



# *The Next Pandemic Won't Wait:*

## What World Leaders Can Do to Strengthen Financing for Global Health Security

November 2020

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### Introduction

The massive global economic disruptions caused by COVID-19 has clearly demonstrated that the costs of responding to, and mitigating, the impacts of pandemics are even greater than previous estimates. As of September 2020, stimulus spending in response to the economic fallout wrought by COVID-19 had already surpassed US\$11 trillion and will continue to increase into 2021 as countries contend with the pandemic's grave—and potentially long-lasting—implications for economic growth and development. The World Bank has projected that over the course of 2020 [the global economy will have contracted by 5.2 percent](#) and may push as many as [150 million people around the world into extreme poverty](#) by the end 2021, reversing decades of progress. In comparison to the mounting human, economic, and social toll COVID-19, the price of preparedness is nominal—a [recent estimate](#) put the cost for countries to adequately build or strengthen their core pandemic preparedness capacities at US\$5 per person annually.

Yet despite this strong case for investing in pandemic preparedness, it remains severely underfunded by governments and the international community. Time and again, history has shown that unless and until the world is in the middle of such a crisis, [the issue of health security fails to elicit strong and sustained political support and resourcing](#). The [CSIS Commission on Strengthening America's Health Security](#), the [Global Health Security Index report](#), the [Global Preparedness Monitoring Board \(GPMB\)](#), the [Global Health Security Agenda \(GHSA\)](#) and the [World Bank International Working Group on Pandemic Preparedness Financing](#) have all outlined the need for increased preparedness financing and investment accountability—including the establishment of a catalytic mechanism such as the [Global Health Security Challenge Fund](#).

This cycle of panic and neglect must end once and for all with COVID-19. In the past, world leaders have stood up fit-for-purpose financing solutions to drive action on other global challenges, such as [AIDS, Tuberculosis and Malaria](#), [childhood vaccines](#), [climate change](#), and [maternal and child health](#). It is past time for a global financing initiative dedicated to bolstering and incentivizing preparedness for emerging pandemic threats.

As world leaders consider key policy and investment priorities to address the current pandemic and beyond, the Pandemic Action Network has identified three areas for priority action to bolster financing for global health security:

- 1. Establish a Global Health Security Challenge Fund to incentivize country preparedness, with a minimum initial capitalization of US\$1 billion.**
- 2. Fill the remaining US\$28.4 billion funding gap toward the estimated US\$38 billion total needed for the Access to COVID-19 Tools Accelerator (ACT-A), prioritizing the US\$4.5 billion for urgent needs.**
- 3. Convene a UN High-Level Summit on Pandemic Preparedness before the end of 2021 to mobilize increased domestic and international financing commitments for preparedness.**

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## Overview of key challenges to financing global health security

**Global and national policymakers have repeatedly failed to prioritize investments in pandemic preparedness.**

In the wake of other serious infectious disease outbreaks, numerous commissions and reports released findings and proposed paths forward to strengthen pandemic preparedness, but these recommendations have rarely translated into the policy changes or levels of investments necessary to enact such measures. Despite numerous tools and frameworks—such as the [International Health Regulations \(2005\) Monitoring and Evaluation Framework](#), the [GHSA 2024 Framework](#), and the [Global Health Security Index](#)—that outline gaps in national capacity to handle infectious disease threats and/or provide guidance on priority actions to address those gaps, few countries routinely prioritize domestic or international health security in their budgets due to competing priorities and [inadequate incentives to invest in preparedness](#). It will be critical to review and strengthen these international frameworks in light of COVID-19 to promote greater accountability for action and “hardwire” recommendations to financing pathways. The need for additional financing is particularly acute in low- and middle-income countries (LMICs) with the weakest health systems and infrastructure, and the most limited fiscal space—which will be even more constrained due the economic fallout from the pandemic.

**Following previous patterns of “panic and neglect,” the global community continues to hamstring funding for global response efforts, even during the current pandemic.**

While nations are understandably focused on addressing the domestic impacts of COVID-19, it’s clear that this deadly and costly pandemic requires mobilizing strong political and financial support for a well-coordinated global response to ensure every country and community has the tools it needs to stamp out the virus. The [Access to COVID-19 Tools Accelerator](#) (ACT-A) embodies this global commitment and offers a promising international framework for the equitable global distribution of COVID-19 vaccines, diagnostics, and therapeutics. Yet as with other global emergency response efforts, the ACT-A urgently needs a large injection of funding for its [investment case](#) and is highly dependent on the generosity of international donors. Other health emergency response financing efforts, such as the [Pandemic Emergency Financing Facility](#) and the [WHO Contingency Fund for Emergencies](#), have also faced unique challenges in mobilizing and/or disbursing resources. Furthermore, once again in COVID-19 we are seeing international assistance being shifted away from longer-term health and development programs to fund short-term response needs, and often without the planning and foresight to ensure that these investments are made with a view toward strengthening health systems for the future.

