Health Promotion Fund: Sustainable Financing and Governance

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Preface

I am delighted to be able to participate in the making of this book as it draws experiences and lessons learned from different Health Promotion Foundations using innovative financing mechanisms for health promotion and tobacco control.

Based on my lifelong experience in tobacco control and the advocacy for the establishment of ThaiHealth twelve years ago, I can firmly say that health promotion foundations have had an immense impact and are able to drastically change the landscape of health promotion at the national level. I have a strong belief that sustainable financing is essential to provide a comprehensive, coordinated and effective approach to health promotion.

I would like to see Health Promotion Foundations with sustainable financing mechanisms set up in more and more countries around the world. More importantly, I would like to see our health promotion community grow larger and larger at the international level.

I hope you will find this book useful and informative. I am very happy to share with you experiences in the establishment of Health Promotion Foundation.

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- **Tonga Health Promotion Foundation (TongaHealth)**
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The Momentum towards Health Promotion

Each year close to 36 million people die from non-communicable diseases (NCDs) with 29 million in low- and middle-income countries. Up to 80% of these total deaths are caused by cancer, cardiovascular diseases (CVDs), chronic respiratory diseases, diabetes and other tobacco-related conditions. Tobacco use is the single most preventable cause of diseases, disabilities, and deaths. It is one of the four modifiable risk factors (others include physical inactivity, unhealthy diet and the harmful use of alcohol) that contribute to the most causes of NCDs. The death toll from tobacco use alone accounts for almost six million deaths yearly (including over 600,000 deaths from exposure to second-hand smoke), and is projected to increase to eight million by 2030 if no effective intervention is taken. Other risk factors also kill millions of lives each year: 3.2 million people die from insufficient physical activity; 1.7 million people from low fruit and vegetable consumption; and 2.3 million from harmful alcohol consumption.1

Tobacco use is the single most preventable cause of diseases, disabilities, and deaths.

Recognizing that NCDs will be a central problem for health systems and economies worldwide for many years to come, countries are looking into health promotion initiatives to address the growing health risks and significant inequalities in health status that exist among various socio-economic groups within a country. Health promotion is "the process of enabling people to increase control over and to improve their health."2 Consequently it focuses on solutions using community development, health education, citizen participation and advocacy strategies to develop public health policies that prevent illness and chronic diseases. There is strong evidence that prevention strategies and health promotion work; however promoting population health requires sustained effort and continuous investment and commitment from governments. Currently, most governments' budgets for health promotion and tobacco control are only a fraction of their national health budget.

Most governments’ budgets for health promotion and tobacco control is only a fraction of their national health budget.

Tobacco control is a flagship intervention for addressing the burden of NCDs. In recent years, countries are progressively curbing the use of and harms from tobacco through health promotion activities. The adoption of World Health Organization Framework Convention on Tobacco Control (WHO FCTC), the first global health treaty at the World Health Assembly in 2003, has accelerated the implementation of effective tobacco control policies globally. However, the implementation of the WHO FCTC bring a set of challenges for many low- and middle-income countries that are struggling to establish strong tobacco control measures to meet their treaty obligations. Many factors have delayed the full implementation of WHO FCTC, including tobacco industry interference, insufficient financial and technical resources to support tobacco control activities.
A Novel Way to Secure a Sustainable Budget for Health Promotion

Since the late 1980s, some countries have established a health promotion fund or foundation with revenue drawn from taxes on tobacco. Excise taxes derived from tobacco and alcohol or "sin taxes" are a good source of sustainable funds for health promotion and tobacco control initiatives. Other possible sources might include national or state level allocations, health insurance, private donors, among others.

The current health promotion foundations have become important components of their government's infrastructure for population health by providing comprehensive, coordinated and cost effective health promotion activities. They complement existing national or provincial level health budgets and are a strategic way of investing in long-term solutions for NCD prevention and health inequalities.

Health Promotion Financing are a strategic investment for preventing non-communicable diseases and reducing health inequalities.

Recently, there has been heightened interest in raising taxes on harmful products and dedicating funds for promoting health. A surcharge or dedicated tax on tobacco or alcohol products will generate sufficient revenues for funding health promotion and also contribute to government savings through improved public health.

This approach is consistent with WHO FCTC Article 6 that encourages Parties to implement tax policies and, where appropriate, price policies on tobacco products so as to contribute to the health objectives aimed at reducing tobacco consumption. The Guidelines for the implementation of Article 6 recommend country to "dedicate revenue" to fund tobacco control and other health promotion activities.

A surcharge or dedicated tax on tobacco or alcohol products will generate sufficient revenues for funding health promotion and help governments reduce health care costs.

Over the years, more and more countries are using dedicated revenues from tobacco and or alcohol taxes to finance health promotion foundations/agency. These countries are able to strengthen their health policies and programs to accelerate the implementation of WHO FCTC and other NCDs risk factor reduction programs.

This report draws on the experiences and lessons learned from the different health promotion foundations around the world, including specific features of each health promotion foundation/agency.
The Need to Ensure a Sustainable Health Promotion Fund

A health promotion fund is a budget specified for financing health promotion programs. The fund should be sufficient in amount and sustainable. The sources of this fund or budget should not directly compete with the traditional service-based health-related programs and treatment-related activities.

The sources of health promotion funds are dependent on the political context that allow such fund to be set up and vary from country to country. In most cases, some form of legislations specifying the sources of funding, the governance of the fund, the objective and how the funding is being administered.

The Governance and Purpose of the Fund

A health promotion fund is mandated to promote and protect public health with strategies and multi-faceted programs that also reduce health inequities in the population. The fund can be established and administered by an independent statutory body (a Foundation), or located within a government department, or exist as a semi-autonomous body within a government structure.

The fund is used to fund programs that stimulate changes by enabling community development and mobilization, advocating for healthy public policies, supporting healthy individual behaviors and seeking reorientation of health services. These objectives are consistent with the 1986 WHO Ottawa Charter for Health Promotion.

Whilst the agency/foundation governing or administering the health promotion fund may be known by different names in different countries, the health promotion objectives remain consistent.

In the case of a health promotion foundation, the general features include:

- a focus on funding health promotion activities;
- established by legislation (e.g., Act of Parliament) which secures long-term funding;
- an independent Board of Governance comprising stakeholders;
- a level of autonomous decisions-making in accordance with its governance structure; and
- independence from any political group with engagement across the political.
Health promotion action means:
• Building healthy public policy
• Creating supportive environments
• Strengthening community action
• Developing personal skills
• Reorienting health services

(The WHO Ottawa Charter for Health Promotion 1986)²

Why Sustainable Financing for Health Promotion is Important?

Establishing a sustainable health promotion funding mechanism is the most cost-effective way to generate a reliable long-term funding stream for promoting and improving population health.

The health promotion fund can strengthen and complement other government and non-government organizations and community groups working in health promotion. Project grants support many activities, such as partnership development, advocacy for healthier public policies, creating and maintaining healthy environments, and encouraging individual behavior change through education, social marketing and skill development.

A health promotion fund can also assist countries in meeting the WHO FCTC provision Article 26, which requires all Parties to fund and resource the implementation of national tobacco control plans, priorities and programs to attain the objectives of the Convention.³

The case for establishing a health promotion fund may include the following points:³

- **Limited budgets for health promotion and tobacco control, particularly in low- and middle-income countries**

In most low- and middle-income countries, health promotion budget is a very low priority and external sources of funding are limited and insufficient to address NCD prevention and control. Many of these countries rely on irregular and unbalanced distribution of donor funds that support programs or projects that may not always meet the need or priority of the recipient country.

Despite recognizing the benefit of promoting health and the need to reduce NCD risk factors, such as tobacco and alcohol use, health promotion and tobacco control programs are often low on the list of national priorities. Consequently, health promotion and tobacco control receive little or no funding through regular channels, having to
compete with other health budget distributions for treatment of diseases at the country level. In most cases, existing budget is predominantly for health care services with very little allocated to health promotion activities.

In most low- and middle-income countries, health promotion budget is a very low priority and external sources of funding are limited and insufficient to address NCD prevention and control.

By introducing a sustainable and regular source of funding for health promotion, such as dedicated taxes, a surcharge tax or through other mechanisms, governments can afford to be self-reliance and build successful health promotion initiatives. It is also much easier to receive technical, rather than financial support from more affluent countries.

- **To diminish health, social and economic costs from non-communicable diseases**

Governments and their people are facing unsustainable health, social and economic costs caused by the increasing incidence of mortality and morbidity of NCDs. National accounts are already burdened by enormous health care budgets, which need to be offset by developing integrated systems for preventative and holistic health care.

A percentage of dedicated tax, or surcharge tax or other sustainable financing mechanisms to support NCDs prevention and control programs will help governments to address the escalating health care costs from NCDs. Tobacco control programs do reduce health care costs as can other effective health campaigns. Not only such a sustainable fund can contribute to financial gain for a government, it provides savings in the country’s health care budget by ultimately reducing treatment costs of preventable diseases.

A health promotion fund is an effective budget and administrative mechanism for governments to work on reducing the cost of curative care and the individual and social burdens of chronic diseases. The fund can also be strategic players promoting social and economic development that addresses medium- to long-term inequalities in health.

- **Securing long-term investment for improving health**

In the face of escalating costs and constrained resources in most countries, dedicated taxes or a surcharge tax or other novel financing mechanisms can generate a sustainable revenue base to support effective tobacco control and health promotion programs over many years.

