



**A GLOBAL DEAL
FOR OUR
PANDEMIC AGE**



Financing the
Global Commons for
**PANDEMIC
PREPAREDNESS
AND RESPONSE**

**REPORT OF THE
G20 HIGH LEVEL
INDEPENDENT
PANEL**

Establish a Global Health Threats Board for systemic financial oversight, to ensure enhanced and reliable global financing for pandemic PPR and effective use of funds

Establish a Global Health Threats Fund

Develop insurance solutions for adverse compensation events associated with use of medical countermeasures

Develop resilient domestic finances for prevention and preparedness

GLOBALLY NETWORKED SURVEILLANCE AND RESEARCH:
To prevent and detect emerging infectious diseases

RESILIENT NATIONAL SYSTEMS:
To strengthen a critical foundation for global pandemic preparedness and response

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GLOBAL GOVERNANCE:
To ensure the system is tightly coordinated, properly funded and with clear accountability for outcomes

SUPPLY OF MEDICAL COUNTERMEASURES AND TOOLS:
To radically shorten the response time to a pandemic and deliver equitable global access

Leverage the capabilities and resources of the private and philanthropic sectors

Strengthen financing for the WHO and One Health, and put it on more predictable footing

Ensure complementarity between multilateral and targeted bilateral funding

Make financing of global public goods part of the core mandate of World Bank and other MDBs

Enable fast-tracked surge financing by the IFIs in response to a pandemic

Key Proposals and Roadmap

Proposal	Key Action Items	Main Actors	Timeline	
<p>1. Establish a Global Health Threats Board for systemic financial oversight, to ensure enhanced and predictable global financing for pandemic PPR and effective use of funds.</p> <p>A minimum of US\$15 billion per year in new international financing is required for effective pandemic prevention and preparedness.</p> <p>Establish an independent scientific advisory panel to provide system-wide analysis of emerging health threats and advice based on the best available science.</p> <p>Establish a Health Security Assessment Program (HSAP), to provide in-depth assessments of countries' pandemic prevention and preparedness capabilities and investments.</p>	<p>i. Develop a charter for the Board including detailed mandate, composition and governance.</p> <p>ii. Establish the Board with a permanent, independent Secretariat.</p> <p>iii. Identify early priorities for funding by the Global Health Threats Fund (see item 2 below).</p>	G20	Q4 2021*	
	<p>iv. The scientific advisory panel can be formed by transforming the Global Preparedness Monitoring Board (GPMB) to take on this function.</p>	GPMB	Q2 2022	
	<p>v. The HSAP should be coordinated by the WHO and the World Bank, with the outcomes of this assessment reflected in IMF Article IV reports.</p>	WHO, World Bank, IMF	Q4 2022	
	<p>2. Establish a Global Health Threats Fund. This would be a dedicated fund mobilizing US\$10 billion per year, based on pre-agreed contributions, to support investments in global public goods for pandemic PPR. This new multilateral funding mechanism will enable effective and agile deployment across existing institutions and networks, and help catalyze financing for the broader global health system. It would serve to support a few major global actions:</p>	<p>i. Establish a Global Health Threats Fund structured as a Financial Intermediary Fund (FIF) at the World Bank, with governance independent of the World Bank.</p> <p>ii. Kickstart the Fund with direct contributions by G20 and other governments, ideally in amounts equivalent to an assessed contribution scheme, as well as philanthropic and corporate contributions.</p>	G20	Q4 2021*
				For (i), to initiate early discussions with the World Bank on establishing the FIF.

* This is aligned with the timeline for the establishment of the IPPPR's Global Health Threats Council and its International Pandemic Financing Facility.

