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Memorandum of Understanding between the International Labour Organization and the Pan-American Health Organization to support Latin America and Caribbean countries in the extension of social protection in health to excluded populations

PREAMBLE

Whereas the International Labour Organization (hereinafter referred to as the "ILO"), a specialized agency of the United Nations, is the constitutionally mandated international organization and competent body to set and deal with international labour standards and, inter alia, to ensure the extension of social security and medical care to all,

Whereas the Pan-American Health Organization (hereinafter referred to as "PAHO"), serves as the Regional Office of the World Health Organization for the Americas and the specialized health agency of the inter-American system, internationally recognized and mandated to promote health and to prevent disease and contribute to attaining equitable access to quality health services,

Recalling that the heads of state and governments attending the World Summit for Social Development pledged to ensure a particular focus on and priority attention to the fight against the worldwide conditions that pose severe threats to the health, safety, peace, security and well-being of their people,

Considering that the goals and objectives of social development, articulated at the World Summit for Social Development, require continuous efforts to reduce and eliminate major sources of social distress and instability for the family and for society,

Recalling the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, 1998,

Aware of the ILO's strategic objectives of enhancing the coverage and effectiveness of social protection for all, as well as strengthening tripartism and social dialogue,

Aware of PAHO's strategic and programme orientation for the period 1999-2002 of strengthening and developing health care systems and services in the Americas for attaining equitable access to quality and appropriate health care,

Recalling the mandate of the First Summit of the Americas held in Miami, December 1994, of supporting member States in their health sector reform efforts,

Considering that the two Organizations are committed to support countries of Latin America and the Caribbean to expand social protection in health to excluded populations;

The parties have reached the following understanding:

SECTION I

Purpose and scope

This Memorandum of Understanding establishes a framework for cooperation between the ILO and PAHO to develop and implement a joint initiative outlining activities to promote equitable access to quality and appropriate health care in Latin America and the Caribbean.

SECTION II

Objectives

The objective of the parties is to design and implement jointly an initiative, based on a common workplan, to support the countries of Latin America and the Caribbean to reach the following long-term objectives:

- (a) to enable member States of the ILO and PAHO in Latin America and the Caribbean to extend coverage of health care systems and to develop policies for extending social protection for health care, particularly in the informal sector, in both urban and rural areas and among unprotected groups;
- (b) to involve all the major stakeholders in the process of policy design, implementation, monitoring and evaluation, in order to gain public support for health reform policy in the region.

SECTION III

Implementation

In the implementation of this Memorandum of Understanding, the parties shall:

- (a) establish a technical committee composed of officials from the secretariats of both Organizations to exchange information and promote and coordinate activities which the parties may agree upon;
- (b) produce a position paper on the comparative advantages and disadvantages of micro-insurance (MI) schemes and other alternative mechanisms for extending social health insurance; examine, in the framework of the position paper, options and recommendations to strengthen existing social health insurance structures, as well as ways to enhance links between MI schemes and social security schemes, as appropriate;
- (c) conduct case studies in the region in the framework of a comprehensive overview of successful and unsuccessful experiences of micro-insurance in terms of their contribution to the reduction of exclusion and enhanced access to health services and with a view to developing recommendations of best practices;
- (d) carry out a comparative analysis of national policies for health insurance; this analysis will provide information on institutional causes of, and the magnitude of, exclusion from social protection for health care, and identify strategies to overcome these obstacles specifically adapted to the conditions prevailing in Latin American and the Caribbean.
- (e) jointly organize a regional tripartite meeting on the “Extension of Social Protection for Health Care to Unprotected People in Latin America and the Caribbean” in November 1999 in Mexico City; the meeting will bring together all key stakeholders (workers’ and employers’ organizations, governmental institutions including ministries of labour, health and social development, representatives of social security institutions, local government, non-governmental organizations, international organizations and selected communities, as well as selected research institutions and universities); the meeting will formulate an action plan to support countries in their efforts to extend social protection for health care to the informal sector and excluded populations;
- (f) develop a tool kit for the use of decision-makers in Latin America and Caribbean countries in implementing policies to extend social protection for health care, and a support structure for micro-insurance schemes;
- (g) any other activities as the parties may agree upon.