Health promotion is recognized as a key strategy in promoting health and helping to close health inequalities. Secure funding is needed to develop innovative strategies across all levels and sectors within a society to support the desired policy, environmental and individual behavior changes.

A health promotion fund is also a strategic resource that is available to respond quickly to unanticipated health risks emerging in communities such epidemic of newly emerge diseases.

- **To supplement health insurance or universal health care policy**

Presently, many countries are adopting universal health insurance or universal health care coverage as a means of improving health of the public. This will greatly increase government’s health care expenditure, by having to shoulder the previously out-of-the pocket payment by individual for health care cost.

Health promotion is a vital component of universal health coverage policy. A small and sustainable budget for health promotion will help promote health and prevent diseases, and result in substantial savings in health care costs. The Thai Parliament enacted a health promotion fund act (Thai Health Promotion Foundation Act) in 2001 and universal health insurance coverage act (National Health Security Act) in 2002 based on this rationale. In 2012, ThaiHealth’s budget from 2% of tobacco and alcohol products surcharge taxes is about 1% of the total national health budget. With the rate of increase of 7-10% of the national health budget annually, the ThaiHealth budget is even more important to be used in supporting health promotion programs, to stem the rising health care cost, as a result of the universal health care coverage policy, provided that ThaiHealth fulfill its stated mandate.
A small and sustainable budget for health promotion will help promote health and prevent disease, and result in substantial savings in health care costs.

- Making the Polluter Pays

Adopting the principle – ‘polluter pays’ – a health promotion fund with funding sources from a dedicated or surcharge tax from harmful to health products, has no direct cost to governments. For instance, the social, economic, and health costs of products harmful to health, such as tobacco/alcohol consumption can be shifted to manufacturers (e.g. tobacco/alcohol companies) by introducing an additional surcharge tax on their products. This tax is then dedicated to promoting health to lessen the government’s health care costs resulting from diseases caused by public’s consumption of these products.

It is the legitimate right of a government to impose dedicated taxes or a surcharge taxes on harmful products so that the taxes collected can be directed to health promotion programs. A proportion of this funding, depending on the size of the health promotion fund, can be devoted to support smoking cessation services and quit clinics, which by ‘polluter pays’ principle the tobacco industry should bear the responsibility.

It is a prudent fiscal policy to increase taxes on tobacco and other harmful products and dedicate a small proportion to fund health promotion. Governments suffer no fiscal loss or reduction in revenue (assuming a surcharge tax). The contrary will be true when over time they gain from health care cost savings.

- Health promotion needs a regular and sustainable budget.
A dedicated or a surcharge tax of funding sources provides a predictable, more stable amount of budget that is less susceptible to diversion for other purposes.

- Other alternatives sustainable funding sources

In a number of countries it may not be feasible to use a dedicated tax or a surcharge tax mechanism as a funding source for health promotion, due to a number of constrains. If this is the case, other mechanisms to obtain a sustainable funding source should be explored. The important focus should be on how best to secure a sufficient and sustainable fund, regardless of the sources of revenue.
There are some common questions raised by policy makers when advocating for a health promotion fund, including:

- What is health promotion? Is it not already being taken care of by the Ministry of Health?
- Does the health promotion fund duplicate the role of the Ministry of Health?
- Why use dedicated/surcharge funding and not an annual budget allocation like most government initiatives?
- Is this the most cost-effective way to fund health promotion?
- How do we ensure there is no misuse of the fund? How the fund will be oversight?

Advocates for a health promotion fund need to prepare a case that counters all of the decision-makers’ concerns. A number of arguments are noted for use as a reference tool when building a case for a fund.6
Proposition

The Ministry of Health (MOH) can request a larger budget for health promotion activities. Thus there is no need for another agency.

Response

Gaining more funds to support health promotion and tobacco control through the conventional health budget system is difficult and largely unsuccessful. The annual health promotion budget in most countries is a very small percentage of total expenditure for health and can vary dramatically from year-to-year. Programs can also be subjected to changes in policy direction from government to government. This does not allow the necessary long-term action to achieve real population health gains.

Having a fund that is autonomous or semi-autonomous to a Ministry allows for greater flexibility particularly when establishing partnerships with other ministries and external agencies that are not directly affiliated with government institutions. The bureaucratic system in most governments requires many levels of approval and can result in delayed/disconnected program implementation.

An additional fund, say sourced from the collection of tobacco and alcohol taxes to support health promotion is an effective and efficient way to promote health. For example, in Thailand the budget for the health promotion fund is only about 1-2% of the national health budget and is managed by an autonomous health promotion foundation. The Thai Health Promotion Foundation has flexibility in terms of fund management and can support activities that are unlikely or difficult to conduct under a national health budgeting system.

Proposition

A surcharge tax is counter to financial discipline and traditional practice.

Response

An additional or surcharge tax can be viewed as a new mechanism, and in the case of Thailand it was not restricted by any financial regulation or other legislations. This may also be the case in other countries and should be explored and advocated to be the source of a health promotion fund.

It is worth to note that the original proposal for the source of budget for Thai Health Promotion Foundation was from “dedicating 2% of tobacco and alcohol excise taxes” that has been collected by the Excise Department from tobacco and alcohol producers. The Ministry of Finance opposed sternly. This cause the working committee for the setting up of the fund, to change the proposal for the fund to come from requiring the tobacco and alcohol producers to pay additional 2% excise tax (surcharge), the Ministry of Finance does not have to allocate budget from the tax that they have collected. This proposal was finally approved by all party.

A common argument against a surcharge tax is that this will set a precedent and may disrupt the country’s financial discipline if more of such cases occur. The answer to this question may be found in the experience of Australia, where after implementing a dedicated tax for health promotion for many years, there was no other case of a dedicated tax was set up.

The important point here is tobacco and alcohol both are addictive and harmful to health and causes many other socio-economics burden to individual and society, that match by no other consumer products.

A surcharge or dedicated tax was not a ‘traditional practice’ in Thailand before the Thai Health Promotion Act was enacted in 2001. See the Case Study in Box 1.

In any case, the parliament in each country is the one to decide whether to allow additional cases of dedicated/surcharge taxes to be legislated.
Box 1: Case study on Thailand’s defense for a surcharge tax

Thailand’s advocates for a health promotion fund defended the 2% surcharge (i.e. 2% additional excise tax), to fund a health promotion foundation, (leading to the setting up of the Thai Health Promotion Foundation - ThaiHealth) by using the following points:

Health promotion programs including tobacco control requires collaborative partnerships with both government and non-government sectors. Health promotion foundations support inter-sectoral action and inter-organizational partnerships at all levels and engage the community in planning and decision-making. These inter-sectoral relationships are more difficult for government ministries to establish.

Most health promotion programs are innovative and strategic, with some requiring a level of experimentation or risk. Not all government ministries are comfortable with risk.

The health financing system is focused primarily on health care services and treatment/service based health promotion, with much less attention to health promotion programs for improving population health.

A health promotion fund is used to support the advocacy and implementation of government health-related policies and priorities. The organization or agency that is established to manage the fund is accountable to the government and thus no different from other government agencies.

The source of funding, derived from a surcharge tax on tobacco and alcohol products and collected directly from tobacco and alcohol producers, and its dedication to health promotion fund is the unique component. Without a surcharge tax, governments will have fewer preventative programs and will have to meet increasing health care costs out of general revenue.

The health promotion fund while governed by an independent board or committee is audited by designated government agencies and reports annually to Parliament.

Another way to engage policy makers who opposed a dedicated or surcharge tax to fund health promotion is by asking, “What other alternatives do we have? Either we retain the existing financial process/discipline, which neglects health promotion, and face the consequences of a growing health care burden, or we impose a surcharge tax on the industry, with the opportunity to gain additional government revenue to fund health promotion”. Another word, we have to weigh the benefit of improving health/saving life against preserving financial discipline.

It can be important to reinforce that the tax is used to support short- medium- and long-term health promotion and tobacco control programs, and as a result, the health and well-being of the public will improve, while health care expenditures will decline over time.
Proposition

Many existing funds do not work well, why another one? How can we guarantee that this fund will work?

Response

This argument arose in Thailand where there are many types of funds, which are mostly small and are also trying to generate secure funds. Most of these funds are set up within government portfolios, and are created for services or charity purposes. Most of these funds are established by executive order or decree and do not have oversight by the public or other auditing agencies. This potential lack of transparency in the use and administration of many of the existing funds is to be avoided.

Health promotion foundations do work. In Australia, Switzerland and Austria have been long standing and effective.

To ensure that the new agency will work, the health promotion foundation's objectives and its means to manage the fund effectively should be clearly stipulated in the legislation, specifying:

a) the objectives of this fund;

b) the means of administering this fund;

c) the foundation's processes for transparency and accountability; and

d) the sources of funding.

These specifications protect the security, transparency, accountability, effectiveness and sustainability of the fund.

Proposition

It will be too hard to gain support in the parliament.

Response

The consumption of tobacco and alcohol products has serious negative social and economic impacts on society. Most of these adverse impacts become the responsibility of government, such as increasing health care costs associated with illness, chronic disease accidents and crimes. As governments collect a large amount of taxes from tobacco and alcohol products, they have an opportunity and moral responsibility to lessen these impacts by funding health promotion programs including tobacco and alcohol control.

In the case of Thailand, when the Thai government was proposing a bill on universal health care (insurance) coverage, advocates for the health promotion bill were able to support both initiatives by arguing they were synergistic. The health promotion fund would help reduce the long-term costs that universal health coverage system would incur. If the escalating health care costs were not reduced through health promotion and preventative actions, government will have to face with very high health care budget.