Proposal	Key Action Items	Main Actors	Timeline
<p>a. Building a transformed global network for surveillance of infectious disease threats.</p> <p>b. Providing stronger grant financing to complement MDBs' and the global health intermediaries' support for country- and regional-level investments in global public goods.</p> <p>c. Ensuring enhanced and reliable funding to enable public-private partnerships for rapid development, manufacturing and delivery of medical countermeasures on a global scale.</p> <p>d. Supporting research and breakthrough innovations that can achieve transformational change in efforts to prevent and contain future pandemics, complementing existing R&D funding mechanisms like CEPI.</p>			
<p>3. Develop resilient domestic finances for prevention and preparedness. Governments working with international institutions must embark on a major agenda of reforms to mobilize domestic resources on a sustained basis so as to enable investments in the key capacities required to avoid future outbreaks and strengthen national health systems, while enabling their economies to return to durable growth. Low- and middle-income countries will need to add about 1% of GDP to public spending on health over the next five years.</p>	<p>i. Scale up national capabilities for surveillance, detection, and containment of any new outbreaks.</p> <p>ii. National governments and International Financial Institutions (IFIs) to jointly develop a plan for more resilient tax revenues.</p> <p>iii. Define and track budgetary expenditures on outbreak prevention and preparedness.</p> <p>iv. Develop and implement costed national action plans for health security, with Finance and Health Ministries as full partners in this effort, including human resources development, performance-based budget policies and matching fund schemes.</p> <p>v. Ensure necessary external financial assistance to complement national domestic financing.</p>	<p>National governments, with support from WHO, IFIs and OECD</p>	<p>Medium Term</p> <p>To undertake learning around COVID-19, and upgrade National Action Plans for Health Security (NAPHS) by 2022, with clear implementation timelines over the medium term.</p>

Proposal	Key Action Items	Main Actors	Timeline
<p>4. Strengthen financing for the WHO and One Health, and put it on more predictable footing. Greater and more predictable funding is necessary for the WHO to perform its critical functions and ensure that there are no gaps in the surveillance-to-action loop, and to strengthen the integrated One Health approach.</p>	<ul style="list-style-type: none"> i. Enhance the share of multilateral funding for the WHO through increased assessment-based contributions — with assessment-based core contributions from Member States increased to two-thirds of the budget for the WHO base program, and an organized replenishment process for the remainder of the budget. ii. Support WHO, OIE, FAO and UNEP in their integrated One Health approach. 	<p>WHO Sustainable Financing Working Group, World Health Assembly</p>	<p>Q2 2022</p>
<p>5. Make financing of global public goods part of the core mandate of World Bank and other MDBs. The MDBs should incentivize investments in pandemic prevention and preparedness at the country and regional levels, with grants and greater concessionality that complement existing results-based and programmatic lending. They should draw first on their existing financial resources. However, shareholders must support timely and appropriately sized replenishments of their concessional windows and capital replenishments over time to ensure that the greater focus on global public goods is not at the expense of poverty reduction and shared prosperity.</p>	<ul style="list-style-type: none"> i. Revise MDBs' mandates where necessary to move boldly in support of the global commons. ii. World Bank to set IBRD lending and performance targets for pandemic prevention and preparedness. iii. World Bank to establish a dedicated pandemic prevention and preparedness window in an expanded IDA, as part of a successful IDA20 replenishment and leading to a more permanent mechanism, with funding relying more heavily on new grant contributions from IDA donors. iv. World Bank to develop a strategy for its lending and technical assistance to increase the grant element and concessionality in financing linked to pandemic prevention and preparedness, including through results-based and programmatic lending. v. IDA support for pandemic prevention and preparedness should seek to incentivize domestic investments through matching grants to LIC governments. vi. Each RDB to set out its strategy for supporting pandemic preparedness and reduce risks in member countries, including through the establishment of dedicated lending windows or targets. 	<p>World Bank and other MDBs</p>	<p>2022</p> <p>Most of these outcomes can be achieved by 2022. For items which may require more time, e.g. (vii), a clear roadmap should be developed in the next year.</p>

