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REVIEW OF THE PAN AMERICAN CENTERS

An evolving technological, political, and economic environment demands continuous review of many of the technical cooperation approaches of PAHO. The Pan American Centers of PAHO have been an important cooperation mode for almost 60 years. During six decades, PAHO has created or managed as many as 13 Centers and has disestablished six. These institutions have been the subject of periodic debate and discussion by the Governing Bodies at least as far back as the 1960s.

This document was requested by the 46th Directing Council 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 the Pan American Foot-and-Mouth Disease Center (PANAFTOSA) and the Latin American and Caribbean Center on Health Sciences Information (BIREME) along with a proposal to align the Caribbean Epidemiology Center (CAREC), the 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 Program Budget Policy.

The Directing Council is requested to take note of the document and provide comments to guide the Bureau on the ongoing process.

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Introduction

1. In September 2005, PAHO Directing Council adopted Resolution CD46.R6 which requested the Director to submit to the 138th Session of the Executive Committee the following:

- A review of the Pan American Foot-and-Mouth Disease Center (PANAFTOSA) and the Latin American and Caribbean Center on Health Sciences Information (BIREME)
- A proposal to align the Caribbean Epidemiology Center (CAREC), the 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 Program Budget Policy in consultation with the respective institutions.

2. The Pan American Centers as a whole have been discussed many times by the Governing Bodies, starting in the 1960s. By the late 1970s, the Pan American Sanitary Conference was calling for “regular evaluations of each Center” (Resolution CSP20.R31, 1978) to ensure that, with the continuously evolving political, technological, and economic environment, the Centers continue to be an appropriate and efficient mode for the delivery of PAHO’s technical cooperation. The Governing Bodies have also encouraged the Director to transfer the Centers to the host governments or groups of governments in the event that the national institutions are capable of maintaining the availability of quality technical cooperation services to other Member States of PAHO.

3. It cannot be sufficiently emphasized that each Center has a very different origin, history and functions. Each Center is a very different instance of PAHO’s technical cooperation. The Centers vary significantly in the legal framework under which they operate, in their governance structures, and in their ownership, partnership, and financing arrangements.

4. However, as the Pan American Sanitary Conference considered in 1978, a PAHO Center must be an integral part of the PAHO program for that Center to be considered as a valid and worthwhile unit of PAHO. Basically, a Center is just another PAHO programmatic modality with its own legal, managerial, and programmatic characteristics. There is no justification for PAHO to have a Center, unless it is a way for achieving PAHO’s stated program objectives. The key question has remained the same for the last quarter of a century: what is the most relevant, efficient and effective way to accomplish the objectives of a particular PAHO program, approved by the Governing Bodies, above and beyond the historical, technical, administrative, and political and stakeholder issues surrounding a particular Center.

5. This question has attained a pressing urgency since the beginning of the new century in the light of budgetary and financial constraints, the Internet/World Wide Web technological revolution, and the increased level of technical, managerial and research capacities in many PAHO Member States.

6. New structures, agreements, governance, and sources of funds are being explored to allow the Pan American and Subregional Centers to address more efficiently and effectively ongoing public health concerns in their areas of expertise. The Bureau is working intensely on various fronts to bring these Centers in alignment with the regional policies of the Governing Bodies, including the subregional allocation criteria.

7. The focus of this document therefore is to inform all Member States on the evolving relationship between PAHO and five of the Centers. PAHO would like to ensure that the legal, governance, ownership and partnership aspects of these 1 relationships optimize PAHO's technical cooperation to the Region.

8. The PAHO Centers concern each and every one of the PAHO Member States, without exception. Given the planned impact that the Centers have upon the PAHO/WHO regular budget in the Americas, all Members have an interest in the concerning this issue.