As a small surcharge tax on tobacco and alcohol is paid by the industry on top of the existing excise tax it pays, the government has a net gain using an efficient and existing collection mechanism. The full amount of excise taxes is collected by a finance ministry and, at the same time, the extra surcharge tax is directed to the health promotion fund.

An increase in taxes and product prices is a very effective health promotion strategy in itself as it saves lives and governments' money by dampening tobacco and alcohol use, which overtime will decrease the disease burden and health care expenditure.

The surcharge for the fund also provides adequate and sustainable funding for a broad range of health promoting initiatives that would continue to bring immediate and major benefits to a community.

Proposition

Why should tobacco and alcohol tax be used to address problems caused by other risk factors?

Response

Tobacco and alcohol taxes are already being used for multiple purposes. Existing tobacco and alcohol taxes go to general revenue, combining with other taxes and government revenue. This general consolidated revenue is then allocated to various government ministries and departments.
To use these taxes to directly fund health promotion is appropriate. Tobacco and alcohol products impair health, whereas health promotion activities can reduce the harm and improve health.

**Proposition**

A surcharge tax will put further burden to the tobacco/alcohol industry.

**Response**

Imposing a surcharge tax, dedicated to health promotion and tobacco control, on products that cause harmful health impacts to users should be considered as a legitimate action taken by a responsible government to improve health and decrease health care costs.

It has been demonstrated that the impact on the industry is very small, for two of the most profitable industries. The amount of additional tax intended for health promotion is only a fraction of the total taxes that the industry pays, as well as fraction of their profit.

Taxes on tobacco and alcohol need to be increased regularly to keep pace with inflation. Any increase in affordability of these products can increase consumption rates, which will result in negative health outcomes.

**Proposition**

How do we know the size of the budget for a health promotion foundation?

**Response**

Initially the proposed budget for ThaiHealth was one percent (1%) of the government’s annual health budget. This figure was used as a tactic to convince policy makers to support a health promotion fund.

That is if we use 100 dollar for treatment services, we should set aside one dollar to fund health promotion programs. This one dollar will do different things from the other 100 dollar, which mean it will be value added. It is much better than adding this one dollar to the 100 dollar and doing the same thing (treatment/services based activities).
One percent (1%) of the national health budget may actually not be enough for a robust health promotion program, but it is sufficient to fund projects aimed at controlling major NCD risk factors. A proposal for a higher percentage of tax can be made, but this has to be balanced against political acceptability.

**Proposition**
Who should be the one driving the process for setting up a health promotion foundation?

**Response**
A coalition of advocates and experts who are committed to promoting population health through an autonomous/semi-autonomous agency with a sustained funding source is required. This may include tobacco control advocates, health system experts with public health and health promotion knowledge, and a number of finance experts and technocrat politicians. Such technocrat politicians lend their knowledge and political skills in support of the movement for a flexible health promotion agency to prevent non-communicable disease.

**Proposition**
The timing has to be right for setting up a health promotion foundation.

**Response**
Most countries are now committed to strengthening national efforts in the prevention and control of NCDs. This increased need to secure financial support to implement NCD prevention is an excellent opportunity for health promotion fund advocates to exploit. Article 26 of the WHO FCTC as noted earlier requires all parties to secure and provide financial support for the implementation of various tobacco control programs and activities to meet the objectives of the Convention.

In addition, Article 6 of the WHO FCTC also recommends parties to dedicate revenue to support tobacco control and other health promotion programs.

Experience has shown that there will never be adequate external sources of funding to address NCD control for a particular low- or middle-income country. Donors generally support or fund ‘pilot’ or ‘innovative’ projects for a defined period of time, particularly in projects and programs that interest them but may not necessarily be the recipient country’s priority.

Financial resources for health promotion are already available in each country, regardless of economic status, but a mechanism that secures those resources to fund health promotion and tobacco control is what is now required.

Tobacco and alcohol products are mostly under taxed in developing countries and countries in economic transition. Increasing taxes on these two products and set aside a small portion to fund health promotion is the most viable solution to address the issue of lack of resource/funding. The Thai Health Promotion Foundation is one of the models that should be considered by other countries.

**Article 26 of the WHO FCTC**
requires all parties to secure and provide financial support for the implementation of various tobacco control programs and activities to meet the objectives of the Convention.

**Article 6 of the WHO FCTC**
recommends parties to dedicate revenue to support tobacco control and other health promotion programs.
Governance Models of Health Promotion Fund

There are different health promotion fund models in different countries. Understanding the different models and funding mechanisms helps identify the most appropriate health promotion model for your country. For countries that receive a regular source of adequate funding for health promotion, allocated annually from the national budget, a health promotion fund may not be a priority or necessity, such as in the case of Singapore Health Promotion Board and the Health Promotion Centre in the Brunei Ministry of Health and many other countries.

Whatever the model adopted it is important that the funding source and governance of the fund be established by legislation such as an Act of Parliament. The fund’s roles, objectives, funding mechanism to administer the fund and sources of funding should be clearly defined and specified in the legislation. This ensures transparency, accountability, effectiveness and sustainability of the fund. Clear provisions in the legislation will also protect it from the inappropriate use of the funds and political interference.

The three main health promotion foundation models are:

1) an autonomous agency that is governed by an independent statutory body outside of the government’s bureaucratic system;

2) a semi-autonomous agency in which the fund is directed through the Ministry of Health and at the same time is administered by an independent board of governance;

3) a unit within government structure where the fund is governed within a Ministry and is under the direction of the Prime Minister or the Ministry of Health.

Model 1: An Autonomous Agency

A number of countries have established health promotion foundations or a tobacco control fund as an independent statutory body outside of the government structure. These foundations are autonomous with flexible and independent management. An independent board governs the fund and controls the decision-making on policies, programs, and the allocations of funds.

These foundations are mandated by legislation, such as an Act of Parliament. The legislation or Act establishes the fund’s accountability and transparency standards and processes. While the foundation operates independently, it can work closely with government by contributing to the development and implementation of the government’s priorities and directions for health promotion.

An independent board governs the fund and controls the decision-making on policies, programs, and the allocations of funds.
The entity is likely to be relatively small and is not subject to all the necessary bureaucratic processes of government. Hence they are more flexible, can innovate and respond to emerging needs, threats or opportunities that will strengthen public health activities. In addition the higher level of autonomy enables the easier establishment of multiple collaborations across levels of government and civil society in sectors such as health, education, cultural, arts, religion, sport, transport and community.

The source of funds is guaranteed through the legislation to ensure a predictable flow of funds and protect the activities from any political changes. The funds can be derived from surcharges on tobacco or alcohol products, a levy on foods with high fat, sugar and salt contents, social health insurance, grants or fiscal adjustments through value added taxes.

In some entities members of parliament are appointed to boards of governance. This is sometimes considered a compromise approach. For example, in Thailand, the Prime Minister is the chair of the governing board of ThaiHealth and the Health Minister is the vice chair, and in Australia, three of the major political parties are represented on the governing board in the Victorian Health Promotion Foundation. Prominent leaders who have access to a wide range of high-level networks that help to influence public health movement in the country are the strategic appointments.

**Model 2: A Semi-autonomous Agency**

In this model the government through the Ministry of Health determines the annual budget allocation and sets the priority action areas, while the independent Board of Directors have autonomy over the development of action plans and their implementation.

The New Zealand Health Sponsorship Council (the Council) is an illustrative example of this model (see Box 2 below).

**Box 2: The New Zealand Health Sponsorship Council (the Council)**

The Council was established under the Smoke-free Environments Act 1990 and it is responsible to the Minister of Health. A three-year contract of agreement between the Council and the Ministry of Health is developed through a consultative process. The Ministry of Health determines the budget allocation and sets the priority action areas such as tobacco control policies (smoke-free), sun safety as well as preventing and minimizing gambling-related harm, for the Council to act on.

The Council is required to submit a strategic annual plan along with budget provisions for each activity that is endorsed by Minister of Health prior to the fund disbursement. The Council has a board of directors consisting of six members appointed by the Minister of Health to oversee the development and progress of activities. Although there are limitations in its flexibility and independence in terms of total budget allocation and priorities, it has autonomy in the decision-making process related to the actual activities funded.6,7
Model 3: A Unit within Government Structure

Traditionally, public health and health promotion policy is located in ministry of health; hence, some countries have established a health promotion fund as a discrete unit within their appropriate government department. It can be set up and managed by any department but should be accountable and responsible to the Prime Minister or the Ministry of Health. This type of governance model may result in less flexibility for innovative and more controversial programs, particularly if some government members are unsupportive of initiatives.

As a government entity, the main goal is supporting the implementation of government public health policies and strategies in close collaboration with other government sectors. A potential advantage is easier access to other government departments through the relevant Minister and or Departmental Head. By accessing a range of expertise from across government departments and developing strong working relationships, greater coordination can be fostered and the potential for duplication of resources, funding or efforts reduced. The nested nature of this type of entity, however, may inhibit its ability to collaborate with civil society and non-government agencies as well as some parts of the private sector.

The discrete unit is likely to be exposed to administrative and government influence, particularly in the making of policies and setting of priorities for health promotion. Also the decision-making process for the disbursement of grants and sponsorships may be more readily influenced than if it was an autonomous entity.

