other international organisations.
 7. The Report signals that statutory contributions play a crucial role in facilitating WOAH's mission by providing financial stability, reducing dependence on voluntary contributions, and ensuring alignment with the Organisation's objectives and plans. Contrary to other international organisations in today's world, WOAH Members have the flexibility to choose from six predefined categories to determine their mandatory contributions as outlined in the Founding Treaty. While the Organic Statutes
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stipulate that Members can only move to higher contribution categories, on occasion, Members have been allowed to opt for lower contribution levels.

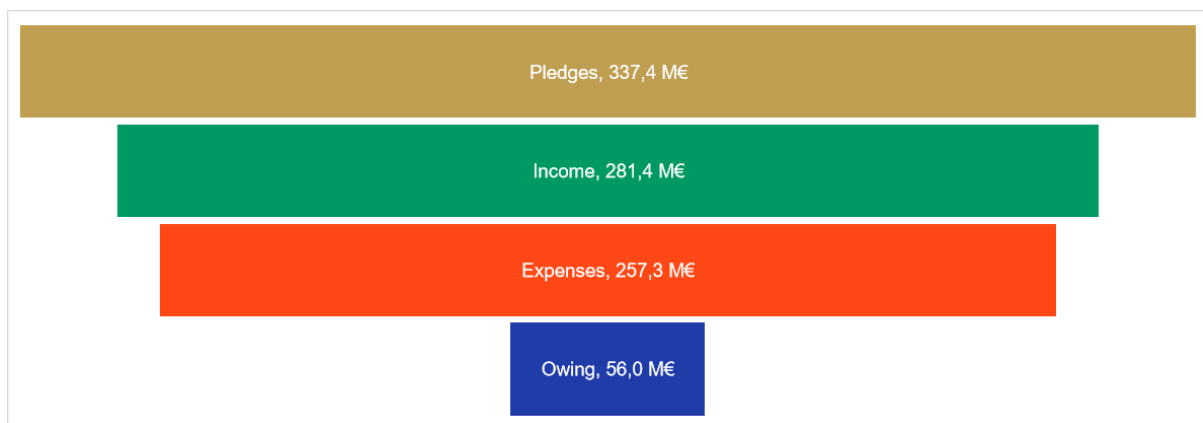
8. The statutory contributions' system has undergone modifications through Assembly Resolutions, including the introduction of additional categories that enable least developed countries (LDCs) to pay half of the amounts they are due. Additionally, the establishment of two rates for extraordinary contributions offers Members an opportunity to provide additional flexible resources to the Regular Budget – not very common practice among Members. In 2018, the Assembly adopted to factor in the annual Consumer Price Index (CPI) of the Organisation for Economic Cooperation and Development (OECD) when determining contributions for the following year.
9. The Report describes the establishment of the “World Animal Health and Welfare Fund” (the “World Fund”) by the World Assembly via adoption of Resolution XVII/71/2004 in order to receive subsidies, donations, or legacies to complement the Regular Budget, and enabling WOAAH to implement projects of international public utility for the delivery of its mandate. The Resolution and associated [Terms of Reference](#) determines that voluntary contributions can be accepted from Members, intergovernmental organisations, philanthropic foundations, the private sector, and other sources.
10. It also outlines that the WOAAH Director General is responsible for receiving contributions into the World Fund and managing them in accordance with the Financial Regulations and the World Fund's Terms of Reference. The World Fund can be closed upon decision of the Assembly further to a proposal from the Director General and the approval of the Management Committee. This decision would also determine, if appropriate, where the remaining assets of the Fund would be allocated.
11. In complying with the responsibilities pertaining to the management of the World Fund, the Director General is assisted by a Management Committee and an Advisory Committee:
 - The Management Committee meets annually in May to review financial performance of the Fund, recommends adoption of the World Fund annual accounts and transmits the accounts to the Council for endorsement and final adoption by the World Assembly. The Management Committee comprises the WOAAH President and two members designated by the Council. A representative of the Advisory Committee is invited to participate in the work of the Management Committee in a consultative capacity.
 - The Advisory Committee meets annually in May and comprises investors to the World Fund. The meeting provides an opportunity for dialogue between resource partners, multilateral developing agencies, and selected stakeholders to shape the Fund's strategic vision and resource mobilisation efforts. An elected Chair presides the meetings for a five-year term.
12. The Report indicates that the World Fund clearly supplements resources for the Regular Budget. Given that voluntary contributions mobilised through the World Fund often cover activities that should be funded by the Regular Budget, determining the necessary budget to fulfil WOAAH's mandate or core activities becomes increasingly challenging.
13. The Report states that WOAAH's financial governance grants its Members and resource partners significant flexibility in deciding their contributions to either the Regular Budget or the World Fund. Consequently, the Organisation faces challenges in maintaining sustainability, predictability and adequacy of resource allocation for its operations. This is particularly evident with the proportion of fully flexible and predictable funding available to WOAAH diminishing over time in contrast to voluntary contributions, which solely rely on the generosity and priorities of resource partners.
14. Consequently, over the past two decades, WOAAH has appealed to its Members to augment their statutory contributions to meet the Organisation's budgetary requirements, considering the scope of its mission and to address inflation. However, this approach is deemed unsustainable for addressing the Organisation's needs and requires the Membership to redefine its funding model by drawing insights from the experiences of other international bodies.
15. Linked to this, the Report makes three recommendations pertaining to financial governance:
 - Recommendation 19 – WOAAH may wish to explore alternatives to its current funding model with the aim of enhancing WOAAH's financial predictability and stability and ensuring that it has adequate resources to sustainably deliver on its mandate.

