

# WHO Foundation

Information for Geneva missions  
27 May 2020

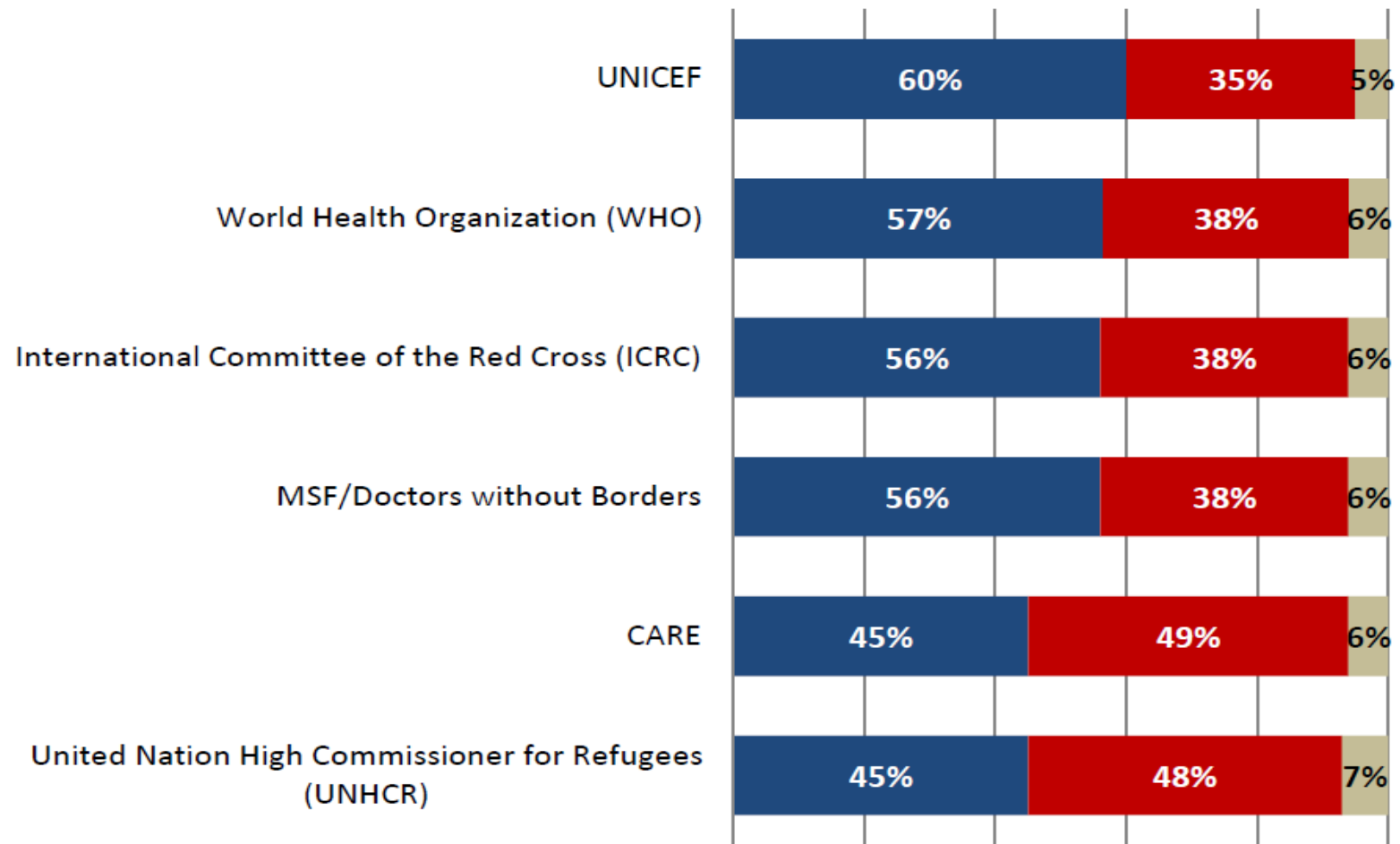


World Health  
Organization

# Why a WHO Foundation

- Part of the WHO Transformation; born from staff proposal at Dr. Tedros' open door sessions;
- WHO has a very strong brand; without using that brand a new foundation would not be particularly attractive
- Unlike most other non-profit brands individuals cannot easily donate to WHO;
- Part of Resource Mobilization strategy to broaden contributor base of WHO.