The sources of funding can be the same as for an autonomous entity. However, if the collection of funds is handled within the government system and with the absence of an independent board to oversee the distribution of funds, there is a potential for ministerial re-directions and legislative amendments that may see the transfer of funds for other purposes than health promotion.
VicHealth was the first health promotion foundation in the world.

VicHealth, established by the Victorian Parliament as part of the Tobacco Act 1987, was the first health promotion foundation in the world. It is a statutory body with an independent chair and board of governance that reports to the Victorian Health Minister and to the State Parliament. The Board is constituent-based drawing from the sports, health, law, business, arts, and communication/media sectors and has three serving Members of Parliament, representing the three major political parties.

The multi-party representation on the VicHealth Board has been and continues as one of its key strengths. The elected representatives from each of the three largest parliamentary parties together with high profile members with expertise in research, medical science, sport, the arts, business and marketing have been vital to the organization’s credibility, profile and success in reaching all segments of the Victorian community.

Since its inception and until 1997, VicHealth administered the Victorian Health Promotion Fund that was sourced through a dedicated (or hypothecated) tax of five percent (5%) on top of existing Victorian tobacco tax. Victoria is a state in the Commonwealth of Australia. In 1997, the High Court of Australia ruled tobacco hypotheication unconstitutional at the state level.

Since this time, VicHealth’s annual funding has been determined by the Victorian government and is allocated out of general consolidated revenue through the Victorian State Government’s annual budget process. It receives an annual fund of approximately AUD 35.5 million dollars.
VicHealth’s commitment is to: work in partnership with others to promote good health; recognize that the social and economic conditions influence health; promote fairness and opportunity for better health; support initiatives that assist individuals, communities, workplaces and broader society to improve wellbeing; and to prevent non-communicable disease for all Victorians. The strategic imperatives of VicHealth are to: promote healthy eating; encourage regular physical activity; prevent tobacco use; prevent harm from alcohol; and improve mental wellbeing internationally advocating for the use of dedicated taxes to fund health promotion and tobacco control along with sharing its experiences on how best to stimulate health promotion in different sectors.

Western Australian Health Promotion Foundation (Healthway)\textsuperscript{12,13}

Healthway (the Western Australian Health Promotion Foundation) was established in 1991 under the Tobacco Control Act 1990 and later the Tobacco Products Control Act 2006 as a statutory body to operate as an independent organization. Like VicHealth, the initial funding source for Healthway was based on a hypothecated tax, which changed after the High Court of Australia deemed this tax unconstitutional for states in Australia to levy in 1997. The financing model is now a grant from the state’s general consolidated revenue.
Healthway is able to operate independently while supporting government policies. Reporting to the Minister of Health, Healthway has a mission to promote and support healthy lifestyles to reduce preventable diseases in Western Australia. This is achieved through funding activities that promote health, particularly that of young people, and providing grants to organizations engaged in health promotion programs and research. It also offers sports, the arts and racing a source of funding for health promoting activities and uses their events to promote health messages. Healthway partners with government, health and non-health organizations, communities and other stakeholders in varied settings including sport and recreation, education, culture and the arts, racing, local government, transport and workplaces.

Healthway is governed by a Board consisting of 11 members, a Chairperson and ten nominees from a mix of government and non-government organizations representing sport, arts, racing, health, youth and rural interests. They include the Australian Council on Smoking and Health (ACOSH); Department of Sport and Recreation; Australian Council for Health; Physical Education and Recreation (ACHPER); Department of Communities; Department of Culture and the Arts; and Western Australian Local Government Association. As the accountable authority of Healthway, the Board sets strategic goals and direction and decides on the allocation of funding grants and sponsorships. A number of expert committees have been established with a range of responsibilities, including making recommendations to the Board concerning allocation of grants and sponsorships.

The organizational structure is made up of an Executive Director who is supported by three directors each heading a division: health promotion and research, sponsorship, and corporate services. The health promotion and research division takes charge of Health Promotion Program; Health Promotion Grants Program, and Co-sponsorship Risk Assessment. The sponsorship division is responsible for Sponsorship Programs and Support. The Corporate Services division takes care of finance, organizational development, information management and technology, governance and contract management.

Healthway communicates healthy messages, facilitates healthy environments and promotes participation in healthy activities by sponsoring sports, arts, and racing events. It has extensive associations with ‘grass-roots’ organizations (more than 700 partners). It also funds a range of organizations to conduct healthy lifestyles and advance health promotion programs. The key priorities for Healthway are reducing harms from tobacco and alcohol, reducing obesity and enhancing good mental health. It also invests in capacity building within the health promotion sector through scholarships, fellowships and partnering with health NGOs.

The key success factors of Healthway include sustainable and secure funding that allows long term planning. As an independent body it has flexibility to review priorities and adapt when necessary. It is free from political influence.

The Board has power to make decisions with regard to grants and sponsorships. There is also emphasis on evaluation and evidence building by investing in an independent third party (AUD 400,000 per annum) that guides program development.
Generally, FGÖ is an autonomous body that is accountable to its board which is chaired by Minister of Health as the president. The governing board consists of representatives from Ministry of Health, Ministry of Education, Ministry of Financial Affairs, Chamber of Pharmacists, Chamber of Medical Doctors, Health Officials from federal states, Governors of federal states, Association of Communities, Association of Cities, Main Association of Austrian Social Security Institutions, Association of Private Insurance Companies and Organization of Senior-Citizens.

FGÖ is assigned the responsibility of “Maintain, promote and improve the public’s health in a holistic sense and at all stages of life”, and “Provide education and information on avoidable diseases and on the emotional, mental and social factors influencing health”. Effective from August 2006, the FGÖ is embedded as a subsidiary of the Gesundheit Österreich GmbH (Health Austria Ltd) with financing and governance rules unchanged.

The Act defines the goal and the strategies for the use of earmarked funds made available from value-added tax revenues and budgeted at the Federal Ministry of Health. The annual funds of €7.25 million allow coherent, long-term planning and implementation in the field of health promotion, education and information.

FGÖ is the national contact point and funding office for prevention and health promotion in Austria. In order to ensure that grants are used for its intended purpose, award of grants for bigger projects (contributions >72,000€) are reviewed by a scientific board and approved by the board of governance which includes stakeholders from various national, regional and local authorities, social welfare insurance and organizations of health professionals. FGÖ must conduct its long-term and annual planning for implementing these measures and initiatives in a manner that takes into account the measures and initiatives undertaken by other national and local authorities. The fund must produce and publish an annual business report made available to the public to assure the necessary transparency and traceability of FGÖ activities.

The Act defines the goal and the strategies for the use of earmarked funds made available from value-added tax revenues and budgeted at the Federal Ministry of Health.
To enhance health awareness in Austria, FGÖ has identified six priority areas: exercise, nutrition, mental and emotional health (with a focus on health impact of social networks like neighborhoods), children and young people in non-school settings, employees in small and medium-sized enterprises and older people in regional settings. Activities in these focal areas involved project funding, networking, special events, and public relations. Many self-help organizations in Austria received funding from FGÖ to conduct activities related to priority areas.

Strategies used to achieve the objectives include building structures for health promotion and disease prevention; developing and commissioning contextual programs and offerings directly connected to the populace in communities, cities, schools, enterprises and in the public health care system; developing programs for specific target groups in order to inform and advise them about healthy lifestyles, disease prevention and strategies for coping with chronic diseases and crises; conducting scientific programs for further developing health promotion and disease prevention as well as epidemiology, evaluation and quality assurance in this field; supporting the continuing education of people working in health promotion and disease prevention; and coordinating the measures and initiatives outlined in this Federal Act with existing activities in health promotion.

Thai Health Promotion Foundation (ThaiHealth) in 2001, it marked the birth of the Thai Health Promotion Foundation (ThaiHealth) as an independent organization. It is formed as an autonomous state agency outside the formal structures of government. ThaiHealth is not part of Ministry of Public Health and its bureaucratic system but it is under the supervision of the Prime Minister. ThaiHealth consists of two boards: the multi-sectoral Board of Governance; and an Evaluation Board.

The multi-sectoral Board of Governance comprises 21 members, chaired by Prime Minister with Minister of Public Health as the first Vice-Chairman and the second Vice-Chairman of the board is an independent expert appointed by the cabinet. Other board members are representatives from nine different ministries and eight independent experts from various disciplines who have no political affiliations. They set policies, regulations, strategies and overall budget arrangement besides overseeing the management structure and other guidelines for ThaiHealth.

The Evaluation Board has seven members from health promotion, finance and evaluation experts. They are responsible for evaluating the overall performance of ThaiHealth to ensure accountability, transparency and efficiency of the organization. ThaiHealth is required
to report annually to the Cabinet and to both houses of Parliament in accordance to the Act. It is also supported by a group of expert advisory committees.

ThaiHealth as an autonomous health promotion agency is the first to be established in the ASEAN region. It utilizes an innovative health promotion financing system through a two percent (2%) surcharge levied on excise tax from alcohol and tobacco. The surcharge requires tobacco and alcohol producers to pay an additional tax on top of the excise tax. This type of funding mechanism is the most effective means for securing sustainable and long-term funding for a health promotion fund.

Funding certainty allows ThaiHealth to continue supporting and implementing a range of short, medium-, and long-term health promotion programs and innovative projects throughout the country. There are 14 master plans on issue-based areas (tobacco and alcohol control; traffic injuries and disaster management; physical exercise and sports for health; healthy food and diet and health risk factors control; setting-based actions (health of disadvantaged groups; health promotion in community; children, youth and family health; and health promotion in organizations) and health system-based initiatives (social marketing and communication; health promotion through health service systems; and supportive systems and mechanisms).