These factors all point to the need for a fundamental rethinking of how to create more sustainable financing mechanisms that will drive faster, smarter emergency response efforts and greater investment in preparedness—to stop future outbreaks from escalating into the next pandemic.

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## An agenda for international action

1. Establish a [Global Health Security Challenge Fund](#) to incentivize country preparedness by end 2021, with a minimum initial capitalization of US\$1 billion.
  - **As conceptualized by a number of expert groups, the [Global Health Security Challenge Fund](#) will prioritize support for LMICs and help begin to close the massive global gaps in pandemic preparedness.** Applying lessons learned from other successful blended finance models, it will incentivize country leadership to develop, finance and implement evidence-based national action plans; disburse loans and grants that are managed within a country's national budget; be administered over an agreed period of time to increase national accountability for action; and promote a sustainable shift of accounting lines away from donor balance sheets onto national budgets. With a dedicated focus on preparedness, the Challenge Fund will complement and be well-integrated with the work of the WHO, the GHSA, and other development banks and institutions, leveraging and building on existing efforts to assess, monitor, and evaluate country preparedness, and galvanizing high-level political prioritization and sustained investments.
  - Building on the **GHSA sustainable financing initiative**, diplomatic efforts should begin now and be propelled through leader gatherings—including the GHSA Ministerial, UN COVID-19 Summit, G7 and G20 Summits, and the World Health Assembly—to build consensus on the scope, parameters, and governance of the Fund and form a lead investors' group, with the goal to launch the Fund by the end of 2021.
2. **Fill the remaining US\$28.4 billion funding gap toward the estimated US\$38 billion total for the ACT-Accelerator, prioritizing the immediate US\$4.5 billion funding gap for urgent needs.**
  - As of November 3, 2020, the ACT-A's estimated funding gap was US\$28.4 billion of the total US\$38 billion total for the ACT-A investment case; the total represents just 10% of what the global economy has been losing every month in 2020 due to COVID-19. Countries, private sector organizations, and civil society should come together to close the ACT-A funding gap urgently in order to accelerate a return to more normal economic and social activity. Global leaders, including the United States, should commit to provide funding for the ACT-A and collaborate with one another in order to allow for the equitable, affordable and safe distribution of COVID-19 vaccines and tools. Efforts to [strengthen global health research and development](#) also be included as part of the ACT-A agenda and national roll out plans.
3. **Convene a UN High-Level Summit before the end of 2021 to mobilize increased domestic and international financing commitments for pandemic preparedness.**
  - **As called for by the Global Preparedness Monitoring Board, world leaders should meet to agree on and finance a new framework for international preparedness.** UN Member states who have actively supported global health security, including GHSA champions, should lead on a UN resolution calling on the UN Secretary-General to convene this summit, and build political momentum and a roadmap over the coming year—including through the G20 and G7 summits, regional summits, the Munich

Security Conference, and the World Health Assembly. In addition to Heads of State, participants should include leaders of international organizations, multilateral development banks, the private sector, philanthropic entities, and global civil society. At the Summit, all UN member states should present their national health security action plans and commitments to increase domestic budgets for pandemic preparedness with concrete timelines for action. International partners should make financing commitments to close global financing gaps, including for the Global Health Security Challenge Fund.

- **Commission a revised global costing framework for pandemic preparedness, factoring in the lessons learned from COVID-19, to inform the meeting's agenda.** To inform domestic and international financing commitments at the Summit, identify critical gaps and drive future budget planning, an updated, rigorous global costing is needed. It should build upon, and not duplicate, existing frameworks and tools, such as the [International Health Regulations \(IHR\) Monitoring and Evaluation Framework](#) and its associated tools.

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## Conclusion

The COVID-19 pandemic has exposed the world's extreme vulnerability in the face of a highly infectious disease threat and has underscored the urgency to strengthen global and national preparedness. It is well past time for world leaders to put preparedness front and center on the political agenda, and stop the cycle of panic and neglect once and for all. While addressing the urgent funding needs for the global response, leaders must also take concrete steps to put in place robust action plans linked to sustainable financing mechanisms to prepare for, and respond to, emerging pandemic threats. International cooperation and targeted investments will be essential to help ensure another crisis like COVID-19 never happens again.

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*This paper is one of a six-part Pandemic Action Agenda series urging world leaders to take action to strengthen pandemic preparedness. For other papers in this series, please visit [pandemicactionnetwork.org](https://pandemicactionnetwork.org).*

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