# **T20 Policy Brief**



Task Force 06

### STRENGTHENING MULTILATERALISM AND GLOBAL GOVERNANCE

## Improving Development Cooperation Flows: Solidarity, Multilateral Governance, and New Metrics of Health Impact in Incentivising the Provision of Health as a Global Public Good

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#### **Abstract**

At the start of the coronavirus-19 pandemic, the World Health Organization (WHO) called for solidarity initiating the Access to COVID-19 Tools Accelerator (ACT-A) - the international response platform. Subsequent calls for solidarity - the shared responsibility to work together and equitably promote everyone's health and wellbeing - can reshape discussions of how the international community should respond to development challenges. Here we propose solidarity as a ground for a new metric of health impact that can guide development cooperation and help set targets, allocate resources, and measure progress in securing global public goods. Specifically, we propose a new way of estimating the Disability-Adjusted Life Years (DALYs) averted by interventions globally. Focusing on G20 efforts to respond to pandemic threats, we argue that tying development cooperation flows to health impact can improve global health. G20 countries fund development through international organizations like the WHO, Global Fund, The Coalition for Epidemic Preparedness Innovations (CEPI), and Gavi, the Vaccine Alliance (Gavi), multilateral development banks (MDBs), and bi-lateral aid. We argue that effective development cooperation financing should focus on incentivising health impact. Global representation in governance of development efforts can also improve results. To democratize these organizations' governance structures through an equitable participation of both high income countries (HICs) and low and middle income countries (LMICs), and civil society participation through representation from non-governmental organizations (NGOs) and other non-state actors, prioritizing low- and middle-income country / Global South participation in these structures and ensuring that they have due decision-making authority.<sup>2</sup>

Keywords: Global Health, Development Aid, DALYs, Solidarity, Vaccine Access

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<sup>&</sup>lt;sup>1</sup> Here we are not advocating for performance-based financing traditionally understood as we do not focus on policy but actual health consequences of investments.

<sup>&</sup>lt;sup>2</sup> The authors would like to thank Shobanke Temiwunmi, Sadhu Ravi, Dan Tortorice and Maddalena Ferranna for their valuable insights.



#### Diagnosis of the Issue

Solidarity in Promoting Global Health as A Global Public Good: New Metrics of Health Impact in Development Cooperation

Global health is a global public good. Infectious diseases like COVID-19 and tuberculosis cross borders, making their control beneficial to all, and this benefit is non-rival and non-exclusive. However, this creates a paradox: since no one is excluded from these benefits, commercial entities lack the incentive to improve global health.

International cooperation to secure global health as a public good is an important expression of solidarity - the shared responsibility to work together and equitably promote everyone's health and wellbeing. More precisely, solidarity is "broadly, a sympathetic and imaginative enactment of collaborative measures to enhance our given or acquired relatedness so that together we fare well enough" (Atuire and Hassoun, 2023). Solidarity requires empathizing with others and working together with them to promote mutual flourishing and equity.

G20 countries have spearheaded many solidaristic efforts to advance development and promote health. In the Coronavirus-19 pandemic, G20 countries were instrumental in supporting the ACT-A and, to enhance pandemic preparedness and response for the future, they have also helped draft a new pandemic agreement or treaty, supported the creation of a new medical countermeasures platform, and launched the Pandemic Fund. These new platforms and funds are designed to expedite the research, development, and deployment of life-saving interventions during public health crises (The World Bank 2023). Moreover, G20 countries provide significant resources for health and development efforts through international organizations like the WHO, Global Fund, CEPI, and Gavi as well as through MDBs and bi-lateral aid.