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A surcharge tax, requiring tobacco and alcohol producers to pay an additional tax on top of the excise tax, the most effective funding mechanism for securing sustainable and long-term funding for a health promotion fund.

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ThaiHealth encourages interested organizations to apply for open grants and innovative projects and also supports programs that aim to change public values, lifestyles and the social environment in ways that promote health and well-being. It acts as a catalyst and complements the existing bodies that are working in the area of health promotion.

Over the years, ThaiHealth has demonstrated that taxing alcohol and tobacco products provides a reliable, effective, and predictable source of revenue for health promotion fund and also contributes to health promotion gains, notably with a reduction of the use of tobacco and alcohol as well as other harmful substances. Between 1991 and 2011, cigarette excise taxes increased about 10 times, resulting in a significant gain in revenues from 15,688 million Baht (USD 530 million) in 1991 to 59,914 million Baht (USD 1,997 million) in 2011.

At the same time, smoking prevalence among adults (more than 15 years old) showed a declining trend from 25.47% in 2001 to 20.7% in 2009. A similar reduction rate was reported in alcohol consumption from 9.1% in 2004 to 7.3% in 2009 as well as death rate from vehicle accidents from 22.9 per 100,000 in 2003 to 16.82 per 100,000 in 2010.

ThaiHealth, through its strategic partnerships with various sectors including government, private, non-governmental organizations and communities, helps to mobilize and empower individuals and organizations across sectors in planning and carrying out health promotion activities for positive health enhancement. It has established a network with more than 200 partners across the country and continues to foster cross-sector partnerships with different sectors to promote and improve well-being of the community.

A flexible organizational structure and management system along with financial security and effective strategies are ThaiHealth key strengths that help to improve the health of all Thai people.
As part of their capacity development and technical support for both staff and board members, they received mentoring support from ViHealth's representative to empower them to plan, develop and implement health promotion programs. The three priority areas in the early years were to reduce harm from tobacco smoking, promote healthy eating and physical activity. The principal strategy involved supporting and facilitating partner organizations to undertake health promotion activities. Being the first health promotion foundation to be established in the Pacific Islands, TongaHealth plays a crucial role in promoting health to all levels of society to reduce the health risks of NCDs in line with Tonga’s national NCD prevention strategy.

TongaHealth initially obtained its funding from three different sources including government, the Secretariat Pacific Community (SPC) and private donors. A total of AUD 525,000 (USD 340,000) was contributed by AusAID through SPC and directed to TongaHealth, with additional funding from the government budget of TOP 400,000 (USD 215,000) in 2009.

The fund aims to build knowledge and skills in public health, social marketing and health promotion programs that focus on preventive health and reducing the impact of NCDs. Specifically, TongaHealth promotes and advocates for healthy environments and access to healthy activity and food supply. Increasing awareness and encouraging healthy behavior through a healthy lifestyle includes staying physically active, eating healthy food and not smoking. A variety of programs are implemented through a grant program.

The limited and unstable funding source provides a great challenge for TongaHealth to plan for sustainable and long-term health promotion programs. TongaHealth has fostered strong partnerships with various sectors including Ministry of Health, World Health Organization, AusAID, SPC, other governmental departments, NGOs, churches and villages communities to secure a more sustainable funding source.
Health Promotion Switzerland is a semi autonomous foundation established by an Act of Government (Federal Health Insurance Act of 1994). Established in 1989, it was originally known as “Swiss Foundation for Health Promotion” and later in 1998 “Foundation 19” when it was modeled to implement Article 19 of the Swiss Federal Health Insurance Act. It was renamed, “Health Promotion Switzerland” in 2002.

The foundation is mandated through the Federal Health Insurance Act to initiate, coordinate and evaluate policies to promote health and prevent disease. Stipulated by law, the Foundation Council is composed of representatives from different interest groups within the Swiss health care system. These include the federal government, the cantons (states), Swiss health insurance companies, the Swiss Accident Insurance Fund (SUVA), medical and other health care professionals and public health researchers, agencies active in health promotion and consumer protection, as well as other partners. This governance structure facilitates key stakeholders to collaborate to promote health and improve the quality of life for the Swiss.

Foundation Council members are proposed by the foundation and appointed by the Federal Department of Home Affairs for a four-year term. A scientific Advisory Board conducts knowledge-based strategic development and the assessment of activities. The foundation is accountable to the Federal Department of Home Affairs and, in practice, to both Committees for Social Security and Health of the Parliament (National Council, Council of States). It is semi autonomous as health promotion agency legally established.

Generally, the Council decides how resources are allocated in order to contribute to the goals of the long-term strategy. The Federal Sickness Insurance Law from 1994 committed Swiss insurance companies and cantons to establish an institution for disease prevention and health promotion. Therefore, insurers and cantons hold the majority of seats in the council.

Collaboration between government, foundation and private sector will ensure effective implementation of health promotion activities.

Health Promotion Switzerland has about 30 full-time staff hired from all parts of Switzerland and from some other countries. They are committed to achieving professional standards expected of one of Switzerland’s leading health promotion organizations.

Health Promotion Switzerland source of funding is derived from health insurance that imposes a surcharge of USD 2.6 per insuree. Each insuree is required to pay annually to invest in health promotion. This financing source was proposed during larger revisions of the Sickness Insurance Act in 1994. Health or sickness insurance is mandatory in Switzerland. The amount of the funding varies, depending on the population size (number of insurees) and currently the annual budget accounts for USD 19.4 million, which represents a small portion of the total amount spend on health promotion. In 2010, it was estimated that USD 1.61 billion was spent
on "prevention" (including health promotion) by state agencies, cantons, municipalities, social insurances, private households and other private financing according to extrapolations of the Federal Office of Statistics.28

The foundation has a vision to develop well-informed individuals, capable and motivated to living their lives in ways beneficial to their health and well-being and quality of life. This process is supported by the best possible societal structures. The foundation has a long term three-pronged strategy for 2007-2018 to achieve their goals: i) strengthen health promotion and prevention through institutional coordination and networking; ii) increasing the proportion of individuals with healthy body weight; and iii) improving mental health and reducing stress, focusing mainly at the workplace by better equipping more people to shape and control their lives. The underlying strategy processes involve members of the foundation council and also other major key stakeholders within the health care system.

It is envisaged that the health system in the near future will be unable to finance the health care demands and may lead to a financial crisis. Health promotion and prevention can be a powerful cost-effective way to reduce threat of a financial crisis. A Foundation can be part of the solution. Collaboration between government, foundation and private sector will ensure effective implementation of health promotion activities.

Malaysian Health Promotion Board (MySihat)29,30,31

Malaysian Health Promotion Board, or commonly known as MySihat, was established in June 2006 as a statutory body by the Act of Parliament (Act 651).32 It was officially gazetted on 1 April 2007 and placed under the Ministry of Health, which allows it to serve as a semi-autonomous entity from the Ministry.

Governed by an independent body, MySihat is headed by a Chairperson appointed by the Prime Minister upon the advice of the Minister of Health. MySihat is led by a Chief Executive Officer along with 16 Board Members who are representatives from relevant Ministries (Ministry of Health, Ministry of Sports and Youth, Ministry of Information Communication and Culture and Ministry of Finance), non-governmental organizations (NGOs), and professionals who possess expertise relevant to the health promotion and function of the Board. The Minister of Health appoints all members.

MySihat aims to develop health promotion programs and activities across various setting and sectors by facilitating the participation and efforts of multiple agencies to promote and support healthy lifestyles, healthy settings and a healthy population.

To meet its vision of healthier and active Malaysians, a wide range of priority areas for health promotion programs and activities have been identified. These include prevention and control of tobacco and alcohol consumption, promotion of healthy lifestyles including promotion of exercise or physical activity and health eating, environmental health including
healthy settings, mental health, prevention of cancer, diabetes, cardiovascular and obesity as well as sexual health including HIV/AIDS, health promotion research and promoting health through sport, cultural and arts activities. These programs complement the roles of MOH in order to support existing healthy lifestyle promotion and chronic diseases prevention strategies and programs carried out under the Ministry.

MySihat obtains its funding through the treasury budget for health and amounts only to a fraction of the total annual health budget. Despite the initial proposal to impose an earmarked tax on tobacco products and other "health damaging goods" such as alcohol, the funding source was changed due to political and religious constraints. While the MySihat Board administers and controls the budget allocation the Ministry of Health is the final decision-maker as it is a unit within the Ministry.

A challenge for MySihat is that it is required to apply for a budget allocation each year. As in most Ministry programs, the subsequent funding for the following year is measured on the past year's performance. This has an impact on how best to invest resources appropriately, and particularly for longer-term health promotion programs as the future budget is unknown and variable. MySihat operated with a total of RM 35,981,100 in 2007 and there was a marginal increase to RM 36,057,800 in 2008, but the total amount of funds was further reduced over the years to RM 10,000,000 in 2013.

MySihat provides two types of grants: open and proactive. Open grants are designed to engage civil society in promoting healthy and active lifestyle at the community level in different settings. The open grants focus on five strategic programs including health promotion projects, sport and recreation, cultural, research and capacity building. Pro-active grants include smoke free initiatives, non-communicable disease community prevention programs and MySihat health promotion ambassadors.

More than 400 NGOs have been actively involved in implementing the health promotion program nationwide. Focusing on health promotion and primary prevention of NCDs, MySihat disburses grants to any registered organizations that facilitate and support the implementation of health promotion programs and to help to influence healthy lifestyles and improve the social, economic, cultural and physical environments required to sustain health. Each year 50% or more of the fund is disbursed to health organizations and 30% or less is disbursed to recreational organizations for health promotion.