- Recommendation 20 – To encourage timely contribution payment from all its Members, WOAAH may wish to increase its transparency of contributions and arrears, explore possible incentives, and clarify the scope of sanctions applicable to Members in arrears.
 - Recommendation 21 – WOAAH may wish to adopt a two-year financial and budgetary period which could be aligned to the strategic planning and election cycles.
16. Moreover, the Report also describes that the World Fund’s separate governance and reporting system is unique. Without issuing a recommendation, the Report raises questions of the value of the World Fund Committees (Advisory and Management Committee), their roles and responsibilities and proposes to explore whether certain functions could be assigned to the WOAAH Council.
17. Based on this Report, via [Resolution 2024/12](#), WOAAH is proposing its Members to establish a dedicated group on governance to carry out further work to revise the WOAAH Basic Texts. This Group would be assigned with undertaking a holistic work multi-year programme and making initial recommendations, if any, to support revisions to the Basic Texts, including for financial governance.

Evolution of the World Fund

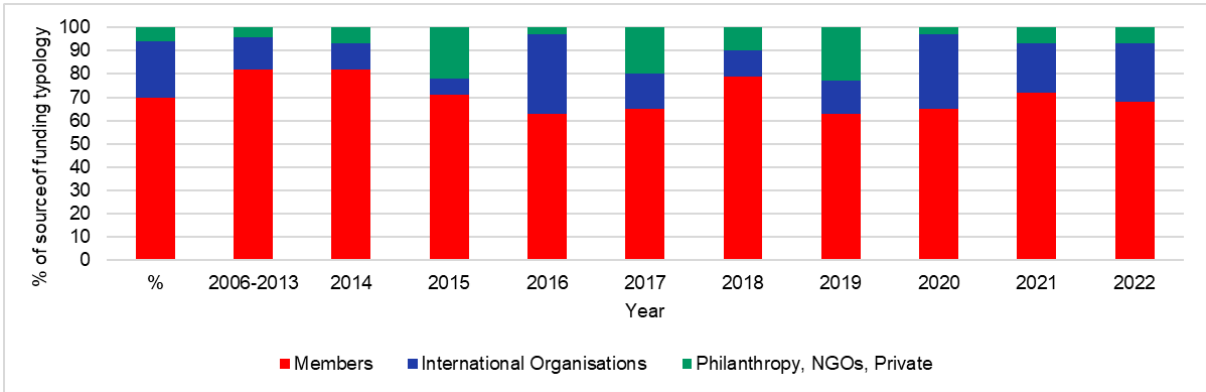
18. The World Fund was established in 2004 as a response to the avian influenza H5N1 epidemic and recognition for a dedicated financial mechanism to enable WOAAH to support its Membership improve animal health and welfare. Through [Resolution XVII/71/2004](#), the Assembly recognised the need to mobilise resources not only from Members but also from external resource partners and identified the World Fund as the vehicle to pool financial contributions to implement projects of international public utility for the delivery of its mandate.
19. In the initial years (2006-2010), the World Fund supported the development and implementation of specific activities and programmes with a strong capacity building (i.e. PVS Pathway, Regional Seminars for National Focal Points, Global Conferences). The rapidly evolving global health context drove WOAAH to be overcommitted and overextended to put into place resolutions and decisions adopted by its Assembly and to better serve its Members. This inherent misalignment between critical organisational activities and Members’ financial commitments, with statutory contributions declining as an overall percentage of the consolidated Organisational budget, was countered or propelled by the successful resource mobilisation through the World Fund.
20. Since its operationalisation in 2006, the World Fund has consistently experienced growth. As of 31 December 2023 (audited accounts), the cumulative value of the World Fund stands at just under 340 M€ with nearly 400 grants signed. As depicted in Figure 1, of the pledged funds, the World Fund has received 83%, expended 76% of the pledges, leaving 17% to outstanding monies owing. Due to the dynamic nature of the World Fund, characterised by numerous grants signed with multiple resource partners and operating on a multi-year basis, the outstanding monies owing offers a projection of anticipated income for WOAAH in the future year. This insight aids in the planning and allocation of resources for WOAAH activities and staff to a considerable extent.

