ILEP Members’ Assembly

Brussels, 10th October 2018

Annex: 6 – Strategic Options for ILEP, 10.10.2018

Expected outcome of session:

To discuss strategic options for the future of ILEP
The future of ILEP: Strategic options

Purpose
This paper is intended to help Members think about and discuss options for ILEP in the next 2-3 years. Initial discussion will happen at the October 2018 meeting, but this will be open-ended: it is too early for decisions at present, but that may change by March 2019. If decisions are made in March, Members will benefit from having clarified some of the options now.

Introduction
There are three main driving forces for this paper. First, the potential of the GPZL to be a ‘game-changer’ which means that for ILEP, business as usual would not be logical. Second, the fact that ILEP is budgeting a €67,000 deficit in 2019, which is not sustainable. And third, the fact that GPZL and ILEP both have secretariats, costing a similar amount, and there might be room for synergy.

To help the discussion I am setting out some scenarios and then suggesting what some of the options and consequences might be. Because there is total agreement among Members that the world needs a strong ILEP, all the options assume that ILEP continues in some form. Part A sets out three scenarios based on what might happen with the GPZL and how ILEP might respond to that. Part B talks about options for a lower-budget ILEP regardless of any of the three scenarios.

PART A: GPZL scenarios and what they could mean for ILEP

Scenario 1: GPZL does not deliver what is needed

What does this look like?
GPZL is not successful in mobilising donors to give the funds needed to move towards zero leprosy.

When will we know?
By the end of 2019. By then it should be clear whether or not GPZL has secured funds for either or both of the Research agenda and the Operational Excellence agenda.

What could it mean for ILEP?
- ILEP members will cease funding the GPZL secretariat as from some point in 2020
- ILEP will need to continue and probably grow. It could take on some of the ‘shape’ of the GPZL - for example, ILEP could decide to have a broader-based membership.
- Even if GPZL has not mobilised donors, by the end of 2019 it would have produced a research agenda for zero leprosy and an initial operational excellence toolkit. These would be key resources for ILEP to pick up and work with, and they may shape the ILEP agenda.

Scenario 2: GPZL is successful in mobilising resources and then the secretariat winds down

What does this look like?
GPZL mobilises donors to give the funds needed for both the Research agenda and the Operational Excellence agenda, and these funds go direct to ILEP, academic institutions etc, not through the Task Force. The Task Force has completed its work and the secretariat closes down.

When will we know?
By the middle of 2020, if not earlier. It should be clear by December 2019 that GPZL has secured the funds for both the Research agenda and the Operational Excellence agenda, and those funds will start to flow in 2020. By mid-2020 the Leadership Team should have concluded whether it is relevant for the GPZL secretariat to continue and if so, in what form.

What could it mean for ILEP?
- ILEP members will cease funding the GPZL secretariat from around the end of 2020
- ILEP may wish to continue to engage the Task Force for Global Health, and perhaps to work with it as a partner, not as a secretariat but as a highly credible conduit to new funding sources
- With the secretariat closed, ILEP will take the lead in coordinating all partners in the ongoing journey of every endemic country towards zero leprosy. This coordination will become ILEP’s biggest role and ILEP will probably become more broadly based in order to achieve it.

Scenario 3: GPZL is successful in mobilising resources and the GPZL secretariat continues as principal recipient of the new major funders

What does this look like?
GPZL mobilises donors to give the funds needed for both the Research agenda and the Operational Excellence agenda, and these funds go through the Task Force for Global Health. The Task Force, reflecting its greater credibility, functions as principal recipient. It does not implement the program but contracts out the implementation to ILEP members and others, and provides the funders assurance that funds are being managed and results are being delivered. The secretariat is largely or totally funded by retaining a percentage of donor funds passing through.

When will we know?
By the middle of 2020, if not earlier (as for Scenario 2)

What could it mean for ILEP?
- ILEP members will cease (or substantially reduce) funding the GPZL secretariat from some point in 2020, depending on the flow of donor funds
- ILEP will continue to work as a leading partner in GPZL and will ensure that the secretariat takes up the role of coordinating all partners in the ongoing journey of every endemic country towards zero leprosy.
- ILEP will re-think its priorities in the light of what GPZL is achieving. If GPZL’s success is mainly in zero transmission, ILEP will maintain a focus on zero disability and zero discrimination, but it should be able to reduce or combine activities that are similar or duplicated in the GPZL secretariat.

PART B: Options for a lower-budget ILEP

Whichever of the scenarios in Part A comes to reality, ILEP members may be unwilling to continue to fund ILEP at the current level for any or all of these reasons:
- The budget is running at a deficit that is not financially sustainable
- There are other more economical operating models available
- Members are unable to commit the funds for other reasons.
The Task Force for Zero Health has emphasised that it would be a mistake to make, too early, changes that look like a reduction in ILEP. That would give a signal to stakeholders that ILEP is reducing its capacity at the very moment that it needs, within GPZL, to be strong. This would seriously weaken ILEP’s position and weaken the GPZL too. So I suggest that we are looking at decisions that should not be made before March 2019 at the earliest.