However, these efforts have sometimes fallen short of the solidaristic cooperation necessary to secure global health and international development (<u>Usher, 2021</u>). Countries have sometimes focused more on national interests rather than global collaboration. The ACT-A failed to secure the resources to meet its targets of vaccinating 20% of the world's population by end of 2021 and 70% by fall 2022. Both vaccine nationalism and intellectual property rights posed barriers to timely and equitable access to essential countermeasures for the world's population (<u>Kavanagh et al. 2021</u>, <u>Legge 2020</u>). The Pandemic Fund also failed to secure sufficient resources. It only received pledges totaling \$2 billion, when its proposal was \$10.5 billion (<u>Fan et al. 2024</u>). The G20 must invest in the Pandemic Fund to ensure that the world is prepared to respond well to future threats (<u>Pecetta et al. 2022</u>). The G20 must ensure equitable access to the fund and strengthen health systems around the world (<u>Kant and Clark 2023</u>, Hassoun, Gostin and Basu, Forthcoming). The international community must unite with greater solidarity to secure health and development as global public goods for all.



#### **Recommendation:**

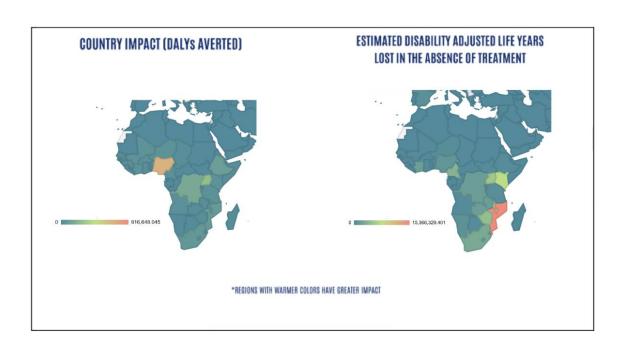
# Metrics for Incentivising the Provision of Essential Countermeasures in Pandemic Preparation and Response Agreements and Platforms - A New Mechanism

Solidarity requires the G20 to do many things to better promote health, development, peace, and human rights, but here we propose solidarity as a ground for using data on interventions' health consequences to help ensure that development cooperation flows generate concrete improvements in global health. One way of doing so is to utilize a new metric measuring interventions' health impact in setting targets, allocating resources, and measuring progress in promoting global health. Specifically, we propose a new way of estimating the life years saved and disability prevented in Disability-Adjusted Life Years (DALYs) averted by interventions globally (global-health-impact.org). Disease burden refers to the overall impact of a health problem on a population, measured in terms of mortality and morbidity. Impact, on the other hand, refers to the extent to which an intervention reduces this disease burden. This is measured in terms of DALYs averted life years saved and improvements in quality of life. Interventions with a high impact are those that significantly reduce mortality and morbidity, thereby lowering the disease burden. Utilizing existing data, researchers can assess the extent of illness that would prevail without any treatment, evaluate how interventions reduce this illness over time, examine consequences of the health impact and develop strategies to reduce the worldwide disease burden (<u>Hassoun, Friedman and Cosler, 2022</u>). The following equation estimates drug impact in a single country.



$$I = \frac{D * e * \theta}{1 - e * \theta}$$

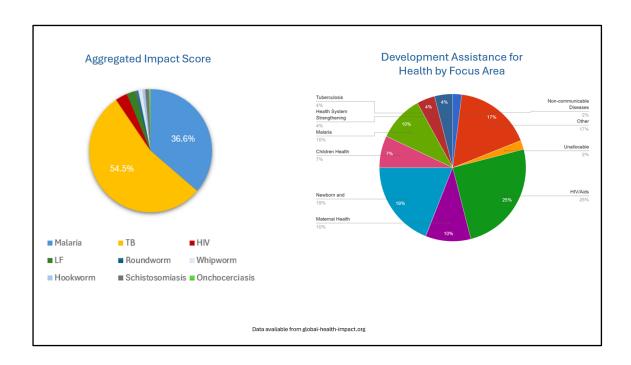
D represents the DALYs observed within the population requiring treatment, θ represents its treatment coverage calculated by dividing the total population treated by the population requiring treatment, e represents the effectiveness or efficacy of a specific treatment in reducing the disease burden for a condition in the population (efficacy is a proxy for effectiveness in a controlled clinical trial setting). See (global-health-impact.org) and (Hassoun 2015) for proof of concept. This metric can help the G20 set targets, allocate resources, and measure progress in meeting health needs, highlighting the importance of considering not just disease burden, but also health improvement. Consider the following need versus impact graphs for malaria, TB, and HIV in Africa, illustrating the disparity between the current state of disease management and the potential benefits of key interventions.