SECTION IV

Operational aspects

In the framework of this Memorandum of Understanding, the parties undertake the following responsibilities:

- (a) the ILO and PAHO shall jointly bear the costs of the regional meeting planned for November 1999 in Mexico;
- (b) the ILO and PAHO shall establish joint technical cooperation programmes with the member countries involving national counterparts;
- (c) the ILO and PAHO shall coordinate implementation of such cooperation programmes with the member countries;
- (d) the ILO and PAHO shall join their efforts for the mobilization of external financial and technical resources from the international community to advance this initiative and shall develop a general framework to promote these efforts;
- (e) the initiative of the ILO and PAHO should serve as a catalyst for the development and implementation of, and financial commitments toward, innovative approaches for the extension of health insurance, in partnership and consultation with all key stakeholders;
- (f) the ILO and PAHO shall share information about proposed development operations to be financed within the resources available from each Organization; operational plans will be endorsed and realized through exchanges of letters in the context of this Memorandum of Understanding;
- (g) the ILO and PAHO shall consult and agree on how the activities to be jointly undertaken should be financed.

SECTION V

Collaborative agreements

1. External collaboration

The ILO and PAHO may, in accordance with their respective rules and regulations, collaborate with outside specialized institutions and universities for the following purposes:

- (a) to carry out specific research tasks, in accordance with modalities to be agreed upon by the parties;
- (b) to publish the results of research undertaken in connection with this Memorandum of Understanding;
- (c) to advise on the design and the scientific evaluation of activities to be carried out in connection with this Memorandum of Understanding.

2. Intellectual property

Research results shall, as far as possible, be published jointly; where this is not feasible, the parties agree, after consultation with each other, to permit either Organization to publish any of the results on its own or in collaboration with others, giving due recognition to the contribution of the other Organization. For material published under joint copyright, each party shall have the right to adapt the published material for its work in other regions or outside the framework of this Memorandum of Understanding.

SECTION VI

Evaluation

The ILO and PAHO will jointly evaluate progress in the implementation of this Memorandum of Understanding at least once every year. The parties may consider a

specific role for outside research and evaluation bodies for this purpose and may consider setting up a technical advisory group for this purpose.

SECTION VII

Cooperation with international and national organizations

1. The ILO and PAHO may consult, separately or jointly, with international and national organizations, as appropriate and in accordance with their respective rules and regulations, in order to achieve the objectives of the initiative, maximize the efficient use of resources or acquire additional funding. These may include both public and private organizations active in the area of social, economic and health development. The parties shall inform each other on their respective contacts in this regard.

2. The ILO and PAHO may, in accordance with their respective rules and regulations, explore strategic alliances with other governmental and non-governmental organizations to implement appropriate strategies for related activities in the region.

SECTION VIII

Conflict resolution

Any differences in the interpretation or application of this Memorandum of Understanding shall be resolved by common agreement of the parties. In the absence of such agreement, any differences shall be referred to arbitration under a procedure to be agreed upon by the parties.

SECTION IX

Date of entry into force, amendments and termination

1. This Memorandum of Understanding shall enter into force upon its signature and shall remain in force until revoked by the parties. After an initial period of three years, the parties shall review the Memorandum of Understanding with a view to its continuation, amendment or termination.

2. This Memorandum of Understanding may be amended by written agreement between the parties. Such amendments shall specify the effective date of the modifications.

3. This Memorandum of Understanding may be terminated by either of the parties at any time upon giving 90 days advance notice in writing to the other party. However, such termination shall be without prejudice to any commitments made to third parties before the notice of termination was received.

In witness whereof, the undersigned Mr. Juan Somavia, being duly authorized, sign this Memorandum of Understanding in duplicate, each in English and Spanish, in Lima on the 24th day of August 1999. The English and Spanish versions of this Memorandum are equally authoritative.

For and on behalf of
the International Labour Organization:

(Signed) Juan Somavia.
Director-General

For and on behalf of
the Pan-American Health Organization:

(Signed) George A.O. Alleyne
Director