Figure 1: Overview of financial information - World Fund Evolution 2006 – 2023 (M€)



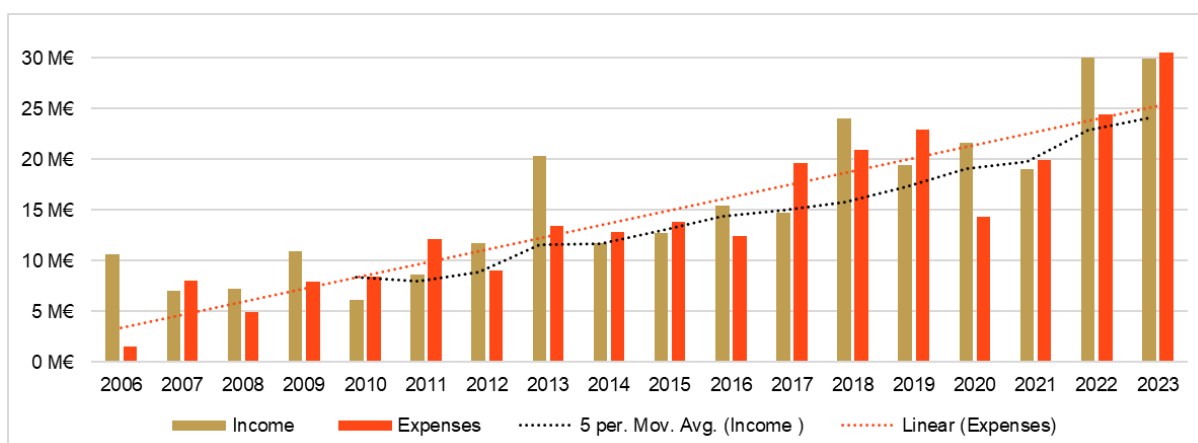
- 21. The number of grants has increased significantly, from seven active contracts in 2007 to 130 in 2023. The number and typology of resource partners has also evolved throughout the years, with the World Fund counting active relationships with over 50 different investors, including with national public entities, international organisations, philanthropic organisations, non-governmental organisations, and industry associations.
- 22. Government public sector agencies continue to provide the majority of funding to the World Fund (71%). WOAAH interprets this additional investment from Members as a testimony to their confidence in WOAAH and its ability to achieve tangible focused outcomes as well as financial transparency and quality reporting. The latter could also explain why Members prefer to provide funding through the World Fund rather than as extraordinary contributions to the Regular Budget. It could also be because the financial partnerships with government public sector agencies extend beyond the traditional points of contact within the Organisation (such as Ministries/Departments/Agencies where Delegates are stationed) and include the Ministry of Agriculture, Ministry of Health, Foreign Affairs, Development agencies, etc. For several contributors, this has been possible further to [WOAH's inclusion to the list of ODA-eligible international organisations](#).
- 23. As part of its resource mobilisation strategy, WOAAH has continued to diversify its network of resource partners and explore alternative financing mechanisms. An offering was made to WOAAH Regional Offices to develop and implement regional resource mobilisation strategies for regions currently benefitting from limited or no voluntary contributions (i.e. Middle East and Americas). To date, work has advanced for a resource mobilisation strategy in the Middle East. Considering the lessons learned from this experience, a resource mobilisation strategy for the Americas will also be developed.
- 24. In terms of other financing mechanisms, alongside its involvement in the UNDP Multi-Partner Trust Fund on Antimicrobial Resistance, WOAAH also participates in the Nature for Health UNDP Multi-Partner Trust Fund and Financial Intermediary Fund for Pandemic Prevention, Preparedness, and Response. Investments routed through the European Union, the UNDP MPTF or the World Bank falls under the International Organisations category (19%). While voluntary contributions from Foundations, NGOs and private sector associations are currently limited, they continue to represent an area of strategic focus for the future (10%).