In Africa, challenges such as HIV prevalence, widespread malaria, and the emergence



of multidrug-resistant TB require tailored approaches. Using this data, policy makers can also examine different interventions' impacts, evaluate performance, set targets, and better meet health needs. Consider global aid and research funding by disease compared to the estimated health impact of these investments. There is a significant mismatch: diseases like HIV, affecting both rich and poor countries, receive the most funding, while diseases like malaria and tuberculosis, which have a higher treatment impact, receive less. Without evidence that another approach is more effective, the G20 should align spending more closely with health needs to save lives and alleviate disability.



Focusing on G20 efforts to respond to pandemic threats in particular, we advance a two-part mechanism that utilizes this metric to extend access to essential health technologies around the world. We argue that tying some development cooperation flows to health impact and making them conditional on strong access conditions can increase the provision of global health as a global public good. The G20 should also focus on expanding collective procurement efforts, differentially pricing products, and supporting



other strategies to enhance access to crucial technologies during pandemics. These strategies can be embodied in international agreements and platforms. Consider each component of our proposed mechanism in turn.

First, the G20 should tie financing for essential technologies through international development organizations and multi- and bi-lateral aid to their health impacts and provide financing only on strong access conditions.<sup>3</sup> More precisely, we propose that the G20 finances the development of new technologies through mechanisms like advance market commitments, milestone payments, or prize funds. The G20 should link incentives to health outcomes and provide research and development financing only if the intellectual property, data, and knowledge are vested in a transparent, well-governed international organization like the WHO. This would ensure equitable access to the resulting products.<sup>4</sup> With G20 support, the pandemic preparation and response agreement currently under negotiation can outline country contributions to the initial research and development financing. The G20 might also supply alternative funding through mechanisms like the World Bank's Financial Intermediary Fund or Global Citizenship Fund, potentially enhanced by a global financial or technology tax (World Bank Group 2022; Filgueira et al. 2021).

Second, the G20 should invest in collective procurement, differential pricing, and other

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<sup>&</sup>lt;sup>3</sup> For proof of concept please refer to Hassoun, Friedman and Cosler 2022. Assuming company involvement is voluntary, incentive should be offered to encourage their involvement.

<sup>&</sup>lt;sup>4</sup> The G20 should also support much more extensive patent waivers at the onset of future pandemics if companies are not willing to make essential technologies available to all on reasonable terms.



strategies to improve access to essential countermeasures. The G20 should facilitate transparent, accountable, collective procurement - through regional procurement organizations and UNICEF - and invest the cost savings in efforts to expand access as well as future research and development. Through new platforms, the G20 can work with collective procurement organizations in differentially pricing innovations, subsidizing essential technologies' provision in low- and middle-income countries (LMICs) while charging market rates in wealthier nations. This will allow the G20 to recoup investment costs and secure the resources needed to strengthen health systems (Moon, Jambert, Childs, and von Schoen-Angerer 2011, 1-11).<sup>5</sup> To strengthen health systems, the G20 should invest significantly in regionally distributed manufacturing, distribution, infrastructure, workforce development, disease surveillance, universal healthcare systems, and technology transfer initiatives.<sup>6</sup>

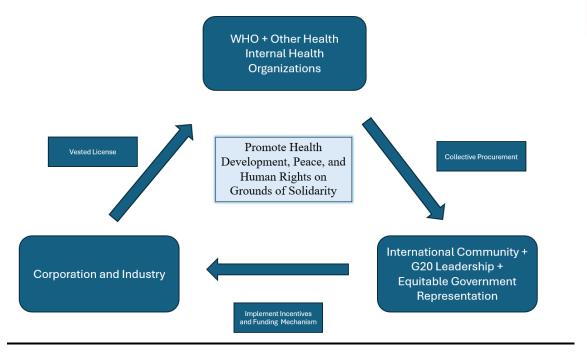
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<sup>&</sup>lt;sup>5</sup> Tiered pricing is sometimes used by companies as well as international organizations but here the idea is to provide rich as well as poor countries access to medicines at reasonable costs for their contexts through a truly global procurement mechanism.

