

General comment on Article 19: Financing in the Pandemic Accord

# Article 19 must commit to fairer financing in the Pandemic Accord

Article 19 of the Bureau's text of the Pandemic Accord falls short of addressing the financial issues concerning pandemic prevention, preparedness, and response. We call for a fairer financing approach and welcome feedback on our [proposed textual improvements](#).

The Pandemic Accord, currently under negotiation at the World Health Organization (WHO), aims to organize the scenarios for appropriate responses to pandemics, including prevention, preparedness, and response (PPR). It has the potential to be a critical step towards rebuilding and reshaping global public health in the face of multiple interconnected crises. However, the various elements of the pandemic treaty will require bold vision, grounded in the realities within countries, in all aspects of the accord.

Financing is one crucial aspect that needs addressing, especially for low- and middle-income countries that today are not enabled to mobilize the necessary level of resources or capabilities. Moreover, public health financing is becoming more and more problematic also in high-income countries, where health budgets have started to decrease and public health systems are left in a precarious position in the aftermath of the Covid-19 pandemic.

In this context, the currently proposed text on pandemic PPR financing – [Article 19 of the Bureau's text](#) – is severely lacking in a sense of reality as well as a vision. It conveys neither ambition nor a vision for facing health emergency challenges in the future. It is so vaguely worded that its highly predictable outcome is that the current unhealthy order of things will continue undisturbed. Financial dynamics will need to change to make the new treaty live up to its promises. Failure to do so would render the Pandemic Accord negotiation almost irrelevant, hindering its potential to make a meaningful difference.

At this stage of the process, the demand for financial justice is so compelling that addressing it becomes a fundamental condition for health and equity. If the new treaty fairly articulates the financial aspects of pandemic PPR, it will better equip countries to meet the challenges ahead.

Pandemic prevention, preparedness and response is a global public good

The world needs a transformative financing approach because, as emphasized by delegates and proponents of the Pandemic Accord at the inception of this process, pandemic PPR is a global public good.

In essence, activities that reduce the likelihood of pandemic outbreaks (“prevention”), as well as plans and infrastructures that tackle zoonotic and other contagious events to avoid pandemic escalations (“preparedness”), and activities that mitigate the impact of disease spread when it occurs so as to avoid pandemics (“response”), all together contribute to a non-excludable and non-rivalrous worldwide system.

Hence, pandemic PPR, as a whole, can be considered a global public good. In our interconnected world, both today and throughout history, reducing the risk of an epidemic outbreak in one country inherently reduces the risk for all. Undoubtedly, the implications for financing are many.

## Financing approaches for sustainable pandemic prevention, preparedness and response

### **“Contribute according to ability, benefit according to need”**

As a good that benefits all nations, pandemic PPR should be collectively financed, as a reflection of the collective benefit received. These contributions should be in proportion to countries’ means, taking into account factors such as economic strength and the extent to which they benefit from international trade. The financing should be sustained and continuous, not relying on short-term, voluntary, earmarked contributions.

Approaches building on the principle of “contribute according to ability, benefit according to need” (fair share), in which all countries own the power to decide regardless of the size of their contribution, come to mind as a possible financing paradigm that goes beyond the currently often used “one dollar, one vote” mechanisms. Funding should prioritize resource allocation to low-income countries that otherwise would not have the means to adequately prepare and respond.

Lastly, the funding should be channelled through existing mechanisms and/or organizations, such as WHO’s [Contingency Fund for Emergencies \(CFE\)](#).

### **Addressing financial constraints at domestic level: debt, illicit financial flows and taxation**

Domestic investment will also be crucial for sustaining pandemic PPR. Currently, factors such as illicit financial flows and debt obligations severely constrain many countries’ capacity to expand fiscal space.

All countries should prioritize action on wealth and multinational corporate taxation, such as higher minimum corporate tax rates, and tackling the illicit financial flows that funnel money away, especially from low- and middle-income countries. One of the ways to make meaningful progress on this is working towards a UN tax framework building on the resolution on the [“Promotion of inclusive and effective international tax](#)

cooperation". The current silence of Article 19 on this front undermines the financial sustainability of pandemic response measures.

Another crucial element for mobilizing public resources is tackling the issue of debt. Existing proposals for debt relief or suspension are not appropriate nor sufficient. Rather than endless cycles of debt suspension and relief, we need comprehensive debt cancellation on the table in discussions at the UN regarding a new financial architecture. This is especially relevant in light of the climate debt the global north owes to the global south as calculated by [Fanning and Hickel](#)<sup>1</sup> and as explained in the [G2H2 report on financial justice](#)<sup>2</sup>.

### **Prioritizing sustainable health systems over specific budget allocations**

Lastly, the call to commit a percentage of the health budget to pandemic PPR is premature. The Pandemic Accord should place primary emphasis on advocating for governments to sufficiently fund their health systems, aiming to achieve universal health care, while working towards the development of appropriate international mechanisms that provide countries with the fiscal space necessary to accomplish this goal. Pandemic PPR needs to come first in the shape of realizing sustainable development goal 3 as universal health care with comprehensive primary care.

## **A call for financial fairness and collective responsibility in the Pandemic Accord**

In summary, the current financing article proposed in the Pandemic Accord overlooks integral aspects of global health governance and economics. It neglects the tenets of equity, sustainability, and debt justice that are critical for an effective and inclusive response to pandemics. As it stands, the accord's financial provisions remain hugely distant from what is needed for pandemic PPR to serve as a global common good, adequately fund national health systems, and break free from restrictive debt obligations. Funding pandemic PPR is very different from funding specific actions against one or more diseases, and the ambition requires more than a mere policy adjustment - it demands a crucial shift towards fairness, justice, and sustainability in our public global health system.

In light of this, we urge member states to pay close attention to the points raised in this document during their discussions and considerations on the Pandemic Accord. Addressing financial justice, assuming collective responsibility and solidarity, and ensuring that all nations have means to adequately prevent, prepare for and respond to pandemics is paramount. A treaty that seriously incorporates these changes will significantly advance our ability to respond to pandemics. And in doing so, it will reinforce our joint commitment to a healthier, safer world that leaves no one behind.

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<sup>1</sup> A.L. Fanning & J. Hickel. "Compensation for atmospheric appropriation" in: Nature Sustainability; published online 5 June 2023. [Access here](#).

<sup>2</sup> Geneva Global Health Hub (G2H2). "Financial Justice for Pandemic Prevention, Preparedness and Response". 2022. [Access here](#).

**Contribute to our textual suggestions**

We have compiled suggestions for changes and alternatives to the clauses in Article 19 of the Bureau's text for the Pandemic Accord. These proposed improvements may prove instrumental when member states advance in the discussion towards a final draft. We warmly welcome your feedback - [click here to read the textual suggestions and share your inputs](#).