Three approaches are outlined here, but others may also be possible.

**Approach 1: Relocation to another European location**

Geneva is expensive and, according to Tanya, ILEP has not had the opportunities for lobbying that we thought justified making a base in Geneva. This may be because the WHO GLP remains in Delhi, or because WHO NTD has not been functioning well. I am beginning to reach out to contacts in the WHO and United Nations in Geneva to test whether I come to the same conclusion.

Using the Expatistan cost of living survey, the table below is an index of relative cost of living in selected European cities with good transport connections:

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<thead>
<tr>
<th>City</th>
<th>Index</th>
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<tbody>
<tr>
<td>Geneva</td>
<td>243</td>
</tr>
<tr>
<td>Amsterdam</td>
<td>185</td>
</tr>
<tr>
<td>Frankfurt</td>
<td>162</td>
</tr>
<tr>
<td>Brussels</td>
<td>141</td>
</tr>
<tr>
<td>London</td>
<td>222</td>
</tr>
<tr>
<td>Paris</td>
<td>189</td>
</tr>
</tbody>
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Not everyone may agree with the ratings but if we take an average of all the other cities, it comes to 180. So potentially, ILEP could save up to 25% of its budget (CHF 125,000) simply by relocating. Relocation is costly so there may be no saving in the first year. The negative consequences of moving include, of course, the loss of ILEP’s good staff: replacement could be a major challenge.

Another possible option within this approach would be to relocate into the offices of a Member association and look for cost savings if the Member provides the office space at no charge and takes over some of the admin tasks at no fee. This ought to produce savings beyond 25%, but it might have negative consequences if Members feel that ILEP is overly influenced by the Member association where it is housed.

**Approach 2: Relocation into the Task Force for Global Health at Atlanta, Georgia**

This has been suggested a few times: the logic is that if we find that ILEP and the Task Force are on the same page, it might be good to shift ILEP there so that the civil society voice is right on the spot. Because of the heavy involvement of the Task Force with other NTDs (for example, it houses COR-NTD, Uniting to Combat NTDs and a number of specific disease functions) this would enable ILEP to connect more into the NTD world and be proactive in cross-cutting issues and opportunities.

The Expatistan data for Atlanta is as follows.

<table>
<thead>
<tr>
<th>City</th>
<th>Index</th>
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<tbody>
<tr>
<td>Geneva</td>
<td>243</td>
</tr>
<tr>
<td>Atlanta</td>
<td>160</td>
</tr>
</tbody>
</table>
This suggests that ILEP could save up to 35% of its budget even if it makes no other changes. In reality, it may be possible for the Task Force to take over some admin and comms roles, for a fee, which would enable more reductions. There are examples of similar arrangements in other settings too.

There has been no discussion with the Task Force and there is no certainty that they would even consider this. There are some negatives. ILEP could in effect become a branch of the Task Force and it would be difficult to maintain a credible civil society voice. That would be to the detriment of ILEP and the Global Partnership. ILEP could find itself working mainly within the Task Force priorities, which may not encompass all ILEP priorities. In terms of maintaining regular connection with ILEP members, it is the wrong part of the world for most – Atlanta is well away from ILEP’s ‘centre of gravity’. And (as with Approach 1) one consequence is the loss of a talented staff team.

**Approach 3: Shift to a different business model**
ILEP could consider a business model where it is no longer a separate legal entity but operates through services provided (or co-funded) by its Members. It may help, in thinking about this, to remind ourselves that ILEP is not an office but a joint action involving people who choose to work in cooperation.
Examples of this approach include the NNN (NGO NTD Network) and IDDC (International Disability and Development Consortium), where the work is done by willing people from within the member agencies. IDDC comments that ‘the power of IDDC is that its work is not carried out by an autonomous secretariat’ though as NNN is finding, it can be difficult to find people with the time to do all that is needed.

Perhaps a more powerful example is ICTC (International Coalition for Trachoma Control - [http://www.trachomacoalition.org/](http://www.trachomacoalition.org/)). This is the civil society/academia grouping that works alongside the International Trachoma Initiative which operates within the Task Force for Global Health. ICTC is not based at the Task Force, it is not a legal entity (for ILEP this alone would result in saving of CHF 30-40,000) and it does not have an office (another CHF 35-40,000). It has a three-person executive group and the work is done by a range of personnel: two fulltime people (comms, advocacy and project accountability) who are seconded and paid for by member associations, and a number of focal point people and task groups composed of people employed by member organisations which are willing to allot part of their time to the ICTC. The model would depend very much on the willingness of Members either to make people available or to co-fund staffing positions that one or other of the Members would employ. This model needs further study to see if it actually works well and is translatable to an ILEP setting.

Geoff Warne
October 2018