MySihat acts as a capacity-builder by strengthening the health promotion knowledge and skill base of organizations, particularly health-related and community-based organizations. A key strategy is to foster strong partnerships and alliances for health with different agencies including health-related NGOs, organizations from community, sport, cultural, health research, health professional bodies as well as universities. MySihat underpins the tri-party collaboration and partnership between government, NGOs and the community to improve people's health. Through on-going capacity building (e.g. workshops and training) and providing grants for health promotion programs and activities in different setting, NGOs and the community are enabled to implement healthy public policies. MySihat also build networks and partnership with other regional and international organizations that are working on advancing health promotion programs to share their knowledge and learn from others.

A monitoring and evaluation system was incorporated to determine the effectiveness and efficiency of implementation of various health promotion projects. The system supports MySihat to implement evidence-informed health promotion programs and activities.

MySihat's five-year (2013-2017) strategic plan focuses on reducing smoking, promoting healthy diet, physical activity, mental health and reducing harmful use of alcohol has been rolled out for developing action plans to improve health outcomes and to provide healthy environments for the people.
The Mongolian Health Promotion Foundation (MHPF) was stipulated in the Tobacco Control Law, 2005 and approved by the State Law on Special Foundation in 2006. The 92nd Government Resolution officially launched the MHPF in 2007.

The MHPF has three sources of funds: two percent (2%) of excise tax on tobacco products, one percent (1%) of excise tax on alcohol beverage, and an extra 2% on drug registration. In 2013 the total budget is around 4.1 billion Mongolian tugriq (close to 3 million USD). Current funding is close to 1 USD per capita. The Foundation may also receive funding from other government budget sources, non-refundable aid, and contributions from other countries; however, currently it only receives funds from government.

The MHPF is a major Government initiative to promote health and reduce exposure to health risks, including tobacco and alcohol. A Council that is responsible for the annual work program and financial management governs the Foundation. The Ministry of Finance is responsible for monitoring and auditing the Foundation’s activities as it receives Government funding.

The Minister of Health is the Chairman of the Foundation’s Council. Other members of the Foundation Council include government and non-governmental representatives, comprising: Director of the General Taxation Office; Director of Policy Implementation and Coordination, of the Department of the Ministry of Justice; Director of the Government Fiscal Budget, Department of the Ministry of Finance; Director of the Department of Public Health Policy Implementation and Coordination, Ministry of Health; Director of the Medical Department of Mongolian Army Force; Executive Director of the Mongolian Public Health Professionals Association (subject to approval); and the President of the Mongolian Journalists Union.

The Foundation’s aim is to promote health and reduce exposures to health risks for all Mongolians. The key health promotion strategies are information, education and public relations. The MHPF promotes, coordinates and provides guidance for the implementation of health promotion activities. These activities are targeted to individuals, communities and government policies at the national, provincial and local level.

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The MHPF promotes, coordinates and provides guidance for the implementation of health promotion activities.

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Competitive grants schemes and sponsorships are provided to increase the capacity of
organizations, communities and individuals to improve health. The grant-making programs are open to NGOs, government institutions, community organizations and media and awarded on a competitive basis against the funding and eligibility criteria. Emphasis is given to evidence-informed interventions.

Support is provided to a wide range of health promotion activities in areas focusing on: tobacco and alcohol control and prevention; physical activity; health risks and special population; healthy nutrition; the health service system; healthy workplaces; healthy communities; healthy cities, social marketing; and research. These activities have stimulated greater public and media attention about public health issues (such as tobacco smoking and alcohol misuse).

A key strength of the MHPF is the strong and positive work team. The team has the advantage of working in a constructive policy environment that is underpinned by political commitment to health sector reform. There is also a high level of commitment to control tobacco, alcohol and drug misuse; maintain an effective monitoring and evaluation system.

Since the MHPF’s inception there have been improvements in community-based health promotion activities and an annual increase in the grant for the Foundation’s work.

The Foundation faces several challenges including the lack of sustainable long-term leadership and limited resources to consolidate the infrastructure and institutionalize activities. Key concerns include building the capacity of people across sectors to implement health promotion activities, and improving the coordination between partners and the number of inter-sectoral collaborations.
Model 3: A Unit within Government Structure

Taiwan Health Promotion Administration (HPA)\textsuperscript{35,36}

In July 2001, the restructure and mergers of the former Bureau of Health Prevention and Protection under the Department of Health (DOH), the Institute of Public Health, the Institute of Family Planning and the Institute of Women and Children Health led to the birth of Bureau of Health Promotion (BHP). The Department of Health (DOH) and Bureau of Health Promotion (BHP) were later transformed into the Ministry of Health and Welfare (MOHW) and Health Promotion Administration (HPA) in July 2013. A Director General supervises the work of the entire organization, supported by two Deputy Director Generals and one Secretary General. There are seven divisions and four administrative offices responsible for the planning and implementation of health promotion policies.

The goal of HPA is to have healthy people with productive lives and equitable and sustainable social development. It is hoped to maintain people's functional capacity through their life course above the threshold disability as long as possible. To achieve this goal, whole-of-government and whole-of-society actions at different life stages promote optimal well-being.

BHP's mission is to advocate for health improvements and create supportive environments for health through communities' mobilization.
NCDs account for nearly 80% of premature deaths in Taiwan. In accordance with the country’s “Golden-Decade Mega-plan” 2010, the HPA now prioritizes the control of NCD risk factors and reducing their threat to health. In response to the NCDs global monitoring framework developed by WHO, HPA adopts the nine global targets and 25 indicators, to achieve a 25% reduction in premature mortality from NCDs by 2025. In order to achieve these targets, five strategies have been used including: strategic financing, strengthening surveillance and research on NCDs, re-orienting health system and health services, building health promoting environments, and implementing healthy public policies.

The HPA programs include: i) healthy birth and growth; ii) healthy lifestyles and community development (tobacco control, obesity prevention and control and healthy environment including creating healthy cities and communities, advancing health promoting schools, hospitals, workplaces and building a network of safe communities and promoting safe schools); iii) healthy aging (active aging, chronic disease prevention and control, cancer prevention and control); iv) health care for the underprivileged, and v) life-course approach to NCD surveillance and research.

The main funding source for HPA is derived from tobacco taxes. This was in response to a strong campaign by numerous NGOs to push for levying tobacco taxes specifically for tobacco hazards prevention and control, social welfare and health preventive services. The Tobacco and Alcohol Tax Act 2000 came into force in 2002. Prior to this, there was a Tobacco Hazards Prevention Act passed in 1997. In 2007, Tobacco Hazards Prevention Act was mandated to be the source of law for levying tobacco taxes. About USD 0.17 per pack of tobacco excise tax was collected in 2002 and increased to USD 0.33 in 2006 and rose to USD 0.67 in 2009. The tobacco tax is allocated for national health insurance reserves and health promotion activities to provide health equality to all citizens.

Over two-thirds (76%) of the tobacco taxes is used for National Health Insurance. 13.5% (USD 158 million) is channeled into Tobacco Hazards Prevention and Health Protection Funds for HPA: 5.5% (USD 87 million) for cancer prevention, 3% (USD 34 million) for tobacco control, 3% for health preventive services and 2% (USD 23 million) for subsidizing the expenses of rare diseases.

The Tobacco Hazards Prevention and Health Protection Funds are controlled by MOHW and HPA is the managing and implementing unit. To ensure the transparency and accountability of the tobacco health and welfare surcharge distribution and utilization, a council of the fund was to established review and evaluates activities of the fund. It comprises a convener represented by Deputy Minister of Health and Welfare, the executive secretary is the Director General of HPA and 13 to 17 experts or scholars support them.

Other portions of the tobacco taxes are allocated for improving medical affairs, such as five percent (5%) for Ministry of Health and Welfare (MOHW) to subsidise medical shortage areas and upgrade the quality of clinical care, 1.5% for Centers of Disease Control (CDC) to upgrade the quality of vaccines, three percent (3%) for the Ministry of the Interior to promote public health and social welfare, one percent (1%) for the Ministry of the Finance to support the investigation of smuggled or inferior tobacco products and prevent tax evasion of tobacco products, as well as an allocation of less than one percent (1%) for the Ministry of Agriculture to provide assistance to tobacco farmers and workers of related industries.

With the greater proportion of tobacco taxes allocated to national health insurance, subsidization and investigation of smuggled or inferior tobacco products, not all health promotion activities can be funded adequately. An evaluation system is being developed to measure outcomes to support any changes in the tobacco taxes distribution and utilization. In addition to gain more financial resources, HPA works to strengthen its partnerships with other agencies or organizations that have similar goals and tasks.
Korea Health Promotion Foundation was established in 2011. The foundation is governed by a president and a board of directors, which consists of 13 members including the president.

It aims to increase public awareness of health promotion, enhance quality of life and thus extend life expectancy, and attain health equity for the people besides developing an effective management system for health promotion programs and services.

Generally, the budget sources of Korea Health Promotion Foundation are the National Health Promotion Fund and donations. Most of the funding is derived from the Ministry of Health and Welfare budget. Donations contributed by SamSung Life Insurance Incorporation were used to support suicide prevention and cervical cancer prevention programs.