Figure 2: Resource Partner Typology 2006 – 2023 (%)



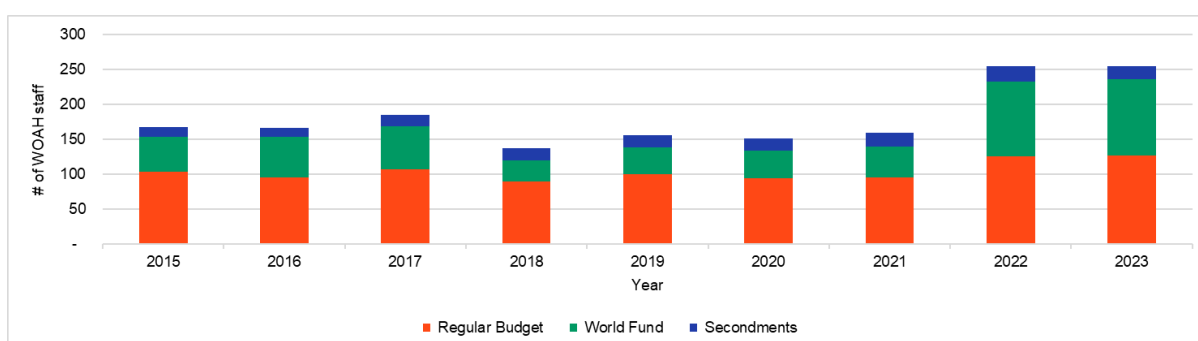
- 25. Although the World Fund today represents a vital source of complementary resources for the Organisation, the evolution has been gradual, with a heightened upward trend as of 2016. As captured in Figure 3, in 2006, the World Fund had an initial annual income of € 10.6 million thanks to financial contributions from five founding resource partners (France, Japan, Switzerland, United States of America, World Bank). In 2023, it had incrementally surged to € 29.92 million (second best year for income after 2022). This increase in income is better represented using five-year rolling average correlated to WOAAH's Strategic Plan cycle equating to a 30% increase in 15 years:
 - € 8.41 million for the 4th Strategic Plan (2006-2010)
 - € 13.01 million for the 5th Strategic Plan (2011-2015)
 - € 19.07 million for the 6th Strategic Plan (2016-2020)
 - € 26.34 million for the 7th Strategic Plan (2021-2026 – figures only until 2023).