Pan American Foot-and-Mouth Disease Center (PANAFTOSA)

9. PANAFTOSA, a PAHO Center located in the Brazilian state of Rio de Janeiro, was created in 1951 as a technical cooperation program of the Organization of American States (OAS) and administered by PAHO. Its initial purpose was to execute the Hemispheric Program for the Eradication of Foot-and-mouth Disease (PHEFA). In 1968 PHEFA became a regular PAHO program. In 1998, the zoonosis reference, research, and technical cooperation activities were transferred from the Pan American Institute for Food Protection and Zoonoses (INPPAZ) to PANAFTOSA. With the closing of INPPAZ in 2005, a technical team on food safety was transferred to available space on the premises of PANAFTOSA.

10. PANAFTOSA's main technical cooperation activities focus on animal health, prevention and control of zoonosis and food safety.

- *Production and quality control for new vaccines and diagnostic procedures:* PANAFTOSA is the hemispheric reference laboratory for the production and quality control of vaccines against foot-and-mouth disease (FMD) and one of the World Organization for Animal Health (OIE) regional reference laboratories for the diagnosis of FMD and vesicular stomatitis. Most research activities are carried out in collaboration with the South American public health veterinary laboratory

network, coordinated by PANAFTOSA. PANAFTOSA also catalyzes the transfer of technology to the Member States.

- *Development and administration of the regional surveillance system for selected animal diseases:* In the early 1970s, PANAFTOSA developed a proposal for SIVCONT, a continental surveillance system for vesicular diseases which was approved by the agriculture ministers at the Hemispheric Meeting on Foot-and-Mouth Disease and Zoonoses (RICAZ). Since then PANAFTOSA has collaborated with each country in the implementation of the system to receive, analyze, and distribute a weekly report of vesicular diseases. This system has since expanded to cover other zoonotic diseases. SIVCONT has also served as the platform for SIVERA (rabies) and SIRVETA (food safety).
- *Member state capacity building:* PANAFTOSA provides technical cooperation, including training government and private-sector workers throughout the Americas to set up and operate epidemiological information and surveillance systems for animal diseases and their control. Also, PANAFTOSA in part of the H5N1 study group for strengthening the health system for monitoring, and communicating risks associated with influenza.
- *Food safety monitoring:* PANAFTOSA provides continuity for technical food safety cooperation through a systematic approach from the farm to the table. PANAFTOSA addresses the management of foodborne diseases and chemical threats associated with improper pesticide and antibiotic use by integrating common activities such as training, epidemiological surveillance, risk analysis, laboratory quality assurance.
- *Sustainable Local Development in Healthy Municipalities.* PANAFTOSA, in conjunction with PAHO's healthy municipalities strategy, has been promoting work at the intersection of the health, agriculture, and other related sectors. PANAFTOSA looks at areas of mutual interest such as small livestock producers near urban and suburban areas, where zoonoses are a major health problem.

Governance of PANAFTOSA

11. PANAFTOSA is a PAHO Center and a part of the Veterinary Public Health Unit within the Area of Health Surveillance and Disease Management. The Director of PAHO appoints the Director of PANAFTOSA. The Director of PANAFTOSA prepares a budget which is included in the PAHO Program Budget.

12. Resolution CD12.R19 of the 1968 Directing Council authorized the Director of PAHO to convene the Inter-American Meeting, at the Ministerial Level, on Animal

Health (RIMSA), which brought together the Ministers of Agriculture and livestock in order to review the program and budget of the Center. Since 2001, the Ministers of Health were included, and the meeting changed its name to Inter-American Meeting at the Ministerial Level on Health and Agriculture, retaining the acronym RIMSA. RIMSA along with other hemispheric meetings provides advice and direction on the development of PANAFTOSA's technical cooperation programs.

Financial and Human Resources of PANAFTOSA

13. PANAFTOSA's host government, Brazil, contributes in cash and by making facilities available to the Center through its Ministry of Agriculture. Other Member States contribute through the regular budget quota contributions. PAHO funds support the contracting of personnel, Center maintenance, and the Center's technical cooperation activities. As PANAFTOSA is a part of PAHO, PAHO is responsible for its administration and its financial and technical operation. As a result, PAHO may be obligated to make up any budget shortfalls if the above revenue streams do not actualize, or to take other appropriate measures, as needed. Further financial and human resource information is found in Annexes A and B.

