

United States

Comments on the World Bank White Paper on the Financial Intermediary Fund

The United States strongly supports the World Bank's proposal for a Financial Intermediary Fund (FIF) to mobilize additional resources for gaps in pandemic preparedness and response. The proposal describes well the rationale for the FIF and how the mechanics of its governing body could work. Here, we provide additional clarity on the United States' views on the FIF's priorities and structure, and comments on areas where additional work will be needed.

The FIF will need to carefully determine its priorities and how to allocate its fixed resources

The governing body of the FIF will ultimately need to decide how to prioritize and allocate the FIF's resources across PPR functions at the national, regional, and global levels. The governing body can take guidance from a range of entities and the existing international work and studies - including those participating in the FIF's technical advisory group. The FIF could also draw on the experience of other FIFs in prioritizing financing for multiple objectives. We would welcome additional information or examples of how other FIF's prioritize focus areas and allocate financing across those areas.

Global and regional investments in PPR should complement country-level investments

Ultimately, strengthening and sustaining health security at the country level is critical to our shared PPR goals. Regional and global investments should complement these efforts. Building country capacity is only effective – and sustainable – when countries are bought into those efforts and when they reflect national priorities. Although the FIF cannot disburse grants directly to countries, it should ensure that country priorities (e.g., national action plans for health security) are incorporated into proposals that the governing body reviews. The FIF may want to set limits on funding that ultimately goes to regional or global priorities in order to maintain a focus on country level strengthening.

The FIF should focus on investments in prevention and preparedness (PP)

We believe the FIF should focus primarily on prevention and preparedness functions, such as those measured by the WHO International Health Regulations Monitoring & Evaluation Framework (e.g., Joint External Evaluations). For example, country investments are needed in disease surveillance and early warning systems; financing for these functions that also lead to improved COVID-19 variant preparedness and detection would pay early dividends in managing the current pandemic. We are also cognizant that additional emerging public health threats are exposing gaps in our capabilities (e.g., multi-national acute hepatitis, Monkeypox, HPAI, Ebola, and more).

Furthermore, we believe the FIF should not neglect investments in staff and systems, in favor of investments in “stuff” or equipment. For instance, in the area of surveillance and early warning systems, there have been significant investments in genomic sequencers and lab infrastructure, but insufficient investments in hiring, training, and equipping community health workers to utilize such equipment. The FIF could focus on closing gaps in staff and systems.

While we see a focus on prevention and preparedness, the FIF should consider if a limited and targeted role in response would be useful. If appropriately framed this could strengthen the linkages between prevention, preparedness and response and facilitate more timely responses to future health threats. This would, however, have a very limited scope given the FIF's current resources. Such a financing mechanism was lacking during the COVID response, and a “war-time” footing for the FIF would make it easier to channel resources if needed for future responses.

The FIF will need to determine how much focus there is on R&D or large-scale manufacturing

Given resource limitations at this stage, we should be cautious in how the FIF supports the ecosystem of research, development, or large-scale manufacturing of medical countermeasures, as these areas could quickly deplete FIF resources. The FIF should carefully consider whether there is a subset of

preparedness-focused efforts that build key capacities that underpin R&D that the FIF could support, such as building research and regulatory response capacities for a novel pathogen or emerging threat.

We recognize that there may be strong pressure for the FIF to focus on large-scale procurement or ongoing *response* functions (e.g., vaccine delivery). As noted above, the FIF will need to carefully target how it focuses on COVID-19 response or the operational response to an outbreak.

The governing body should balance inclusivity and agility and receive scientific guidance from a technical advisory group

It is imperative that the FIF find ways to incorporate a range of country views and institutional expertise. It should be governed inclusively and in a manner that invites follow-on contributions from economies of all sizes, as well as philanthropies and the private sector. The core governing body should consider balancing representation from 1) donors, 2) recipient countries and/or regional bodies, 3) technical experts, and 5) non-governmental stakeholders as either Board seats or Observers. In its structure, the FIF board should ensure sufficient representation from low- and middle-income countries. The FIF should also seek scientific and technical advice from a formal Technical Advisory Group (TAG), whose head is an active Observer (preferably WHO) on the governing body.

WHO's role should be central but would need to be carefully scoped to ensure no conflicts of interest

WHO should be an Observer on the FIF governing body and play a leading role on the TAG in order to provide scientific and technical inputs, expertise, and guidance. WHO could also be an important implementing partner for the FIF. As with other multilaterals, its role would need to be carefully scoped to avoid conflicts of interest. We do not think WHO should have an official role on the FIF's Secretariat, as WHO's strength is to provide health expertise to global bodies and to their member states, rather than take on administrative functions. Where helpful, we would support the proposal for WHO to second staff to the Secretariat, hosted by the World Bank. The World Bank is best suited to run the Secretariat and provide the lean administrative support to the FIF's governing body.

The G20 Joint Finance-Health Task Force could play a role in the FIF

Though the FIF would be directly accountable to its governing body, we see opportunities for the FIF to be guided by the work of the G20 Joint Finance-Health Task Force (JFHTF) or its successor, and for the FIF to inform the coordination work of the JFHTF. We could explore the executive head of the JFHTF (or its successor) being an observer on the FIF governing body. This would be an easy way to link the Task Force and/or a future coordination Platform with broader PPR efforts. The Task Force itself should not make decisions on FIF governance or financial allocations, but it could receive reports/briefings from the FIF governing body. Similarly, the Executive Head of the Task Force could regularly brief the FIF governing body on the status of PPR financing gaps. This would help ensure that the FIF's priorities are current and that it is fit for purpose.

Incentivizing countries to invest domestic resources in PPR should be core guiding principle of the FIF

No one institution can fill preparedness gaps alone and the FIF should draw on a range of best practices from other FIFs and mechanisms to catalyze domestic investments. There are many ways in which the FIF can do this.

First, since preparedness requires sustained financing, and resources are likely to remain insufficient, the governing body of the FIF will need guidance on the cost-effectiveness of various PPR investments in order to channel resources in the most effective way. We believe countries themselves should utilize domestic budgets to pay for the most cost effective PPR investments. Financing from the FIF should complement these investments and effectively subsidize investments that would otherwise go unfunded because of their cost.

Second, in order to sustain investments over time, the FIF needs to develop clear policies that incentivize countries to spend domestic resources on PPR. The FIF should also learn lessons/best practices from the

experiences of other organizations with blended financing. Catalytic or incentive grants could be built into the design of the FIF in instances where country-level health security gaps are being filled.

The FIF should remain flexible in terms of implementing partners

Implementing partners under the World Bank's current policy (i.e., MDBs, UN agencies, and the IMF) cannot fill all of the global, regional, and country preparedness gaps, and there is a broader range of international health actors critical to addressing pandemic prevention and preparedness. We think the FIF must be explicit in expanding its implementing partners to consider existing global health institutions (e.g., Global Fund, Gavi, CEPI) and in the future, regional or other bodies (e.g., Africa CDC) with pandemic preparedness expertise that can be leveraged. Ultimately the suite of additional implementing partners must be able to address the core operational areas of the FIF.