# Willingness to donate



2014 survey by Win/ Gallup  
61'000 individuals. in 64 countries worldwide

■ Willing ■ Not Willing ■ DNK/DNA

# Solidarity Response Fund

- Established on 17 March with UN Foundation and Swiss Philanthropy Foundation to establish a funding possibility for the public and private sector to support WHO's Covid-19 response;
- Successful proof of concept for WHO Foundation:
- Raised \$214M from over 400'000 individuals and 150 companies and organizations in 2 ½ months
- Established good working relations with a network of fiduciary partner foundations in multiple countries
- Many lessons learnt for WHO Foundation

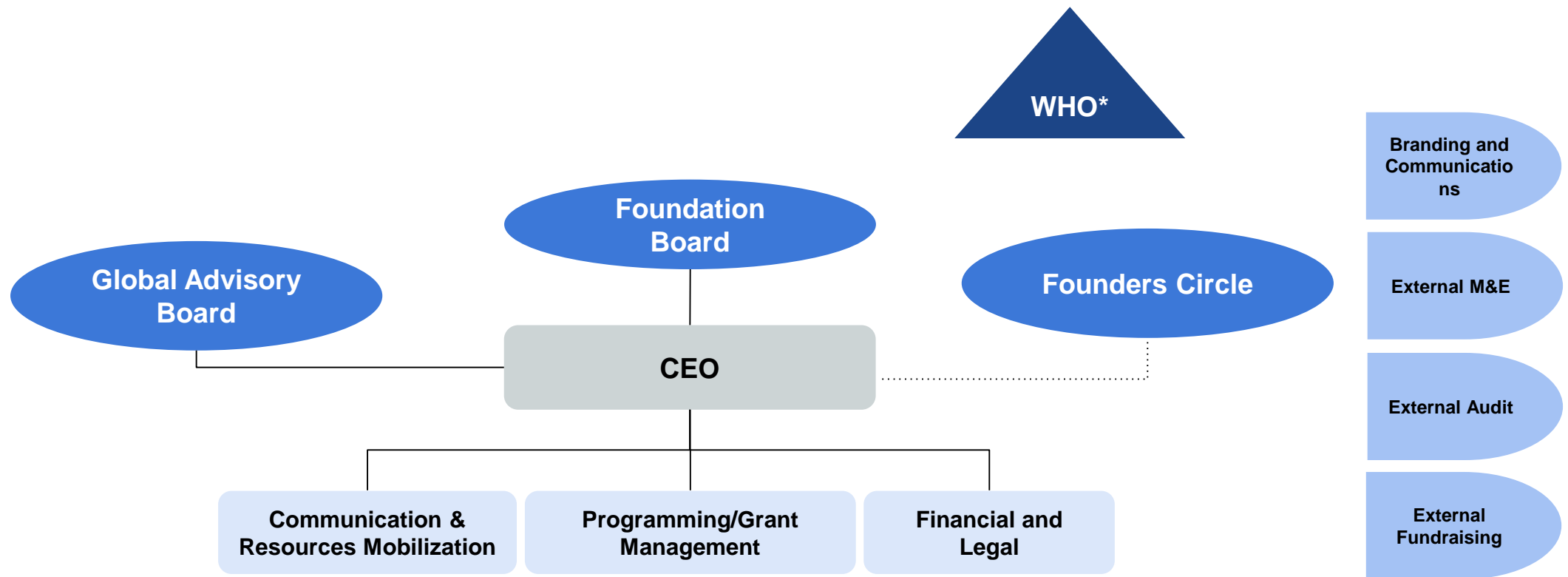
# Process (1/2)

- Establishment of advisory group chaired by Prof. Thomas Zeltner who subsequently indicated willingness to become the founder of the WHO Foundation;
- Work with internal small group and consultants (Philanthropy Advisors);
- Establishment of draft business case;
- Consultation of regional directors and HQ management;
- Refinement of approach through outreach and consultation with philanthropic experts and potential donors;

# Process (2/2)

- Establishment of HQ group of directors.
- PBAC information & Mission information session 10 March 2020
- Refinement of business case, finalization of statutes MOU between WHO and WHO Foundation based on feedback received
- Selection of initial board members and roster of globally diverse roster of potential board members
- Establish of support team with consultants, communication firm, fundraising firm, executive search firm

# Governance of WHO Foundation



# Opportunities for WHO

- Broadening contributor base;
- Accessing contributors otherwise not accessible;
- A new good quality donors to WHO; (alignment, flexibility and predictability)
- Strengthen work with NGOs and other implementing partners;
- Further positioning WHO's brand and strength of WHO work.

# Risk and their mitigation

- Lack of sufficient seed funding and/or annual funding, thereby not achieving target
- Overambitious fundraising target
- Poor management of the Foundation, thereby impacting the WHO brand and the overall success of the Foundation
- Seed funding: Strong branding and recruitment of an external fundraising firm with proven experience mobilizing funds for large portfolios.
- Overambitious fundraising target: An ambitious project is the only way to address world health challenges. Even if target is not achieved, the funds raised will go to impactful global health efforts in full transparency.
- Management of the Foundation: Commitment by WHO to work with the Foundation to ensure a strong working relationship with CEO, including flexibility to find new ways of working.