Current Situation of PANAFTOSA

14. Following the 1987 Resolution RIMSA5.R13 of the 5th RIMSA meeting, PANAFTOSA developed a proposal for FMD eradication by 2009. Closely related to this is the Inter-American Group for FMD Eradication (GIEFA), the result of a Houston, Texas, Hemispheric meeting on FMD. PANAFTOSA is the technical Secretariat of GIEFA. It is expected that through GIEFA and PHEFA substantial amounts of private and public resources will be channeled over a period of five years in an effort to eradicate FMD. Full eradication will require the continued use of the continental surveillance system, technical expertise, political will, and international cooperation—along with the involvement of all the Region's farmers, down to the smallest farm.

15. In 2005, the 14th RIMSA meeting endorsed the conclusions and recommendations of the 10th Meeting of Directors of National Rabies Control Programs of Latin America (REDIPRA10), especially their request that the Director prepare a plan of action for 2005-2009 which aimed at eliminating dog-transmitted rabies and diminishing the risk of rabies transmitted through other species.

16. In response to the Directing Council Resolution CD46.R6 (2005) the Veterinary Public Health Unit convened a high-level External Advisory Group (EAG) to conduct a review of veterinary public health in the Region. The EAG submitted its preliminary report in May 2006. The EAG considered the following three aspects:

- (a) Needs Assessments: A thorough analysis of the current needs of veterinary public health in Latin America was undertaken.
- (b) Future vision: The EAG also looked ahead to see what the future needs would be, what the upcoming challenges are, and what the rapid changes in the operating environment will bring.
- (c) Current Assessments of the organization's capacities: The EAG also evaluated the assets PAHO has in terms of human resources, institutions, and linkages and the success of PAHO's technical cooperation in this area.

17. With the convergence of animal and human health, the EAG saw an increasing need for PAHO to have a leadership role in the area of zoonoses, veterinary health (including FMD), and food safety. PAHO has a convening role on the regional, subregional, national, and subnational levels. Considering the operational reorganization of PANAFTOSA, including the acquisition of human resources with expertise in zoonoses and food safety, the external advisory group suggested that PANAFTOSA be a Center for Veterinary Public Health with expertise in all these areas.

18. The EAG analysis indicated that the next challenge for PAHO is to determine the best governance and administrative mechanisms to maximize the potential of PANAFTOSA.

Latin American and Caribbean Health Sciences Information Center (BIREME)

19. BIREME, the Latin American and Caribbean Health Sciences Information Center, originally named the Regional Library of Medicine (Biblioteca Regional de Medicina) was established in 1967 through the collaboration of PAHO and four Brazilian institutions: Federal University of São Paulo (UNIFESP), the Health Secretariat of the State of São Paulo, the Ministry of Health and Ministry of Education. BIREME is located in the UNIFESP campus, São Paulo.

20. BIREME's primary objective is to promote and strengthen access to scientific and technical information to support the development of health care, research and education systems and to facilitate the dissemination and application of health science research in Latin American and the Caribbean. BIREME serves all LAC countries and has developed several methodologies, technologies, and platforms like the Virtual Health Library (VHL). The VHL is complemented by other regional networks, including SciELO and ScienTI. Together, the VHL, SciELO and ScienTI networks promote the development of an advanced collection of information and knowledge products and services as regional public goods that are cooperatively produced and used by all the countries of the Region.

Governance of BIREME

21. BIREME is a PAHO specialized center in the Area of Information and Knowledge Management. PAHO is responsible for the administration of BIREME and the appointment of its Director.

