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## **Comments on a Proposed Financial Intermediary Fund for Pandemic Prevention, Preparedness and Response Hosted by the World Bank**

Public Citizen is a nonprofit consumer advocacy organization with over 500,000 members and supporters. On May 17<sup>th</sup> 2022, the World Bank released a White Paper outlining a proposed financial intermediary fund for pandemic prevention, preparedness, and response (PPR).<sup>1</sup>

We support additional PPR investments. However, we are concerned about the design of the FIF as envisioned and urge the World Bank and donors to make the FIF an institution responsive to the public interest, including the needs of developing countries; a catalyst for distributed vaccine manufacturing and a facilitator of knowledge sharing and equitable access. Failing to meet these basic aims would undermine PPR efforts and raise serious concerns about the utility of the FIF in global health governance.

### **1. The FIF should promote accountability, transparency, and participation.**

Representation is critical to the success of the governing board. The FIF can only meet its stated aims with the leadership of low-and-middle income countries. This should be reflected in the composition of the governance board, which should be equally balanced among contributor and recipient countries. The recipient countries should have voting privileges. Including civil society can also foster accountability, increase country-level buy-in, and lead to greater investments.

In addition, the central role of the World Health Organization in PPR should be preserved. The WHO is governed by a deliberative decision-making body composed of 194 Member States. It is neither merely a technical advisory agency nor solely an implementing partner as described in the White Paper. The WHO is a uniquely accountable multilateral forum in global health. As such, it should also be represented in the governing board, and accorded voting rights.

Finally, there should be full transparency around the processes of the governance board, including decisions around board composition and structure; meeting minutes; records of decisions made; contracts; and opportunities for board members to express dissent.

Accountability, transparency and participation are critical to good governance. They can also help ensure that the priorities of low-and-middle income countries are represented.

### **2. The FIF should serve as a catalyst for distributed vaccine manufacturing.**

There has been an unprecedented surge of global interest in distributed manufacturing for medical countermeasures, including diagnostics, treatments and vaccines. Sustainable

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<sup>1</sup> World Bank. A Proposed Financial Intermediary Fund (FIF) for Pandemic Prevention, Preparedness and Response Hosted by the World Bank (May 17, 2022). <https://thedocs.worldbank.org/en/doc/018ab1c6b6d8305933661168af757737-0290032022/original/PPR-FIF-WB-White-Paper.pdf>

production is a critical priority for countries in the Global South. Dozens of initiatives have sprung up around the world, and world leaders reiterated their commitment to local production during the Second Global COVID-19 Summit.

However, the terms “manufacturing” or “production” are not referenced once in the 12-page White Paper. Instead, there is a reference to “capacity for coordinated development, procurement and deployment of countermeasures and essential medical supplies” and “shared public health assets.” The omission is particularly striking given the focus on manufacturing in the paper prepared by the World Bank and World Health Organization for the G20 Joint Finance & Health Task Force in March 2022. As that document noted,

The deep inequities that COVID-19 has highlighted in access to vaccines, testing and other medical countermeasures between rich and poor countries highlights the need to invest much more in globally distributed manufacturing capacity for products that can be easily adapted and adjusted to new needs as they emerge, build resilient supply chains, and ensure that procurement mechanisms that can be activated in times of crisis are well prepared, in advance, through efforts in inter-pandemic years.<sup>2</sup>

The FIF can play an important role in bolstering and sustaining global manufacturing capacity. For example, it could fund the WHO-led effort to establish mRNA hubs and spokes in more than a dozen countries. The FIF could provide funding for technology transfer, equipment, facilities, and staff. It could also fund production runs to keep capacity “warm” and help send important demand signals to manufacturers. Building manufacturing capacity is linked to supporting coordinated research and development, which should be used to promote equitable access.

### **3. The FIF should facilitate knowledge sharing and equitable access.**

The White Paper states that PPR is a global public good. It is critical that countermeasures like diagnostics, treatments and vaccines are accorded the same status.

Monopoly control produces artificial scarcity. The COVID-19 pandemic highlighted the perils of a monopoly-based system, which led to a significant divergence between vaccination rates in high and low-and-middle income countries. This delay cost lives and livelihoods and increased the risk of new variants emerging. The production of the drug substance of the most promising vaccines is still limited to two continents, despite requests from manufacturers around the world. The same mistakes should not be repeated.

A commitment to equitable access should be enshrined in the FIF framework. In operational terms, FIF funding for medical countermeasure research and development, via implementing partners or directly if appropriate, should be conditioned on access requirements. This should include reserving supply for developing countries; reasonable pricing; and open technology sharing with manufacturers around the world. Intellectual property, know-how, and

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<sup>2</sup> World Bank and World Health Organization. Analysis of Pandemic Preparedness and Response (PPR) architecture and financing needs and gaps. Prepared for the Task Force meeting of the G20 Health and Finance track. <https://thedocs.worldbank.org/en/doc/5760109c4db174ff90a8dfa7d025644a-0290032022/original/G20-Gaps-in-PPR-Financing-Mechanisms-WHO-and-WB-pdf.pdf>

data should be openly shared to expand supply and lower prices. Public goods should remain public.

**4. FIF funding should not be linked to extraneous conditionalities.**

The White Paper contemplates that FIF funding will be channeled through implementing entities, including regional development banks. The FIF's founding principles should clarify that, irrespective of implementing entity, provision of funds to countries shall not be conditioned on overall economic policy, except for appropriate consideration of transparency and anti-corruption measures. The FIF's founding document should further clarify that FIF funding will not be conditioned on countries in any way adopting, maintaining or imposing user fee or co-pay arrangements from patients seeking health care. Recognizing that effective PPR requires universal access to the public health infrastructure and pandemic countermeasures like diagnostics, treatments and vaccines, the FIF should affirmatively seek to eliminate all cost barriers, including especially point-of-service fees.