Figure 3: World Fund Evolution 2006 – 2023 (M€)



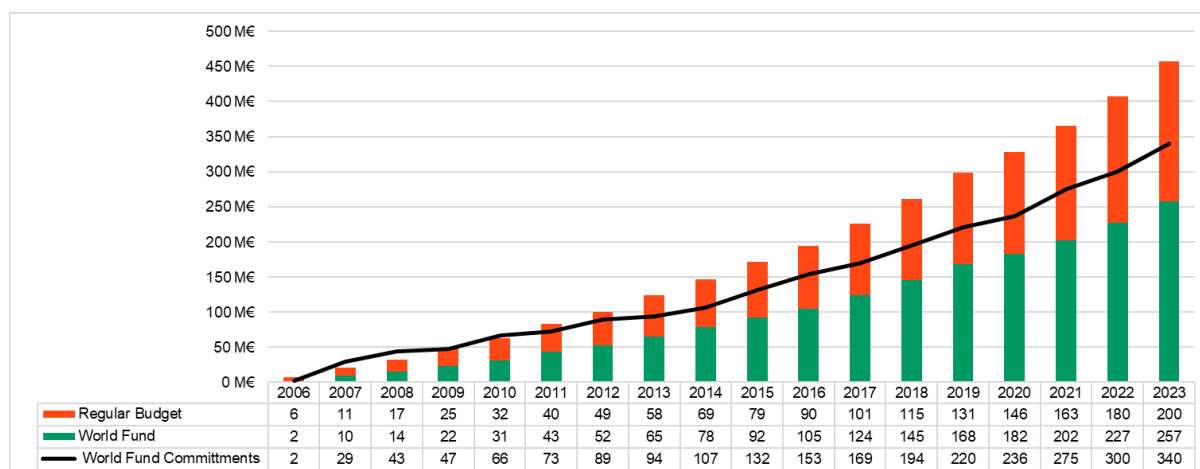
26. WOAHA's capacity to deliver and expend has also witnessed a linear trend, falling behind income for all years, with the exception of 2023 with an unprecedented high of € 30,46 million, marking a 25% increase compared to the previous year's record expenses. The increase in expenses serves as a pivotal indicator, reflecting a robust return in activity implementation following the temporary reduction induced by the COVID-19-related travel restrictions.
27. The rise in expenditures not only mirrors an increase in signed grants and received income. It can be correlated to the significant expansion in WOAHA's mandate, missions and activities (i.e. animal welfare, antimicrobial resistance, emergency management, wildlife, aquatic animals, etc.). Consequently, this has resulted in a heightened need for financial resources to deliver the mandate (human resources) and an enlargement of WOAHA's service provision to its Members.
28. Linked to this, the World Fund provides a critical source of funding for the Organisation's payroll, for staff in both Headquarters and Regional and Sub-Regional Representations. In 2023, 20% of World Fund expenses was dedicated to WOAHA staff salaries. The below graph tracks the number of staff distributed across source of funding, with 2015 corresponding to the first year in which this information was shared with the Membership.

Figure 4: Funding sources for WOAHA Staff (# of staff)



29. Figure 5 depicts how, over time, statutory contributions have declined as an overall percentage of WOAHA's consolidated budget and signals the critical function the World Fund plays in WOAHA financial governance. Although voluntary contributions, per their nature, they are unpredictable and tied to a particular purpose, they are fundamental for ensuring continued service delivery aligned with the Membership's expectations for WOAHA as well as the Organisation's ambition to support its Members and its role in global health governance. The reliance on voluntary contributions for activities covered by the Regular Budget will need to form part of the Membership's reflection for financial governance and its interconnectivity with institutional and technical governance.