22. The operation and maintenance of BIREME is guided by an agreement between the host country, Brazil, and PAHO. The current agreement, signed in December 2004, is valid until 2009. A National Advisory Committee composed of representatives of the signatories meet at least twice a year to follow up on the national program and to recommend the annual quota contributions. At the regional level, BIREME organizes a regional coordinating meeting every two years with the VHL representatives of the governmental and public institutions from LAC. These meetings work as a forum of evaluation and recommendations for the VHL and the complementary networks.

Financial and Human Resources of BIREME

23. PAHO provides personnel and funds for the maintenance of BIREME and for its technical cooperation activities. Since BIREME is a part of PAHO, PAHO is responsible for the financial and technical operation of the Center. Thus, PAHO may be obligated to make up any budget shortfalls if revenue streams do not actualize, or to take other appropriate measures, as needed.

24. In addition, the Brazilian Ministry of Education is responsible for funding the journal subscriptions and for maintaining access to the core collection of international journals. The Federal University of São Paulo is responsible for providing personnel, physical facilities, and basic services. The Brazilian Ministry of Health and the Secretary of Health of the State of São Paulo provide funds for the maintenance and operation of BIREME.

25. BIREME also sells products, services, and consultancies, and receives grants, mostly from Brazilian public institutions and funding agencies of developed countries. Currently, sales of products, services, and consultancies represent the largest source of income for BIREME. Further financial and human resource information is found in Annexes A and B.

Current Situation of BIREME

26. BIREME's international cooperation in the field of public health scientific and technical information is critical to the Region, and also at the global level, particularly in regard to scientific publications in Portuguese and Spanish. Thus, PAHO envisages strengthening its capacity by improving the current agreement with Brazilian institutions to provide BIREME with more sustainable legal, institutional and financial conditions. PAHO and the Government of Brazil are working together to identify areas and instruments that are more suitable and flexible, to face the current and future demands on this area, while ensuring that PAHO's future involvement is in line with the programmatic and budgetary priorities approved by the Governing Bodies.

Subregional Centers (CFNI, CAREC, and INCAP)

Governance of the Subregional Centers

27. The Caribbean Epidemiology Centre (CAREC) and the Caribbean Food and Nutrition Institute (CFNI) are both subregional centers for the Caribbean. The Institute of Nutrition of Central America and Panama (INCAP) is a subregional center for Central America. For these three subregional Centers, PAHO entered into agreements with the relevant PAHO Member States and other institutions, so that PAHO manages the Centers on their behalf. The subregional Centers have their own governing bodies, which meet on a yearly basis and advise the Director of PAHO on policy matters. These subregional Centers also have technical advisory committees, which report to the respective Center directors. Some of the staff members of these Centers are PAHO employees and the rest are contracted under several employment arrangements. All employees, however, are under the managerial authority of the Center Director, who is a PAHO international civil servant, appointed by the Director of PAHO and reporting to either a regional Area Manager (CFNI and INCAP) or the Assistant Director of PAHO (CAREC).

28. One of the impacts of this complex governance structure is that there are differing perceptions of the core mandates, functions, and priorities of the Centers, which often lead to conflicting demands on these institutions.

Financial and Human Resources of the Subregional Centers

29. PAHO makes annual allocations to these Centers through its regular budget and provides extra financial support through its regular technical cooperation work. Member Countries of each Center contribute to their financial upkeep through quota contributions. The host governments also contribute in cash and by making facilities available to the Centers. The budgets for CAREC and CFNI are reviewed by the Caribbean Community (CARICOM), through its Council for Human and Social Development (COHSOD),

which is responsible for CARICOM health policies, while the budget of INCAP is reviewed by INCAP's Directing Council.

30. Extrabudgetary (non-regular) funds and, increasingly, the sale of goods and technical services, make up an important part of these Centers' income. It presents a challenge for the Centers to achieve the objectives set out by the Governing Bodies when a large share of their budget is funded externally on a project basis, particularly where the extrabudgetary projects do not reflect the Governing Bodies' objectives. Further financial information can be found in Appendices A and B.