# Risk and their mitigation

- Lengthy delays in receiving funds due to internal procedures and time requirements from donors for negotiating major gifts AND
- Lack of interest of HNWI and General Public to engage/support
- Reputational damage to the WHO's brand due to controversial activities or donors of the Foundation
- Conflict on the orientation of the WHO Foundation between the CEO and the WHO DG
- Competition between resource mobilization of the WHO and the Foundation
- Understanding Donor Constraints: Tailored engagement and business plans for high value targets, to best understand needs, internal processing procedures and tailored communication strategies.
- Reputational damage: CEO, Board Members, employees and potential donors will be required to submit declarations of interest, and be subject to rigorous vetting processes.
- Conflict: Carefully crafted contract between WHO and the Foundation on the use of the brand and coordination mechanisms. Breaking the contract will allow to put an end to the Foundation.
- Competition: Loyalty to the WHO will be included as selection criteria for the Board and CEO

# Why is the Foundation being set up as independent entity

**An independent entity set up under private law offers several advantages that underpin the business case for the Foundation**

- Tax deductions and attractive to HNWI, public and PS;
- A nimble governance structure;
- Firewall protecting WHO
- Innovative financing mechanisms, endowments and legacies
- Not linked to WHO's privileges and immunity

# Why Is the Foundation Being Setup in Switzerland

- Proximity to WHO
- Flexible governance arrangements
- Relatively simple legal set-up and low establishment costs
- Robust legal and regulatory framework, assuring foundations and charitable and stick to their purpose (support WHO's objectives as defined in GPW)
- Neutrality of Switzerland
- Can work with partners around the world

# How will WHO ensure that the Foundation advances the interest of WHO and safe guards its reputation?

- The GPW is the objective of the Foundation
- WHO input in the development of the Foundation statutes;
- The MOU concluded between WHO and the Foundation;
- The role of WHO as an observer on the Foundation board;
- WHO in being a member of, and proposing persons to be in, advisory bodies of the Foundation;
- Close consultations between the DG and the Foundation board chair on the process and selection of the CEO;
- Periodic consultations (at least quarterly) between WHO DG and the Foundation board chair and Foundation CEO

# How will the use of the WHO name be regulated

- Licensed to the Foundation on a revocable basis;
- Should WHO revoke the use of the WHO name, the Foundation statutes obligate the Foundation to take the necessary legal measures under Swiss law to cease using the name. This obligation is monitored by the Swiss supervisory authority;
- In addition, the statutes also provide that in the event the Foundation is closed, 70% of funds in its possession will be transferred to WHO.

# Donation acceptance policy of the Foundation

- Foundation will develop in consultation with WHO its own procedures to vet potential donors.
- Policy and procedures will be subject to approval by the Foundation Board.
- FENSA principles will be the basis for the Foundation due diligence procedures.
- Requirement to adhere to the FENSA principles is a condition in the MOU.
- Foundation will have to consult WHO when accepting private sector donations above a defined threshold.

# MOU: WHO – WHO Foundation

- Authorization to use of the WHO Name fully revocable for any reason
- Quarterly meetings between DG and Foundation Board Chair & CEO
- WHO observer status on Board
- Foundation Board Chair and CEO may be invited to address EB in accordance with WHO policies. This is to ensure transparency and accountability to WHO MS.
- Foundation has to consult and inform WHO of all actions or decisions that impact relationship and governance
- WHO can call for Special Meetings of the Board
- WHO to be consulted on any changes to Board, DG can propose names
- CEO selected in consultation with WHO including selection process
- Terms of Reference for all Foundation Advisory bodies developed in consultation with WHO

# MOU: WHO - WHO Foundation

- At least 1/3 of Foundation Advisory Group members designated by WHO
- Foundation will exclusively rely on WHO technical norms, standard and policies
- Parties will establish a joint planning and coordinating committee (the “Committee”) that will develop a Joint Strategic Plan to be approved by DG
- Foundation acceptance of funds must not pose a conflict of interest for WHO and must be in accordance with FENSA principles
- Foundation to develop its own due diligence and operational procedures in consultation with WHO
- Between 70% and 80% of all funds raised over any given 2-year period goes to WHO
- Initiatives funded by Foundation and implemented by WHO shall be under exclusive control of WHO and evaluated exclusively based on WHO’s monitoring and evaluation framework.

# MOU: WHO - WHO Foundation

- Foundation funding to third parties, is determined in close consultation and coordination with WHO – selection criteria has to be alignment with WHO GPW, WHO priorities and WHO norms and standards
- Foundation will also create an endowment fund, all funds from endowment fund to be provided to WHO with no conditions or thematic areas
- WHO can audit the Foundation
- Foundation communication strategy developed in consultation with WHO
- Foundation can use WHO name BUT not WHO emblem
- Foundation has obligation to indemnify WHO for any losses, claims, liabilities caused by its acts or omissions
- If MOU is terminated, right to use WHO name stops
- If MOU is terminated, 70% of funds held by Foundation go to WHO

# Functioning of WHO Foundation

- Operational costs planned to be less than 4% of income
- Board members are acting in individual capacity and only receive expenses covered
- Staffing according to standard practices of Swiss foundations
- Board will select a CEO with the support of an Executive search firm and in consultation with WHO DG
- Board members and CEO subject to rigorous due diligence and declaration of interest