Figure 5: Evolution of WOAH Cumulative Programme Budget (Regular Budget and World Fund) and World Fund Commitments (M€)



30. WOAH and its Members extend their appreciation to all resource partners for their invaluable support and contributions to the Organisation and its work. As WOAH charts its course into the future and contemplates various potential scenarios, the sustained investment in WOAH emerges as a linchpin for continued success. With the anticipation of a new Director General assuming office in August 2024, WOAH's focus will pivot towards developing the 8th Strategic Plan while concurrently undertaking a thorough review of the Organisation's governance framework. This pivotal work, alongside the Members' perspectives on WOAH's mission and objectives, will serve as guiding beacons informing not only operational modalities but also the design and delivery of programmes and initiatives.
31. These deliberations unfold against the backdrop of a complex macroeconomic landscape, where mobilising voluntary contributions for the World Fund may encounter hurdles amidst a convergence of macroeconomic challenges, competing budgetary priorities, and other national and international issues. This may reduce in discretionary spending, constraining the availability of funds for voluntary contributions. Consequently, navigating these multifaceted challenges necessitates that WOAH remains as a steadfast partner, delivering timely and impactful results. It will require reinforcing and building new partnerships based on strategic foresight to concertedly advocate for WOAH, its Members and their mission.
32. Similarly, the current context presents a dual challenge for the Organisation, making it increasingly difficult for WOAH to raise statutory contributions. In light of this, WOAH Members may contemplate revising the financial governance structure to adopt a burden-sharing arrangement akin to that of other international organisations. Consequently, current resource partners of the World Fund might consider converting some of their voluntary contributions into statutory contributions, a practice already applied by certain resource partners.

World Fund Governance

33. In terms of World Fund governance, the [Basic Texts](#) stipulate that:

The Director General shall ensure that the Fund is managed in accordance with the financial rules of the OIE and the objectives fixed by the activity programme. The Council shall determine the Terms of Reference of the Management Committee.

The Management Committee shall comprise the President and two members designated by the Council and chosen from among its own members; it shall be chaired by the President or, in the absence of the President, the Vice-President. A representative of the Advisory Committee shall be invited to participate in the work of the Management Committee in a consultative capacity.

The Management Committee shall be convened by the President. It establishes the activity programme of the Fund on the proposal of the Director General. The Director General shall inform the Management Committee of the management of funds and the implementation of the activity programme.

The Director General shall appoint the members of the Advisory Committee representing donor bodies and other interested parties. The Advisory Committee shall appoint its own Chairperson on a rotating basis and shall designate one of its members to represent it on the Management Committee.

Management Committee

34. WOAHA has convened 16 annual Management Committee meetings, each May, except for 2020 due to the COVID-19 pandemic. The 17th meeting will take place on 23 May 2024, preceding the Council meeting.
35. In a concerted effort to enhance financial transparency and foster a deeper understanding among WOAHA Members regarding the Organisation's financial landscape, significant strides have been made since 2020 in revising WOAHA's financial reporting. While the Assembly does not formally vote on World Fund budget appropriation, comprehensive insights into the Fund's financial performance are outlined across all [financial documents](#). This information captured through six key performance indicators, presents the World Fund's impact on the Organisation's budget and operational planning, both past and future. Subsequently, this information is presented to the Council during its February session, seeking their approval for the subsequent presentation to the Assembly for adoption.
36. Within the Council meeting held in May, a concise verbal overview of the Management Committee meeting is provided to Council Members. This summary reaffirms the Council's endorsement of World Fund accounts to be submitted to the Membership, underlining the Assembly's exclusive purview in voting on the Regular Budget appropriation.
37. As the utilisation and strategic positioning of the World Fund evolved from being a "separate" to a complementary funding source for WOAHA, the Report scrutinizes the efficacy of the Management Committee vis-à-vis a more structured dialogue on WOAHA's consolidated financial performance with the Council. This inquiry will require further deliberation with the Membership, especially in the context of reviewing WOAHA's financial governance framework.