Proposal	Key Action Items	Main Actors	Timeline
	<p>vii. MDBs to explore greater leveraging of their shareholder capital, with G20 to commission an independent review of scope for doing so as well as the requirements for new capital. MDBs to also consider more innovative financing mechanisms.</p>		
<p>6. Enable fast-tracked surge financing from the IFIs in response to a pandemic. The MDBs and IMF should institute pandemic response windows that are automatically triggered to provide swift, scaled-up access to funds; they should also streamline their operational requirements and relax country borrowing limits during a pandemic. Appropriately designed debt service relief by other creditors will be an important complement to surge lending from the IFIs in responding to future pandemics.</p>	<ul style="list-style-type: none"> i. World Bank to support countries to participate in pooled global procurement mechanisms for entering into advance purchase contracts in the early phase of a pandemic. ii. World Bank to scale up its capacity to help countries establish a safety net surge response, with a strategy to target supporting 50 countries within five years. iii. Access to MDB crisis response windows to be simplified and made more automatic. iv. MDBs to relax single borrower and country lending limits during a pandemic. v. MDBs enabled to automatically tap financial markets for additional funds in a pandemic, with these loans guaranteed by countries and repaid over time. vi. IMF to establish a pandemic response window (in its rapid financing facilities) that would provide rapid, automatic and at-scale financing to all members in good standing. vii. Rules and access limits for country borrowing from regular IMF facilities to be relaxed automatically in a pandemic. viii. The IMF, working with relevant stakeholders, to design a debt service relief framework for future pandemics. 	<p>IMF, World Bank and other MDBs</p>	<p>Next 12 months</p> <p>Most of the mechanisms proposed can be developed within 12 months.</p>

Proposal	Key Action Items	Main Actors	Timeline
<p>7. Ensure complementarity between multilateral and targeted bilateral funding. Multilateral efforts should leverage and tighten coordination with ODA and other bilateral funding streams, which continue to play an important role. Better coordination within country and regional platforms will generate greater impact in pandemic PPR, and better integration with other critical development needs.</p>	<p>i. Multilateral efforts to leverage and tighten coordination with discretionary bilateral funding, including through country platforms.</p>	<p>National governments, multilateral and bilateral development partners, private sector and philanthropies</p>	<p>2022</p> <p>This must be an ongoing effort, with a clear step-up in coordination within country and regional platforms in 2022.</p>
<p>8. Leverage the capabilities and resources of the private and philanthropic sectors. There is significant scope to catalyze private sector participation in pandemic PPR.</p> <p>This must, foremost, involve installing adequate capacity for manufacturing and supply of medical countermeasures and other critical supplies through public-private partnerships. (See also Item 2 above.)</p> <p>Further, a much bolder shift in government and MDB strategies is needed to mobilize and augment private finance for infrastructure, so as to optimize official balance sheets for investments in both global public goods and economic development.</p> <p>We must also build strengthened and continuous public sector partnerships with philanthropic foundations to meet the needs of an expanded research agenda for pandemic PPR.</p>	<p>i. Scaling up end-to-end global supply chain for medical countermeasures and other critical supplies will require a new, permanent governance structure for the network post-COVID-19, including roles and responsibilities for different organizations, that builds on the lessons learned from the ACT-A coalition of health partners.</p> <p>ii. The IFC and the private sector arms of other MDBs to scale up tools to catalyze private sector investments in capacity for medical supplies.</p> <p>iii. Broaden the base of philanthropic foundations that are engaged in supporting national health resilience and pandemic PPR.</p>	<p>Global Health Threats Board working with ACT-A coalition of partners</p> <p>MDBs</p> <p>National governments and international organizations</p>	<p>Medium Term</p>
<p>9. Develop insurance solutions for adverse compensation events associated with use of medical countermeasures. These schemes can be pooled internationally, as COVAX has done for vaccines procured under its platform.</p>	<p>i. The World Bank and other MDBs should work with countries and private insurers to enable risk financing solutions to better protect LIC governments from the liability of adverse compensation events.</p>	<p>MDBs</p>	<p>Next 6 months</p> <p>This task is relevant to the current pandemic, and should be worked on urgently for vaccines procured by countries outside of the COVAX framework.</p>