

## Concept Note: Global Health Security Challenge Fund

**There is no global threat more probable and less well-funded than a catastrophic pandemic.** Evidence shows that no country is fully prepared for a pandemic, which is a finding underscored by the rapidly evolving COVID-19 crisis. “Health security” – preparedness for pandemic threats – is neither the highest priority for the health community nor the security community. Time and again, history has shown that unless the world is in the middle of such a crisis, the issue of pandemic preparedness fails to elicit strong and sustained political support and resourcing.

Following the Ebola epidemic of 2014-2016, more than 100 countries have undertaken assessments of their preparedness for such events, and many of these have developed or begun to develop National Action Plans for Health Security. But, unfortunately, the high level of global interest that the Ebola crisis triggered in understanding preparedness gaps has not been met with a commensurate increase in political will to finance and eliminate them. Currently, there are few incentives at the country level to prioritize epidemic and pandemic preparedness in domestic budgeting cycles. In addition, the preparedness gap is most acute in low- and lower-middle-income countries, with the weakest health systems, limited fiscal space and other pressing development needs. **Every country must take the lead in closing its preparedness gaps, but pandemics are a clear and present global health, economic and security threat that requires bold and concerted global action.**

### WHAT IS THE NEED?

**National budget allocations to improve health security remain low and are hard to measure.** While some steps have been taken in recent years to cost these plans and help the poorest countries begin filling their preparedness gaps, international donors and multilateral development banks have not been able to create demand or muster enough support to fill the gaps. Experts assess the gap in preparedness financing for low and lower-middle income countries to be approximately \$4.5 billion per year (\$0.50-\$1.50 per person per year.) And the need is enormous: The 2019 Global Health Security Index found that the average overall health security score for countries is just 40.2 out of 100. Urgently bolstering global pandemic preparedness requires both political leadership and dedicated advocacy to achieve the critical minimum investment necessary for filling these gaps.

There are currently few incentives for countries to mobilize the necessary capital investments to address preparedness gaps. Many organizations and groups have highlighted the need for a global financing mechanism to accelerate country capacity building and addressing these gaps. The [CSIS Commission on Strengthening America's Health Security](#), the [Global Health Security Index report](#), the [Global Preparedness Monitoring Board](#), the [Global Health Security Agenda](#), and the [World Bank International Working Group on Pandemic Preparedness Financing](#) have all outlined the need for new health security financing incentives and investment accountability.

In particular, even when funds are available for preparedness, frequently there is not enough national bandwidth or human resources available to prioritize and implement programs to fill even the most urgent gaps. **Consequently, there is a major need for a nucleus to provide not only resources, but targeted support for country technical assistance to identify and prioritize gaps and results.**

## WHAT IS PROPOSED?

**A Global Health Security (GHS) Challenge Fund will fill these critical gaps to help build country capacity where it is needed most.** The Fund will complement the World Health Organization's Contingency Fund for Emergencies and existing emergency response and preparedness funding available through the UN and the World Bank by strengthening countries' long-term preparedness capacity and ensuring that preparedness remains a political and budget priority.

The GHS Challenge Fund would allow funding – for immediate COVID-19 preparation and detection, as well as preparation for future pandemic threats – to be disbursed in a transparent and comprehensive way, with resources flowing directly to eligible countries to fill the most critical gaps and make measurable progress against widely-agreed measures of preparedness. The fund would disburse loans and grants that are managed within a country's national budget and would be administered over an agreed period of time to increase greater accountability on countries and promote a sustainable way to shift accounting lines away from donor balance sheets to national budgets. **The Fund should be resourced at an initial level of at least \$1 billion USD with a mixture of public and private international financing, operating as an accelerator for sustainable domestic financing of preparedness.** *Early funding for a GHS Challenge Fund would be a small fraction of the overall human and economic costs to mitigate the ongoing COVID-19 outbreak.*