The Korea Health Promotion Foundation’s budget is used to support policy development and the implementation of tobacco control programs, nutrition and oral health programs. However, this type of funding mechanism provides insufficient and unpredictable financial resources to support health promotion initiatives. This funding limitation is a major challenge for the Foundation. In order to provide sustainability of health promotion programs, the Korea Health Promotion Foundation would like to be established under National Health Promotion Law.

To ensure the effective implementation of its programs, Korea Health Promotion Foundation built a network and collaborated with various sectors including public and private agencies as well as the international partners.

The priority areas for funding also include research and policy development of health promotion programs and evaluation, educational programs for health promotion, developing new model of health promotion and community health care system, and building knowledge and skills in health promotion among professionals.
Lao PDR Tobacco Control Fund[41,42,43]

Lao PDR is establishing a tobacco control (TC) fund as stipulated in the tobacco control law passed in November 2009. A Prime Ministerial Decree for the TC fund was adopted by the government in January 2013, and became effective in May 2013. The fund is placed under the Ministry of Health and operates as a semi-autonomous entity.

It is governed by the Tobacco Control Fund Council who report to the National Committee on Tobacco Control, which is chaired by Minister of Health and supported by two vice chairs from Vice Ministers of Ministry of Finance and Ministry of Industry and Commerce. The other members are Vice Minister of Ministry of Education and Sport; Media Department (Ministry of Culture Information and Tourism); Police Economic Department (Ministry of Security); and Hygiene and Health Promotion Department (Ministry of Health). The Prime Minister appoints Council members. The Council is supported by a secretariat team comprising a manager, vice manager and technical staff to carry out the management and implementation of the Fund. They are from Tobacco Control Fund Office (TCFO) located in the Ministry of Health.

The funding sources of the tobacco control fund are obtained from two main sources: 1) two percent (2%) additional profit tax from tobacco business operators; and 2) 200 kip per cigarette package of local produced tobacco and/or imported the manufactured tobacco.

The fund is equally distributed across the different objectives. About 37% of the total budget is allocated for tobacco control and health promotion activities including health education; cessation program for smokers who want to quit smoking and those who have been affected by tobacco smoke; the expansion of smoke-free areas; support for research on the health, economic and social impacts of tobacco smoking; smuggling control activities, and an awards program that recognizes individuals and organizations who have achieved and contributed to the implementation of tobacco control.

A further 25% is used for improving and strengthening health care service quality such as building, renovation and medical supplies and equipment for public hospitals, particularly for the diagnosis and treatment of tobacco-related diseases. Another 32% is for a National Health Insurance scheme for the public. The remaining six percent (6%) is for supporting the cost of administration and performance for the National Committee on Tobacco Control.
Vietnam Tobacco Control Fund \(^{44,45}\)

Vietnam Tobacco Control Fund (VNTCF) was established under the Tobacco Control Law passed by the National Assembly of Vietnam on 18 June 2012 and effective on 1 May 2013. The fund is for the prevention and control of tobacco harms. The Prime Minister is responsible for organizational regulations and the operation of the fund.

It is managed and administered by an Inter-sectoral Management Board, under which there are other supporting boards including: Board of Profession Consultants; Board of Controller; and Board of Executive.

The inter-sectoral Management Board is chaired by Minister of Health and supported by a representative from Ministry of Finance as vice chair as well as member representatives from Ministry of Industry and Trade, Ministry of Education and Training, Ministry of Information and Communication and other relevant agencies.

VNTCF is a national fund under the arm of the Ministry of Health (MOH) and subjected to state financial management by Ministry of Finance (MOF). The MOH is also responsible for reporting to the government on performance management and the use of funds annually, and reporting to the National Assembly on the results of operations and the management of the fund biannually.

Existing within a government structure, VNTCF functions as a semi-autonomous entity.

The funding source for VNTCF is derived from a compulsory contribution, which is calculated as a percentage of the excise tax-based prices (factory price) imposed on tobacco manufacturers and importers. They are required to contribute one percent (1%) of factory prices of all cigarette packs produced locally or imported to be consumed in the country, beginning from 1 May 2013. This tax will be increased to 1.5% from 1 May 2016 and 2% from 1 May 2018. The fund is also open for voluntary contribution from national and international organizations and individuals as well as other legal sources. All the collections received are directed to the Fund and used for prevention and control of tobacco harms.

Based on a not-for-profit principle and subject to approval by the Fund's Management Board, the fund aims to support a wide range of short-, medium- and long-term strategies and activities. These include communication and community-based campaigns about the harmful effects of tobacco use and other prevention and control strategies; development of pilot models of smoke-free community, agencies and organizations; community-based smoking cessation services; evidence generation through research and building capacity among the network of collaborators; content development on the harms of tobacco and on tobacco control for educational programs; and support for the implementation of measures for alternative occupations for tobacco growers, tobacco raw material processing and tobacco manufacturing workers.
# Governance and Roles of Health Promotion Fund

<table>
<thead>
<tr>
<th>Name of Health Promotion Fund</th>
<th>Type</th>
<th>Governed and Chaired by</th>
<th>Report to</th>
<th>Role of Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Victorian Health Promotion Foundation (VicHealth), 1987</td>
<td>Autonomous agency</td>
<td>Board of Governance and independent chair</td>
<td>Victorian Health Minister and to State Parliament</td>
<td><img src="%E2%88%9A" alt=" " /> Granting Agency <img src="%E2%88%9A" alt=" " /> Policy Development <img src="" alt=" " /> Implementing Health Promotion Programs <img src="" alt=" " /> Building Capacity</td>
</tr>
<tr>
<td>Western Australian Health Promotion Foundation (Healthway), 1991</td>
<td>Autonomous agency</td>
<td>Board of Governance and independent Chair</td>
<td>Minister of Health and to State Parliament</td>
<td><img src="" alt=" " /> Granting Agency <img src="" alt=" " /> Policy Development <img src="" alt=" " /> Implementing Health Promotion Programs <img src="%E2%88%9A" alt=" " /> Building Capacity</td>
</tr>
<tr>
<td>Health Promotion Switzerland, 1994</td>
<td>Semi-autonomous agency</td>
<td>Foundation council and independent chair</td>
<td>Federal Department of Home Affairs and to both Committees for Social Security and Health of the Parliament (National Council, Council of States)</td>
<td><img src="%E2%88%9A" alt=" " /> Granting Agency <img src="%E2%88%9A" alt=" " /> Policy Development <img src="" alt=" " /> Implementing Health Promotion Programs <img src="%E2%88%9A" alt=" " /> Building Capacity</td>
</tr>
<tr>
<td>Austrian Health Promotion Foundation, 1998</td>
<td>Autonomous agency</td>
<td>Board of Governance chaired by Minister of Health</td>
<td>Minister of Health and public</td>
<td><img src="%E2%88%9A" alt=" " /> Granting Agency <img src="%E2%88%9A" alt=" " /> Policy Development <img src="" alt=" " /> Implementing Health Promotion Programs <img src="%E2%88%9A" alt=" " /> Building Capacity</td>
</tr>
<tr>
<td>Thai Health Promotion Foundation (ThaiHealth), 2001</td>
<td>Autonomous agency</td>
<td>Board of Governance, chaired by Prime Minister</td>
<td>Cabinet and to both houses of Parliament</td>
<td><img src="%E2%88%9A" alt=" " /> Granting Agency <img src="%E2%88%9A" alt=" " /> Policy Development <img src="" alt=" " /> Implementing Health Promotion Programs <img src="%E2%88%9A" alt=" " /> Building Capacity</td>
</tr>
<tr>
<td>Taiwan Health Promotion Administration (HPA), 2001</td>
<td>Unit in Ministry of Health and Welfare (MOHW)</td>
<td>Director General</td>
<td>Ministry of Health and Welfare (MOHW)</td>
<td><img src="%E2%88%9A" alt=" " /> Granting Agency <img src="%E2%88%9A" alt=" " /> Policy Development <img src="" alt=" " /> Implementing Health Promotion Programs <img src="%E2%88%9A" alt=" " /> Building Capacity</td>
</tr>
<tr>
<td>Country</td>
<td>Name of Organization</td>
<td>Status Description</td>
<td>Chairing Body</td>
<td>Independent Governing Body</td>
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<tr>
<td>Malaysia</td>
<td>Malaysian Health Promotion Board (MySihat), 2006</td>
<td>Semi-autonomous agency under MOH</td>
<td>Minister of Health</td>
<td></td>
</tr>
<tr>
<td>Tonga</td>
<td>Tonga Health Promotion Foundation (TongaHealth), 2007</td>
<td>Autonomous agency</td>
<td>Cabinet via Minister of Health</td>
<td></td>
</tr>
<tr>
<td>Mongolia</td>
<td>Mongolian Health Promotion Foundation, 2007</td>
<td>Semi-autonomous agency and a unit in MOH</td>
<td>Minister of Health</td>
<td>Cabinet via Minister of Health</td>
</tr>
<tr>
<td>Korea</td>
<td>Korea Health Promotion Foundation, 2011</td>
<td>Autonomous agency under MOH</td>
<td>Minister of Health and Welfare</td>
<td></td>
</tr>
<tr>
<td>Lao People's Democratic Republic</td>
<td>Lao PDR Tobacco Control Fund, 2013</td>
<td>Unit in MOH</td>
<td>Tobacco Control Fund Council (The National Committee on Tobacco Control)</td>
<td>Government</td>
</tr>
<tr>
<td>Vietnam</td>
<td>Vietnam Tobacco Control Fund, 2013</td>
<td>Semi-autonomous agency and a unit in MOH</td>
<td>Government and National Assembly</td>
<td></td>
</tr>
</tbody>
</table>
# Summary of Source of Funding, Estimate Budget and Purpose of Fund

