

Harvard Global Health Institute

Subject: Paper proposing a global fund for health security

To: Consultations <consultations@worldbank.org>

Sent: June 1, 2022 at 5:23PM

[External]

Dear authors of the White Paper on PPR,

per your request,

please find below some comments for your consideration, on your paper:

<https://thedocs.worldbank.org/en/doc/018ab1c6b6d8305933661168af757737-0290032022/original/PPR-FIF-WB-White-Paper.pdf>

In the companion paper, “ Financing Modalities for Pandemic Prevention, Preparedness and Response (PPR), “ Paper prepared by the World Bank and the World Health Organization*, for the G20 Joint Finance & Health Task Force. March 29, 2022

<https://thedocs.worldbank.org/en/doc/16c7e5b734f1d9953f0582c837b11b64-0290032022/original/G20-Paper-on-PPR-Financing-Modalities.pdf>

you write in para 8: **“Pandemic preparedness and health system strengthening is at the core of the World Bank’s mission. “**

If this is true, then no FIF is needed – and certainly not with the costly added bureaucracy and growing ecosystem of ‘advocacy’ that you describe. IDA should finance priority investments – those are investments with the highest economic returns (see the Articles of Agreement). Most health projects have far lower expected returns than PPR. Re-focusing away from curative to preventive should have occurred already and certainly as a result of the GPAI (2005-11). IDA funds should be used productively. It has not been the case (since IDA has financed core public health systems to a minimal extent – just REDISSE, regional lab network -- since 2011). IDA could have done better – and it must do better,

The FIF is just adding to fragmentation of health financing --- inescapably the conclusion of the Board and the wider public will be that the FIF is being created just to cover up the very, very low priority accorded by IDA to core public-health systems (i.e. the systems methodically supported under the GPAI – for detection, diagnosis, and preparedness for response.

The health sector (HNP) has dismantled pandemic preparedness and prevention at the Bank after 2011. It did not fit into UHC. The move to “neglect” was deliberate and swift. Millions have arguably died as a result of this error. The Bank’s mid-level Management had a strategy articulated as “what do you want, to scare people???? Accountability for the covert decisions by middle-level Bank management

_____ would go a longer way toward a safer world than starting a FIF. They should explain for the official record what they were thinking in destroying the best-performing and then largest-to-date public health program. The next generation will repeat the same mistakes, unless there is some accountability.

Accepting that FIF will exist, even just as “doing something,” the multisector approach to infectious diseases is key. The FIF would make a better contribution if it prioritized prevention and only veterinary public health and environmental health. Human health is by far the better-funded of the sectors that need to work together for health security. OIE and FAO are far more important for prevention than WHO; human health sector has a very long track record of neglecting prevention and getting away with it. The paper would generally benefit from more consultations with the Bank’s livestock/wildlife health and One Health groups

In 2015-2020 the Bank prominently featured as its only solution for pandemics the Pandemic Emergency Financing Facility (PEF). Now it is barely mentioned including in the White Paper. Since there was no evaluation, the risk persists that someone will try to use public funds to launch a PEF 2.0. PEF 1.0 was a scam, turning \$1 of funds for the poorest into 61 cents by design, just in 3 years.

veterinary health; in HNP as part of efforts to strengthen health systems for Universal Health Coverage; and in SURR as part of the Sendai Framework on Disaster Risk Reduction.

VIII. Monitoring and Evaluation

24. A results framework for the PEF is being developed and will be presented to the Steering Body for approval.¹³ Lessons learned from the pilot will be carefully collected and assessed.

IX. Conclusion and Recommendation

25. The PEF’s insurance window will provide timely funding to support response efforts for events with clear pandemic potential in IDA-eligible countries, thereby saving lives and costs, and strengthening both economic and human security of these countries. Management is also satisfied that the proposed grant as outlined above is consistent with IDA’s Articles of Agreement.

26. It is recommended that the Executive Directors approve:

(a) a waiver of the eligibility criteria for a grant from the IDA17 Regional Program; and

The Board paper should include an in-depth review of the PEF – why it was created (surely the problem was not that IDA “had no money” to stop Ebola). This assessment/reassessment should be in various other regards, including its design, promotion, design of the 2-country trigger to ensure the bonds would sell/investors would be compensated for huge risk, adequacy of Board documentation (compliance with policies), implementation, and costs. The lessons from a PEF evaluation would improve the FIF paper and may improve governance of the Bank and transparency. Para. 24 PEF Board paper (May 2017) promised careful evaluation of this “Pilot Project.” See attached excerpt. Larry Summers recommended the same.

I believe that no monitoring and no evaluation occurred. Yet, the \$50m IDA grant to the PEF means that this was an IDA-financed “project” and thus there had to be regular Implementation Status Reports (approved by Management, then publicly disclosed) and then finally an ICR, reviewed by IEG. None of this monitoring and lesson-gathering occurred, seemingly in violation of Bank policy (the Board gave no operational policy waivers when the \$50m grant was approved).

In the paper you state that Implementing Partners have to have capacity to supervise and monitor projects. It’s a core requirement for all Bank-financed projects; demonstrating that the PEF was supervised and evaluated would strengthen the credibility of the FIF.

World Bank pandemic facility 'an embarrassing mistake,' says former chief economist

By Michael Igoe, 12 April 2019 <https://www.devex.com/news/world-bank-pandemic-facility-an-embarrassing-mistake-says-former-chief-economist-94697>

Excerpts:

Larry Summers **“slammed”** the PEF, calling it **“an embarrassing mistake”** and a symptom of **“financial goofiness”** in the Bank.

“World Bank needs to be squarely against financial goofiness in support of a worthy cause, and there’s a ton of that going around,”.

Summers was generous in assigning blame, singling out:

“goofy governments who wanted to have an initiative for the G-7,”

“World Bank officials who didn’t understand the first thing about finance but ... loved the word ‘private sector involvement,’” and

“bureaucrats at the bank who were looking to make their careers by having had a major innovation”

“It ought to be studied, and there ought to be careful and rigorous reflection when people call for innovative finance involving the private sector”

I hope this is helpful

Warmly,

Olga Jonas (economic adviser at the World Bank, 1983-2016)

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