Advisory Committee

38. The Terms of Reference revised by the Advisory Committee in 2016 are provided in Annex 1.
39. Over the course of the past 19 years, the World Fund Advisory Committee has also undergone significant evolution, reflecting the growing number of participating resource partners and the evolving role of the World Fund within WOAHA. Initially conceived as a parallel financial mechanism solely supporting extra-budgetary activities, the World Fund has since been repositioned as a complementary source of income for WOAHA. The initiatives launched through the World Fund have emerged as flagship organisational programmes, constituting a crucial component of WOAHA's service portfolio for its Members. Consequently, there has been a heightened emphasis on financial performance in contrast to a mere stocktaking of activities funded through the World Fund.
40. During its 19-year tenure, the Committee has witnessed three chairs: the World Bank held the position for three consecutive three-year terms, succeeded by Canada and Switzerland for five-year terms following adjustments to the Advisory Committee's Terms of Reference in 2016. Switzerland's term will conclude in 2025, requiring candidates and election to take place at the 2025 meeting. Moreover, WOAHA has ceased extending invitations to the FAO, WHO, and WTO STDF. While these entities remain critical partners, the Advisory Committee is no longer tasked with deliberating on or identifying WOAHA's engagement in activities and collaboration with technical partners.
41. In the past, Advisory Committee meetings have served as a platform for presenting new programmes and included interactive sessions aimed at informing resource mobilisation and narrative development. While these efforts have been acknowledged, WOAHA perceives that the Committee primarily serves as a conduit for information rather than offering strategic inputs towards identifying resource mobilisation opportunities. While a satisfaction survey was conducted last year with Advisory Committee Members regarding various aspects of WOAHA's performance (i.e. administration, delivery results and implementation, relationships), it did not inquire on the Committee's perceived role and Advisory Committee member expectations.

Questions to the Advisory Committee:

- a) Do the Advisory Committee Members consider that the Committee Terms of Reference reflects their current and intended role?
- b) Should the Membership of the Advisory Committee change? Or the Advisory Committee modalities change?
- c) In the reflection about the evolution of WOA's financial governance, is there a role for the Advisory Committee? If so, what function should it have?
- d) Would you be in favour of participating in a working group to further reflect on WOA's financial governance?

Annex 1

Revised Internal Rules Advisory Committee of the OIE World Animal Health and Welfare Fund (the OIE World Fund)

FINAL – 16 December 2016

Basic Text of the OIE¹ – World Animal Health and Welfare Fund of the OIE

“ARTICLE 1 – DEFINITION

The World Animal Health and Welfare Fund¹ (the Fund) of the World Organisation for Animal Health (OIE) is an OIE special account set up in application of Article 7.3. of the Financial Regulations. It is managed in accordance with the administrative and financial rules of the OIE, subject to the provisions below.

ARTICLE 2 – PURPOSE

The purpose of the special account referred to in Article 1 is to receive and describe the use made of support funds paid by third parties for the purpose of projects of international public utility relating to the control of animal diseases, including those affecting humans, and the promotion of animal welfare and animal production food safety.

The purpose of the Fund is to support:

- *good governance of national Veterinary Services,*
- *implementation of action programmes,*
- *implementation of training programmes,*
- *establishment and maintenance of vaccine banks,*
- *organisation of seminars, conferences and workshops,*
- *editing and distribution of scientific and technical publications,*
- *production of information media,*
- *implementation of basic and applied scientific research programmes,*
- *OIE Strategic Plans approved by the Member Countries,*
- *activities of developing countries in the aforementioned fields.*

ARTICLE 4 –MANAGEMENT

(...) The Director General shall be assisted by a Management Committee and an Advisory Committee. (...)

A representative of the Advisory Committee shall be invited to participate in the work of the Management Committee in a consultative capacity. (...)

The Director General shall appoint the members of the Advisory Committee representing donor bodies and other interested parties. The Advisory Committee shall appoint its own Chairperson on a rotating basis and shall designate one of its members to represent it on the Management Committee.”