31. Oftentimes substantial budget shortfalls in the subregional Centers have occurred due to revenue streams not materializing. Historically, PAHO, as it has had a long-term management relationship with these Centers, has provided bridging funds out of its own regular budget account.

Caribbean Epidemiology Center (CAREC)

32. The Caribbean Epidemiology Center, based in Trinidad and Tobago, was formally established in 1975 as a partnership among 21 Caribbean countries and PAHO/WHO. CAREC's Member Countries saw the need for a regional institution as, due to the relatively small and scattered population of the subregion, it was seen as more effective and economical to handle the issues at a subregional level. Many small Member Countries, while they have similar epidemiological and laboratory needs, would not find it cost-effective to host full laboratory capabilities and provide all epidemiological services.

33. CAREC's mission is to improve the health of the Caribbean people by working with and building capacity of member countries in epidemiology, laboratory, and related public health disciplines through programs of surveillance, training, and research.

34. CAREC's areas of work fall into two main types:

- (a) Functional areas such as epidemiological surveillance and response, capacity building and training, laboratory reference and referral services, information dissemination, and research.
- (b) Disease prevention and control areas such as vaccine-preventable diseases, food- and vector-borne diseases, HIV/AIDS and STIs, noncommunicable diseases, and tourism and health.

35. Activities are conducted at the subregional level (e.g. joint training, policy development) and the national level (e.g. outbreak investigation, program evaluation).

Governance of CAREC

36. The Multilateral Agreement for the operation of CAREC, among other things, defines CAREC's functions, programs, organization, and structure, and confirms CAREC's status as an international organization with immunities and privileges in its own right. This Agreement is supplemented by a Bilateral Agreement between the Government of Trinidad and Tobago and PAHO. Thus, CAREC is administered by PAHO and is subject to its financial rules and regulations, and its Manual for Field Operations, but it has its own Staff Rules, which are approved by PAHO on recommendations of the CAREC Council. The original Multilateral Agreement was signed in 1974 and has subsequently been amended and extended every five years. The last Agreement was in effect from January 2001 to December 2005. It was recently extended until December 2007. PAHO is committed to working with CARICOM to craft a new Agreement that will take effect after this expiration date.

37. CAREC's governing body, known as the Council, meets on a yearly basis to advise and make recommendations to the Director of PAHO. The Council reviews the Center's annual report, proposals for the program and budget, quota contributions, and policies concerning CAREC, and submits recommendations to the Director of PAHO. The Council is composed of the Minister of Health of Trinidad and Tobago, five representatives designated by COHSOD from other Member Countries of CARICOM, a representative from the University of the West Indies (UWI), a representative from the Caribbean Health Research Council (CHRC), a representative from the CARICOM Secretariat (CCS), a representative from PAHO, and the Chairman of CAREC's Scientific Advisory Committee (SAC). One of the five COHSOD representatives is chosen from the United Kingdom and Dutch overseas territories in the Caribbean, which are not members of CARICOM.

38. The CAREC SAC advises the Director of PAHO, through the Council, on the scientific program of CAREC. The program responds to the priorities articulated in the CARICOM health agenda, the Caribbean Cooperation in Health (CCH); specific requests from the countries; and the Organization's Areas of Work, as reflected in the PAHO/WHO Caribbean subregional program. In addition, CAREC executes several externally funded projects. The SAC comprises one representative each from UWI, the University of Guyana (UG), and the University of Suriname; four representatives designated by COHSOD, giving consideration to the United Kingdom and Dutch overseas territories; one representative each designated by Trinidad and Tobago, the CCS, and the CHRC; and five representatives designated by the Director of PAHO.

Caribbean Food and Nutrition Institute (CFNI)

39. The Caribbean Food and Nutrition Institute, headquartered on the UWI Mona Campus, Jamaica, with a subcenter at the UWI St. Augustine Campus, Trinidad and Tobago, was established through a Multilateral Agreement as a regional health institution in 1967, to forge a Caribbean regional approach to nutritional challenges in the countries.