<table>
<thead>
<tr>
<th>Health Promotion Fund</th>
<th>Funding Source</th>
<th>Estimate Annual Total Budget (USD)</th>
<th>Purpose of the Fund</th>
</tr>
</thead>
</table>
| Victorian Health Promotion Foundation (VicHealth), 1987 | Treasury budget   | $35.5 million (2012-2013)          | 1. To fund activity related to the promotion of good health, safety or the prevention and early detection of disease.  
2. To increase awareness of programs for promoting good health in the community through the sponsorship of sports, the arts and popular culture.  
3. To encourage healthy lifestyles in the community and support activities involving participation in healthy pursuits.  
4. To fund research and development activities in support of these activities. |
| Western Australian Health Promotion Foundation (Healthway), 1991 | Treasury budget | $21 million (2011-2012)            | 1. To fund activities related to the promotion of good health in general, with particular emphasis on young people.  
2. To support sporting and arts activities which encourage healthy lifestyles and advance health promotion programs.  
3. To provide grants to organisations engaged in health promotion.  
4. To fund research relevant to health promotion. |
2. Together with the cantons (Swiss federal states), establish and maintain an institution which initiates, coordinates and evaluates measures for the promotion of health and for the prevention of diseases. If the formation of the institution is not achieved, the Federal Authorities of the Swiss Confederation will undertake it. |
2. Promote competence in health promotion.  
3. Information and awareness raising. |
<table>
<thead>
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<th>Health Promotion Fund</th>
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<th>Estimate Annual Total Budget (USD)</th>
<th>Purpose of the Fund</th>
</tr>
</thead>
</table>
| Thai Health Promotion Foundation (ThaiHealth), 2001 | 2% surcharge levied on excise tax from alcohol and tobacco | $120 million (2012) | 1. To promote good health of Thai people according to National Public Health Policy.  
2. To raise awareness of health issues through social marketing campaigns and sponsorship of sports, the arts and popular cultures.  
3. To encourage a healthy lifestyle.  
4. To fund research and development.  
5. To support community initiatives to promote better health conditions. |
| Taiwan Health Promotion Administration (HPA), 2001 | Tobacco tax  
2002: USD 0.17 per pack of tobacco excise tax  
2006: USD 0.33 per pack of tobacco excise tax  
2009: USD 0.67 per pack of tobacco excise tax | $153 million (2012) | 1. To support development of national health policy and health promotion model.  
2. To promote healthy birth and growth.  
3. To promote healthy lifestyles and community development.  
4. To promote healthy aging.  
5. To promote health care for the underprivileged.  
6. To support Life-course approach to NCD surveillance and research. |
| Malaysian Health Promotion Board (MySihat), 2006 | Treasury budget | $5 million (2011-2012) | 1. To develop the capacity of organizations, including health related and community based, for health promotion.  
2. To plan and implement health promotion programmes and activities for the benefit of the community, with a particular focus on youth.  
3. To develop and support multi-strategy programmes that promote and support healthy lifestyles and healthy environments through various settings and sectors.  
4. To develop and support programmes to improve population health by preventing, reducing or stopping the use of tobacco products.  
5. To fund research relevant to health promotion.  
6. To fund and support sporting, recreational and cultural organizations to promote healthy lifestyles and healthy environment. |
<table>
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<th>Health Promotion Fund</th>
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<th>Estimate Annual Total Budget (USD)</th>
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<tbody>
<tr>
<td>Tonga Health Promotion Foundation (TongaHealth), 2007</td>
<td>Funded mainly government (annual Treasury Budget) A private donor</td>
<td>$500,000 (2012)</td>
<td>1. To promote health and reduce harm from non communicable diseases (NCDs) such as diabetes, high blood pressure, heart problems and smoking related illnesses.</td>
</tr>
<tr>
<td>Mongolian Health Promotion Foundation, 2007</td>
<td>Government budget: 2% of excise tax on tobacco products 1% of excise tax on alcohol beverage 2% on drug registration</td>
<td>$3 million (2012)</td>
<td>1. Grant-making programs for tobacco and alcohol control. 2. Promotion health and reduce risky behaviors. 3. Support to development and producing of IEC materials focused and alcohol &amp; tobacco control and healthy lifestyle. 4. Support to conduct researches regarding health promotion.</td>
</tr>
<tr>
<td>Korea Health Promotion Foundation, 2011</td>
<td>Treasury budget and donations</td>
<td>$10 million (2013)</td>
<td>1. To develop and support of national health promotion policies. 2. To plan and implement national health promotion projects. 3. To develop technique and consult of national health promotion programs. 4. To develop evaluation system, research and analysis, providing information associated with health promotion and community health services. 5. To collaborate with specialized agencies which are related to health promotion and community health.</td>
</tr>
<tr>
<td>Lao PDR Tobacco Control Fund, 2013</td>
<td>Government budget 2% of profit tax from tobacco business operators 200 kip per cigarette package from all local manufactured and imported the tobacco products</td>
<td>$2,188,550 (2013-2014) for tobacco control, estimated by Ministry of Health</td>
<td>1. To support implementation of tobacco control law and Framework Convention on Tobacco Control (FCTC). 2. To improve and strengthen health care service quality. 3. To support National Health Insurance scheme for the public. 4. To support the cost of administration and necessary performance for the National Committee on Tobacco Control.</td>
</tr>
<tr>
<td>Health Promotion Fund</td>
<td>Funding Source</td>
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</tbody>
</table>
| Vietnam Tobacco Control Fund, 2013| A compulsory contribution equal to 1% of factory price of all cigarette packs consumed in Vietnam, effective May 1, 2013; increase to 1.5% from May 1, 2016; and 2% from May 1, 2019 | $4.3 million (2013-2016) $6.5 million (2016-2019) $8.5 million (2019 onward) | 1. To support communication and community-based campaigns on the harmful effects of tobacco and initiatives on prevention and control of tobacco harms.  
2. To support development of pilot models of smoke-free community, agencies and organizations as well as community-based smoking cessation services.  
3. To generate evidence through research.  
4. To build capacity among the network of collaborators.  
5. To support development of teaching materials and integration of teaching on tobacco harms and tobacco control in the educational programs.  
6. To support the implementation of measures for alternative occupation for tobacco growers, tobacco raw material processing, and tobacco manufacturing workers. |


36 Bureau of Health Promotion, Department of Health, R.O.C. (Taiwan). Bureau of Health Promotion Annual Report 2012, Taiwan.


43 Pholsena S. Establishing Governance and mechanism of Tobacco Control Fund in Lao PDR. Presented at ProLEAD E. Establishing Health Promotion Foundations, ProLEAD Module II for Lao PDR and Viet Nam, Vientiane, Lao PDR, 3-4 April 2013.


Contacts

Victorian Health Promotion Foundation (VicHealth), 1987
www.vichealth.vic.gov.au

Western Australian Health Promotion Foundation (Healthway), 1991
www.healthway.wa.gov.au

Health Promotion Switzerland, 1994
www.gesundheitsfoerderung.ch

Austrian Health Promotion Foundation, 1998
www.fgoe.org

Thai Health Promotion Foundation (ThaiHealth), 2001
www.thaihealth.or.th

Taiwan Health Promotion Administration (HPA), 2001
http://www.hpa.gov.tw

Malaysian Health Promotion Board (MySihat), 2006
www.mysihat.gov.my

Tonga Health Promotion Foundation (TongaHealth), 2007
www.tongahealth.org.to

Mongolian Health Promotion Foundation, 2007
www.moh.mn

Korea Health Promotion Foundation, 2011
www.khealth.or.kr
Southeast Asia Tobacco Control Alliance or SEATCA is a multi-sectoral regional network that uniquely combines representation from NGOs, researchers and governments, as well as WHO TF1 in the ASEAN region. SEATCA’s commitment and objectives are to advance tobacco control policies and WHO FCTC implementation including sustainable financial mechanism for tobacco control in ASEAN countries. To achieve these objectives, SEATCA has comprehensive programs to:

- Actively promote effective implementation of evidence-based tobacco control measures,
- Increase capacity and cooperation among tobacco control advocates at the regional level
- Organize regional forums for sharing lessons learned and best practices in advancing tobacco control policies,
- Play a significant role as a regional leader on issues which are priorities in all the countries in the region.

During the past twelve years, SEATCA and its programs have gained respect and are acknowledged by governments and academic institutions as well as WHO for the contributions made in advancing tobacco control movement in each country and in the region.

In 2004 the WHO Western Pacific Regional Office (WPRO) presented the World No Tobacco Day Award to SEATCA for exemplary efforts in the region. WHO-WPRO has since engaged SEATCA to provide technical assistance directly to government officials in their efforts to develop local tobacco control policies.

www.seatca.org
email: info@seatca.org

The International Network of Health Promotion Foundations (INHPF) works to strengthen the capacities of foundations or similar organizations which are members of any country, organization or initiative interested in promoting the health of their populations at national and sub-national levels through the work of health promotion foundations as recognized by the Network.

The International Network of Health Promotions is aimed to

- Enhance the performance of existing health promotion foundations or similar organizations which are members of the Network;
- Improve the capacity of the Network to provide information, advice and support to members; and
- Support the establishment and build capacity of new health promotion foundations organizations to apply innovative financing mechanisms.

Website: www.hpfoundations.net
Email: info@hpfoundations.net