Purpose of the Advisory Committee

The Advisory Committee of the OIE World Animal Health and Welfare Fund is a forum for major contributors to the World Animal Health and Welfare Fund to discuss, in a collegial manner and with the OIE, ongoing and future priority areas for action which should be addressed by the OIE, in addition to the OIE’s core mandate activities. Focus has traditionally been on scaling up OIE activities through voluntary contributions, with particular attention to activities aimed at building capacity in developing countries (through twinning activities, vaccine banks or training for example), improving inter-agency coordination (Tripartite Alliance) and thematic or disease focus (joint control and eradication programmes).

Objectives of the Advisory Committee Meeting

The Advisory Committee meeting is convened by the World Organisation for Animal Health (OIE) for six main purposes:

¹ http://www.oie.int/fileadmin/Home/eng/About_us/docs/pdf/basic_text/80%20SG19_basictexts_ANG%20part%208.pdf

1. To examine the work program and priority activities conducted and to provide recommendations for future activities;
2. To comment and provide recommendations on the basis of outcomes achieved;
3. To review financial performance;
4. To build alliances between the OIE, other intergovernmental organisations, donors and partners in the field of animal health or related fields, including zoonoses, and animal welfare;
5. To identify parallel investments being made, ensure effective coordination and to avoid duplication with other programmes on the basis of investments made or foreseen;
6. To identify opportunities to leverage funding or additional donor potential.

Invitations

The Director General of the OIE launches official invitations to members and observers of the Advisory Committee a minimum of one month prior to the meeting.

Chairpersonship (5 years)

The Chairperson is designated for a period of five years.

Secretariat

The Secretariat of the Advisory Committee is assigned to the World Fund Unit, under the supervision of the Director of Finance of the OIE.

Members

Core Members are representatives from the following Organisations: the World Bank Group; World Trade Organisation (WTO); the World Health Organization (WHO); and the Food and Agriculture Organization (FAO).

The main Donors to the OIE World Fund are also Members. Main Donors shall be considered those having contributed at least USD 1,000,000 (cumulated) to the OIE World Fund.

Organisations or Donors sending more than one Representative shall be counted as only one Member.

Observers

Other attendees, including private sector representatives at worldwide level, may be invited as observers upon decision of the Director General of the OIE.

Frequency, length of meeting and participation costs

The Advisory Committee shall meet once a year, preferably before the Management Committee of the Fund which meets each year in May back to back with the meeting of the OIE Council which precedes the annual meeting of the World Assembly of National Delegates to the OIE (to recommend the adoption of the OIE World Fund accounts and to transmit the adoption of its annual accounts to the Council for endorsement and final adoption by World Assembly of National Delegates to the OIE at the General Session in May).

The Advisory Committee shall meet preferably in December or in January. Meetings shall last preferably a maximum of one day.

Meetings are prepared and organised by the Secretariat and shall be hosted by the OIE at its Headquarters.

All participants (members and observers) shall pay all costs pertaining to their attendance to Advisory Committee (travel and daily allowance). Costs related to participation of additional key speakers or interpretation may be covered by the OIE World Fund, upon decision of the Director General of the OIE.

Additional meetings may be organised upon decision of the Director General of the OIE.

Decisions

Decisions are taken by consensus.

In case of contradictory opinions, the Chairperson shall consult and advise the Director General of the OIE.

Minutes

The Secretariat shall issue draft minutes of each meeting at the latest within one month following the meeting for comments by the participants; the minutes will be coupled with a list of participants. The accompanying message will indicate a deadline for comments, after which the Secretariat will construe member silence to be an approval of the minutes and the list of participants. When comments are made to the draft minutes, the Director General of the OIE shall issue final decision on the wording to figure in the final version of the minutes. When relevant, minority positions shall be expressed as footnotes.

The final minutes shall be circulated within a maximum of two months after each meeting.

Press Releases

When relevant, draft press releases shall be circulated by the Secretariat to all participants for comments and approval. The accompanying message will indicate a deadline for comments after which the corresponding press release may be published by the OIE.

Members are invited to publish also the final version of the press release if they wish to.

(End)