

## **Input from Norway on the World Bank Group White paper: A proposed Financial Intermediary Fund (FIF) of Pandemic Prevention, Preparedness and Response hosted by the World Bank – May 17th 2022**

It is in every country's interest that infectious outbreaks are prevented, detected and responded to as early as possible. Collective capacity for preventing and responding to a potential pandemic outbreak is a global public good. The covid-19 pandemic has shown that neither global, regional nor national systems were prepared when the pandemic hit. Improved pandemic preparedness and response is key, and reforms in financing, institutions and legal instruments are required. Numerous reports have highlighted the need for stable and sustained financing.

The proposal to establish a new pandemic preparedness and global health security fund at the World Bank is expected to be brought to the World Bank board in late June 2022. The new financing mechanism is supported by the G20, and the World Bank has issued a consultation paper<sup>1</sup>. Norway expresses political support to establish a FIF in connection to the World Bank. This must be considered alongside other processes to reform the global health system, governance and its financing, including at the WHO as the central UN agency on health.

Norway underlines that a pandemic preparedness and global health security fund (Financial Intermediary Fund) at the World Bank must be inclusive and legitimate. A new mechanism must be supported by sufficient political will and broad support from a large group of countries and actors across all regions and income levels. This is key to ensure legitimacy, buy-in for a global response to pandemics and to avoid further complicating the already complex international funding landscape for health and displace or distort other priorities.

In this regard, we suggest that a new mechanism should:

- be a modality to raise and coordinate the use of additional funds for international organizations already mandated with specific functions relating to pandemic prevention preparedness and response (PPR) including provision of global public goods and financing;
- be multi-sectorally financed and mobilize additional financing for global health rather than crowding out existing investments and other priorities;
- be gradually scaled-up and with contributions based on an ability to pay principle, drawing upon ODA and non-ODA as well as non-governmental funding sources, based, in principle, on a burden sharing/ability to pay formula across all countries;
- use existing international organizations for implementation beyond the World Bank, regional Multilateral Development Banks (MDBs) and UN agencies, building on respective roles and functions; including but not limited to Gavi, Global fund, CEPI, WHO. Tentative roles of implementing entities should be clarified based on proposals from potential implementers and in dialogue with representatives of regional agencies and countries

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<sup>1</sup> A Proposed Financial Intermediary Fund (FIF) for Pandemic Prevention, Preparedness and Response Hosted by the World Bank [PPR-FIF-WB-White-Paper.pdf \(worldbank.org\)](https://www.worldbank.org/PPR-FIF-WB-White-Paper.pdf)

- focus on the functions of strengthening national and regional capacities, surveillance and risk assessment and supply and access to medical countermeasures, including large scale surge finance for the first 100 days of a potential new pandemic;
- incentivize countries to increase financing for PPR and seek to leverage the use of MDB financing. Additional analysis on how the FIF should be structured to incentivise country investments in PPR is needed. Additional domestic resources should be an integral part of health system strengthening;
- build on existing architecture for PPR, including the IHR and linked monitoring, review and assessment mechanisms and ensuring a central normative and advisory role of WHO;
- support and sustain WHO as the leading and coordinating global organization for health and pandemic PPR.
- to be functional as an effective financing mechanism and *not* become a new global health organization, the FIF should build on the strengths of the World Bank, WHO and implementing entities. This involves trade-offs between efficiency and inclusion. We suggest that that FIF should:
  - be governed by a slim funding board with an independent chair (or co-chairs) that can make decisions on the allocation resources and ensure financial accountability. Contributors, recipients and civil society should be included on the governance board on equal terms. The board should be small with a limited number of seats.
  - be managed by a dedicated, small and efficient WB-WHO secretariat hosted by the WB. The secretariat should be co-staffed by WB and seconded WHO staff, respectively leading on financing and health technical aspects.;
  - a key aspect of governance in WB-managed FIFs is the clear separation of roles and responsibilities within the Bank, and we assume this will be the same here. These and other measures to manage potential conflicts of interest should be detailed in the proposal.

We are pleased to see that around 1 billion USD have so far been committed to the FIF. Since this is 10% of the assessed annual needs, there is a strong need for prioritisation in the initial phase. We would welcome clarification on initial plans for the FIF for the next 1-3 years, including with different financing scenarios.

Norway has not made a decision on financial support given ongoing competing demands, including those related to the Ukraine crises, and also pending design decisions on scope and governance.

Norway has worked closely with the partners to facilitate dialogues on the establishment of a new financing mechanism. We hope to be able to continue partnering on this and to contribute to shaping the mechanism so that it can be a sustainable mechanism for long term global health security.