40. CFNI's Member Countries saw the need for a regional institution for food and nutrition to deal with their common nutrition problems through a multidisciplinary approach. Also, as relevant services place a substantial burden on health services budgets, it was seen as more effective and economical to handle the issues at a subregional level.

41. The Institute aims to attain food security and achieve optimal nutritional health for all peoples of the Caribbean through collaboration with the Caribbean countries to identify, describe, manage, and prevent the key nutritional problems and to enhance and increase their capacity in providing effective nutritional services. As obesity and chronic diseases have emerged in the Caribbean as critical issues, CFNI has evolved to address these issues as well. Unlike CAREC's, CFNI's Multilateral Agreement does not need to be renewed every five years.

Governance of CFNI

42. CFNI is a PAHO specialized Center in the Area of Family and Community Health. PAHO is responsible for the administration of CFNI and the appointment of its Director. CFNI uses the same financial and personnel processes as PAHO.

43. CFNI has a Policy Advisory Committee (PAC) and a Scientific Advisory Committee (SAC) that meet every other year. The SAC, composed of members designated by the ministers of health and ministers of agriculture of CFNI Member Countries, the UWI, the UG, CARICOM, PAHO, and other relevant technical experts, makes technical recommendations to the PAC. The PAC has a similar, but more policy-oriented composition, comprising representatives of ministries of health and agriculture, the CCS, the UWI, the UG, and PAHO. The PAC reviews the technical recommendations of the SAC and makes recommendations on the proposed program, budget, and quota contributions to the Director of PAHO. The last meetings of the PAC and SAC were in 2005.

44. CFNI has 18 Member Countries. Although the Food and Agriculture Organization (FAO) was a founding signatory of CFNI, it is not currently active with this Center. PAHO has been reviewing CFNI's Basic Agreement to determine if it should be modified to reflect this and other changes.

Process for Alignment of the Caribbean Subregional Centers (CAREC and CFNI)

45. Since 1984, PAHO has worked closely with the CCS to develop the Caribbean Cooperation in Health Initiative (CCH), the major framework for joint action in health among CARICOM countries. The CCH is a mechanism through which Member Countries of the Caribbean Community:

- collectively focus action and resources over a given period towards the achievement of agreed-upon objectives in priority health areas of common concern; and
- identify the approaches and activities for joint action and/or technical cooperation among countries (TCC) in support of capacity building for the achievement of the objectives.

46. In July 2001, the CARICOM Heads of Government made the Nassau Declaration on Health which, inter alia, mandated:

- (a) *The evaluation of CCH II and the preparation of CCH III.* In pursuit of this mandate, CCS conducted an assessment of CCH II and an analysis of the new emerging health issues for CCH III. PAHO and CCS supported and participated in an interdisciplinary meeting that considered this report. The meeting included selected chief medical officers (CMOs), permanent secretaries, and technical program managers, as well as directors of the regional health institutions (RHI). The RHI comprise CAREC, CFNI, the Caribbean Environmental Health Institute (CEHI), the CHRC, and the Caribbean Regional Drug Testing Laboratory (CRDTL). On the basis of this and other studies and analyses, the CMOs made recommendations for CCH III at their meeting in April 2006. The COHSOD approved the recommendations at its meeting later that month and requested that the final draft CCH III Program be presented to the Caucus of Ministers of Health in September 2006.

The program areas initially proposed for inclusion in CCH III were Chronic Diseases, Mental Health, Strengthening Health Systems, Human Resource Development, Family and Community Health Services, Food and Nutrition, Communicable Diseases, and Environmental Health. However, it has since been proposed that the CCH III focus on Chronic Diseases, Mental Health, and HIV/AIDS, as well as the cross-cutting support areas of Health Promotion and Education, Health Information Systems, and Human Resources Management.

