

Intervention by Tharman Shanmugaratnam, Co-Chair of the G20 High Level Independent Panel on Financing the Global Commons for Pandemic Preparedness and Response, at the G20 Finance Ministers and Central Bank Governors Meeting on 7 Apr 2021

Thank you, Minister Franco.

We have circulated a progress note for the meeting. As we are only two months into our work, it would be premature to lay out concrete recommendations at this stage. What we have done is to highlight the basic goals and considerations that should go into designing global financing for long-term global health security.

I should add that, quite apart from the Panel's own discussions, we have been actively consulting with a wide range of other parties – in particular, with the IPPR, the independent panel that was launched by the WHO last year, as well as the GPMB, the Global Preparedness Monitoring Board. We have also initiated consultations with international bodies – the WHO, the World Bank, IMF and other international financial institutions – as well as with civil society groups and a range of financial and global health experts. We view the bridging of perspectives from the health and finance communities as essential to formulating pragmatic proposals.

We have it in our capacity – I say this upfront – we have it in our capacity to significantly reduce the world's vulnerability to future pandemics, and to sharply reduce the human and economic costs of a pandemic when it does occur.

Our mission has to be to mobilize and organize these resources more effectively. And that means: first, more reliable and continuous funding in 'peacetime', not waiting for a pandemic to strike; and second, the capacity to mobilize significantly greater resources swiftly to cater to the surge of needs in a pandemic – globally, not just within individual nations.

It can be done.

We must take lessons from COVID – both the downsides and upsides of how we responded to COVID.

First off, we have to recognize that preventing, preparing for and responding to a pandemic (PPR) involves global public goods. That means every nation benefits from a stronger global capacity for PPR, and every nation benefits when every other nation is better prepared and better able to respond.

The basic financial point about these global public goods is that the cost of funding them, although significantly greater than what we've invested in the past, is very modest compared to the cost of pandemics when they come – the cost within our own nations and globally. This is affordable, and it has very high economic returns by way of avoiding the very large costs of a pandemic. The returns accrue to large countries and small, rich countries and poor.

Critically, financing has to be sustained beyond this pandemic. Global healthcare has unfortunately been characterized by cycles of panic and neglect. The WHO itself is gravely underfunded for the critical roles it performs. We have to step up and sustain financing in peacetime.

The HLIP's proposals, when they come in July, will not just be about financing, but how we govern financing. We do need to scale up financing, but governance is key to ensuring effectiveness, and ensuring countries are willing to sustain funding for global public goods.

We must be bold, and we must also be pragmatic. But we can really do much, much better.