OVERCOMING GOVERNANCE CHALLENGES IN INTERNATIONAL HEALTH FINANCING

POLICY BRIEF

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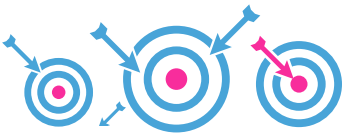
Weak civic input and oversight threatens to undermine the prospects of the World Bank's Pandemic Preparedness and Response Financial Intermediary Fund.

This policy brief highlights how these and other challenges can yet be averted.

The shortcomings of the COVID-19 response highlighted key gaps in Pandemic Preparedness and Response (PPR) at global, regional and national levels.

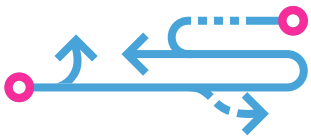
In response, the World Bank announced the launch of a new Financial Intermediary Fund (FIF) to help kick-start the estimated $10.5 billion per year needed to strengthen PPR. However, it remains unclear what governance model it should take with divergent ideas being proposed by key stakeholders.

To ensure evidence-based policy is embedded in FIF design, we conducted a scoping review of available academic and grey literature to identify the most likely challenges involved in its governance and other emerging multilateral financing instruments for PPR. The review consisted of nine searches yielding 74 documents for thematic analysis which located seven emergent themes:

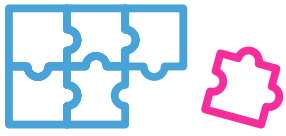


1 **Global health financing suffers from misaligned aid allocation** due to donors' preference for short-terms political gains and the prioritisation of donor needs. Implementing-country needs are also sidelined, all while donor requirements shift and funds are diverted from existing programmes to new initiatives. Unfortunately, these challenges have yet to be suitably addressed by the new PPR FIF which risks the continuation of non-strategic misaligned programmes with funding shortfalls.

2 **Global health financing suffers from a lack of institutional and policy transparency**, including poor information flows, inconsistent transparency of organisational governance and decision making, and unclear involvement of private sector actors. Widespread ambiguities in the PPR FIF white paper signal a general failure to recognise the importance of transparency for programme acceptance and buy-in, ignoring its key role in policy success.



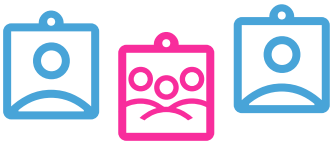
3 **Global health financing suffers from unidirectional and complicated accountability mechanisms** due to the complexity of programmes, the lack of oversight of donors, and increasing reporting demands placed on implementing countries by donors. Given the scale and urgency of the PPR FIF mandate, there is a real danger that a lack of appropriate accountability increases the possibility of business as usual.



4 **Global health financing suffers from inconsistent anti-corruption policies** which undermine trust, policy effectiveness and the ability to monitor and evaluate programmes. Given that the PPR FIF aims to respond quickly to global threats by disbursing large sums of funding, it is a real possibility that corruption could undermine its mandate should appropriate measures not be taken.

5 **Nations receiving Global Health Financing have too little input into funding priorities and decisions.** At the political level this undermines will to follow-through on commitments and integration of Global Health Financing priorities into national strategies. More generally this is seen to hinder representation of the beneficiary populace, context specificity and local co-investment and sustainability. Ambiguities in the FIF White Paper suggest that yet again the views of recipient nation may not be being adequately taken into consideration.

6 **Global health financing suffers from fragmentation** including a poorly aligned financing architecture, increased earmarked funding, competition between actors, under-coordination, and duplication of activities. At the moment, there is little indication of how the PPR FIF will interconnect and complement other PPR and global health initiatives nor how it will finance estimated PPR costs.



7 **Global health financing suffers from a lack of multi-stakeholder representation** including under-representation of implementing countries, barriers to civil society participation, poor engagement opportunities, poor representatives, competition between organisations, and a lack of early inclusion during formative policy processes. The PPR FIF looks as if it will be managed by a limited group of the usual global donors and a few hand-selected external organisations. Failure to widen participation will result in "travelling models" that are not fit for purpose and therefore do not promote wider global health security.

RECOMMENDATIONS

The World Bank FIF should:

1. Have a rigorous consultation process that includes a wide range of engagement activities where funding priorities are decided collectively and where non-governmental, civil and academic actors are embedded for evidence-based policy making.
2. Have a budget in addition to existing global and national funding commitments.
3. Have fully public user-friendly transparency of all processes and policies, including contracts and agreements, fund disbursement and activities, and full public audits at end of programmes.
4. Release data on financial flows in an open data format, showing how it is spent in country.
5. Have accounting mechanisms that do not over-burden implementing countries.
6. Avoid creating new in-country governance, funding and reporting structures and instead provide resources to expand existing structures.
7. Have specific governance and anti-corruption safeguards in all loan agreements with gender-sensitive whistleblower mechanisms.
8. Ensure equal representation of high, middle- and low-income countries, particularly in planning technical, financial and governance processes.
9. Avoid the hiring of international consultants and/or expatriates and look to hire local firms and Non-Governmental Organisations (NGOs).
11. Be critically assessed as part of the existing health financing architecture to avoid fragmentation or duplication.
12. Have capacity building to maximise effective participation by a meaningful cross-section of stakeholders (including indigenous CSOs) with open and transparent selection processes.
13. Have effective and mandated communication channels to ensure maximum awareness-raising and the ability for organisations to effectively prepare and participate.

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