Existing global health funding mechanisms such as Gavi, the Vaccine Alliance; the Global Fund for AIDS, TB and Malaria; the Coalition for Epidemic Preparedness Innovations (CEPI); and the Global Financing Facility (GFF) for Women, Children and Adolescents have all shown that targeted funding aimed at specific global challenges can have a powerful impact to address critical health needs in the poorest countries. Yet these funding mechanisms have been successful precisely because they have targeted mandates, significant

resources and sustained high-level political support. No similar funding mechanism exists for pandemic preparedness, yet, as the current COVID-19 outbreak clearly shows, the world is woefully under-prepared. While high-resource countries will be able to weather the worst of a pandemic, most low- or lower-middle-income countries will be unable to generate the needed resources or will be forced to reallocate existing public spending away from highly cost-effective basic healthcare and other development needs – and will continue to be both highly vulnerable and highly dependent on international assistance when an epidemic of pandemic occurs.

## WHAT SHOULD POLITICAL LEADERS DO NOW?

To build political will for the GHS Challenge Fund, leaders, including the G-7 and G-20, should agree on a comprehensive set of deliverables this spring that include the current response to COVID-19, as well as future global health security needs. **A G-7 and/or G-20 deliverable package could include:**

1. **Immediately establish a GHS Challenge Fund**, which could allocate funding for urgent COVID-19 preparation and detection needs, as well as addressing preparedness gaps for the next pandemic.
2. **Fund the global COVID-19 response** via existing emergency financing mechanisms through the World Health Organization, United Nations and the World Bank.
3. **Support CEPI and Gavi, the Vaccine Alliance**, to develop, purchase, and equitably deliver countermeasures for COVID-19 and other emerging pandemic threats.
4. **Empower the Global Preparedness Monitoring Board** with a stronger mandate and ability to monitor progress and promote accountability for action.

## HOW WILL IT WORK?

A GHS Challenge Fund should be built around specific principles for a comprehensive and beneficial approach to increasing global health security.

**Recommendations for operationalizing the GHS Challenge Fund should include:**

1. **The Fund should be resourced at an initial level of at least \$1 billion USD with a mixture of public and private international financing, operating as an accelerator for sustainable domestic financing of preparedness.** The GHS Challenge Fund could catalyze investments by the World Bank (including IDA funds), contributions from private sector donors, and donations from governments and philanthropies, with

the goal of matching these resources against national funding geared toward specific, measurable epidemic preparedness benchmarks in each country.

2. **Funding should be prioritized for countries with the greatest need and who have undertaken a rigorous assessment of their preparedness gaps.** Funding decisions would utilize data gathered from the WHO's Monitoring and Evaluation Framework (to include Joint External Evaluations, States Parties Annual Report information, and other data), combined with external measures such as the Global Health Security Index indicators.
3. **The Fund would prioritize technical assistance and resources to prioritize and fill gaps.** The GHS Challenge fund could serve as a nucleus to provide targeted support for country technical assistance to identify and prioritize gaps, something IDA funds do not adequately support.
4. **Funding should be matched by recipients at different levels depending on country need.** While specific delineations are still being considered, possibilities could include: a two-to-one funding model for fragile states and one-to-one funding for non-fragile states (where fragile states receive \$2 for every \$1 invested); a tiered system in which countries are categorized into three tiers of need, with the bottom (most in-need) tier provided a two-to-one match and the middle tier provided a one-to-one match. Top tier countries would be expected to self-fund for preparedness gaps. Other financing instruments such as debt buydowns could also be utilized to incentivize domestic investments in preparedness.
5. **The Fund should create clear incentives and benchmarks for progress, based on agreed measures of preparedness.** Each country has different preparedness needs and gaps. The Fund need not be overly prescriptive about which gaps should be filled first, but rather should track and reward measurable progress against preparedness outcomes such as National Action Plan benchmarks, JEE and GHS Index scores. A small number of countries could be selected as frontrunners to test incentives and inform scale-up. Support for advocacy to drive action and accountability will be essential.
6. **The GHS Challenge Fund could help spur country demand by linking to World Bank IDA funds for preparedness.** With the WBG's March 3 announcement that it would make available up to US\$1.3 billion in new IDA financing for response and preparedness activities, the GHS Challenge Fund could further incentivize countries to prioritize use of their IDA and domestic resources for strengthening preparedness, which traditionally has not been the case.