- (b) *The review of the regional health institutions (RHI).* CCS mobilized resources to conduct a management review of the RHI, in order to provide information to the

Heads of Governments of CARICOM States on the efficiency and effectiveness of the institutions, and to guide decisions on how to restructure and strengthen them to better serve the health needs of the Caribbean region. CCS hired the Canadian consulting firm Universalia to carry out the review, and PAHO was involved as a member of the Steering Committee that oversaw the exercise. Universalia submitted its report in March 2005 and COHSOD considered it in June 2005. Some of the major findings of this study were:

- CAREC and CFNI are generally effective and efficient, though not financially sustainable, given trends in funding.
- The core mandates of these institutions need to be “reviewed and balanced in light of core funding available to support them.”
- There are “uncertain understandings of what constitutes core mandate areas.”
- “The core mandates should be assessed for their fit with the health needs of the Caribbean.”
- “Most RHI governance systems need to be strengthened to improve the engagement of senior decision-makers (ministers) and accountability.”

47. COHSOD therefore mandated CCS to look again at the governance structure and to determine options for sustainable financing for the RHI. There were five areas needing further clarification: (a) Core function definition, (b) Structure (defined as a result of the core function), (c) Financing, (d) Administration, (e) Governance. This review became even more critical with the implementation of the CARICOM Single Market and Economy, given the significant implications for the health and well-being of the Caribbean population due to, among other factors, increased population movement and the need for Caribbean-wide standards.

48. At around the same time, PAHO decided to undertake a review of the functioning of its subregional units, in light of the relevant aspects of its Regional Program Budget Policy. The Organization initiated a determination of priorities for its technical cooperation in, and with, the Caribbean and a review of the roles, responsibilities, and capacities of its subregional units – CAREC, CFNI, and the Office of Caribbean Program Coordination.

49. Thus, both CARICOM and PAHO had an interest in determining the core mandates and functioning of CAREC and CFNI, and in reviewing their governance structure. The CCS and PAHO therefore agreed to collaborate in a review of all the RHI core mandates (except those of CRDTL), as well as in the further development of the

framework, priorities, and management structure of CCH III. A joint CARICOM-PAHO Steering Committee with ministerial representation was established to supervise the exercise.

50. This exercise resulted in the 30 December 2005 report entitled “Report on the Development of Priorities and Process for the Caribbean Cooperation in Health (CCH III) and Review of the Core Mandates of the CARICOM Regional Health Institutions.” Shortly after the completion of this report, PAHO agreed to a request from the CARICOM ministers of health to support the determination of the best alternatives for the governance structure of the RHI and the cost of establishing and maintaining these structures; recommendations for the sustainability of RHI financing; and calculation of the cost of establishing a CCH III management secretariat.

51. At its meeting 27-28 April 2006, COHSOD considered a preliminary report on the above-mentioned issues. The Directors of the five RHI also presented a proposal to “address the specific gaps noted in the Universalia report, i.e. ‘Most RHI governance systems need to be strengthened to improve the engagement of senior decision makers (ministers) and accountability’”. COHSOD accepted the Directors’ proposal and requested that a final document be prepared and submitted to the Caucus of Ministers of Health in September 2006, detailing the management structure and the cost implications.

Institute of Nutrition of Central America and Panama (INCAP)

52. The Institute of Nutrition of Central America and Panama, a PAHO Center which focuses on food security and nutrition was founded in 1946 with the cooperation of PAHO and the W. K. Kellogg Foundation. It is currently headquartered in Guatemala. The Central American States and PAHO proposed the original framework for INCAP in February 1946, modified it and extended it in December 1949, and adopted a Basic Agreement for INCAP in 1953 with a proposal to make it a permanent institution. This Basic Agreement was modified again in 1998 and the changes came into force in 2003. INCAP currently is a part of the PAHO’s Sustainable Development and Environmental Health Area.

Governance of INCAP

53. INCAP is an international organization with immunities and privileges in its own right. As such, INCAP has its own financial and personnel processes. The Directing Council of INCAP oversees the functioning of INCAP within the framework of the Center’s mission, vision, and political institutional arrangements. Thus, INCAP’s Directing Council reviews the plans, programs, and projects of INCAP; the biennial budget; and the statutes, norms, and regulations of INCAP. Representatives of the ministers of health of Belize, Costa Rica, Dominican Republic, El Salvador, Guatemala,

Honduras, Nicaragua, and Panama, and the Director of PAHO are members of INCAP's Directing Council.

54. INCAP's Consulting Council provides technical input to INCAP's Directing Council and monitors the Center's program and activities. It is comprised of one delegate from each Member State, one delegate from SICA (Central American Integration System) and one delegate from PAHO.

55. INCAP's External Advisory Committee is comprised of one representative from each Member State, one representative from PAHO, and four international experts named by INCAP's Director. The External Advisory Committee makes recommendations regarding the planning, administration, execution, and review of INCAP programs; suggests new projects; and helps identify resource mobilization opportunities.

56. PAHO is both a member of INCAP and responsible for the administration of the Center. While the Basic Agreement for INCAP is a permanent agreement, the arrangement for PAHO to administer the Center is renewed every five years.

Process for Aligning the Roles of INCAP

57. In the context of the changes in PAHO's regional priorities and the increasing efforts toward the integration of the Central American Member States, a team was formed in 2004 to review INCAP's technical cooperation. The team produced a report that proposed a plan of action to INCAP's Directing Council in September 2004. In August of 2005, INCAP's Directing Council met and reviewed the report and made recommendations directed at the enhancement, among other things, of INCAP's capacity for resource mobilization and partnership creation and to ask the Director of PAHO to increase the delegation of authority regarding INCAP and its Director.

58. PAHO is now in the process of reviewing and analyzing internally the legal and governance options for the future of INCAP, in an attempt to align its involvement in INCAP with the mandates of its Governing Bodies and with the new technical, financial, and political realities and trends in Central America.

Action by the Directing Council

59. The Directing Council is requested to review this document, and to provide comments to guide the Secretariat concerning the ongoing process.

Annexes

**FINANCIAL RESOURCES OF PAHO REGIONAL CENTERS
2004-2005 Biennial Budget**

NATURE OF FUNDING	PANAFTOSA	BIREME	CAREC	CFNI	INCAP	INPPAZ	TOTAL
Regular Budget (PAHO and WHO)	5,871,862	1,217,154	1,162,155	2,548,158	2,475,285	2,076,320	20,844,707
Quota Contributions from member states	0	0	4,197,128	581,328	899,645	0	5,678,101
Extrabudgetary funds –net of host country contribution-	200,582	2,279,009	7,928,870	1,535,035	0	218,464	13,784,969
Host country contributions	2,061,166	2,845,088	0	0	0	270,000	5,610,087
Sale of Products and Services	1,511,798	3,590,488	1,115,780	97,117	0	4,867	7,440,602
TOTAL	9,645,408	9,931,739	14,403,933	4,761,638	3,374,930	2,569,651	53,358,466

Figures considered for 30 December 2005 analysis are actual expenditures in each category.

Not included in the above figures:

CAREC Provident Fund	381,535
CAREC Capital Equipment Fund	68,912
CAREC – Provision for Terminal Entitlements	9,590
CAREC Building Fund	33,104

Source: PAHO Program Budget and Project Support

HUMAN RESOURCE ANALYSIS OF PAHO REGIONAL CENTERS AS OF 2006

Center	Posts	Vacant	International (PRFP, PRFN)	Local / Subregional (NAP, NOP, NATP, NATN)	Ministry (MIN)	GS (GSP)
PANAFTOSA	101	8	12	64	0	17
BIREME	65	1	5	2	58	0
INCAP ¹	2	0	2	0	0	0
CFNI	33	2	6	15	0	12
CAREC	123	14	8	115	0	0
Total	238	7	34	116	58	31

¹INCAP local staff is not accounted for in the PAHO systems.

Source: PAHO Human Resource Management