Moreover, doing so has the potential to save money for companies and countries (Moon, Jambert, Childs, and von Schoen-Angerer, 2011, 1-11).

<sup>&</sup>lt;sup>6</sup> Even rich countries may benefit from the mechanism as they will often receive medicines at lower cost than they would with pharmaceutical companies engaging in monopoly pricing.







#### **Scenario Of Outcome**

The proposal's innovation is to combine delinkage with collective procurement, differential pricing, and other strategies to enhance access to crucial technologies during pandemics and ensure the mechanism is self-sustaining. Tying financing to health outcomes decouples pharmaceutical companies' profits from sales volume, aligning earnings with the health impact of their technologies. Such a strategy shifts the focus from treatments that cater to chronic conditions in wealthy patients to addressing global health challenges, promoting equity and the development of treatments for world's deadliest diseases. The second part of our proposal addresses the difficulty global poor populations face in accessing essential health technologies even when they exist. By expanding collective procurement and differential pricing technologies, the G20 can support the distribution of vaccines and other crucial health technologies globally, while recouping investment costs and generating the funds necessary to implement other measures to ensure equitable access to resulting products (Basu, Gostin, and Hassoun 2021, 1; Saxena et al. 2023). This may enable the G20 to invest significantly in manufacturing, distribution, and health system strengthening in LMICs, including technology transfer initiatives. Investments will enhance infrastructure, workforce development, disease surveillance, and universal healthcare. Additional gains from pandemic cooperation can further support health, development, peace, and human rights efforts.

It is essential, however, that the international effort be well-governed. It must represent, and be appropriately responsive to, the global population's interests.<sup>7</sup> It is

<sup>&</sup>lt;sup>7</sup> The international health organization holding the licenses on new technologies must, as part of this effort, also be appropriately governed.



ultimately individuals' interests that matter and not just those in rich states. To achieve better results, it is also important to secure global representation in governance of development efforts, particularly from the Global South / LMIC's countries and members of vulnerable and marginalized communities (ACT-Accelerator Strategic Review 2021). The ACT-A governance was, for instance, almost entirely composed of members from high-income countries (HICs) (WHO 2022). One way to democratize these organizations' governance structures through civil society participation is by including more representation by NGOs and other non-state actors on their executive boards. Proportionate representation throughout decision making structures from LMICs/the Global South and members of vulnerable and marginalized communities is essential for good outcomes as well as fair processes (Saxena et al., 2023). Those working to address needs must understand them and the ACT-A and many global health and development organizations have been faulted for failing to recognize and fill these gaps precisely because they possessed unrepresentative, and hence highly inadequate, governance mechanisms (WHO 2023).<sup>8</sup>

The G20 should implement our proposed mechanism as an expression of solidarity with the rest of the international community, out of concern for others, and in recognition that everyone's well being is intimately connected. Solidarity partly constitutes individual and collective flourishing and the important relationships we share with one another. The phrase "Vasudhaiva Kutumbakam" exemplifies the value of collective wellbeing. The Sanskrit phrase found in the Upanishads translates to "The world is one family" and

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<sup>&</sup>lt;sup>8</sup> There are a wide range of cost estimates for pandemic preparation and response but we believe significant investments are well-justified (Hassoun, Gostin and Basu, Forthcoming; Saxena et al. 2023).



emphasizes this global perspective, prioritizing the collective well-being over individual or family interests. Another way of understanding and grounding concern for this kind of flourishing starts from a relational conception of the self. On conceptions of the self that ground morality in many African and other non-Western traditions humans as relational beings, thrive morally when they strive to make other persons thrive (Atuire and Hassoun 2023; Hassoun and Wong 2015). As Kenyan, John Mbiti (1970) asserts, on this conception of the self, 'I am, because we are; and since we are, therefore I am'. Similarly, in the ubuntu philosophical tradition, South African Mogobe Ramose (2020), appeals to the saying motho ke motho ka batho; umuntu ngumuntu ngabanye bantu, or a (moral) person is a person through other persons (Atuire and Hassoun 2023). Drawing on these views, we have a moral responsibility to help each other flourish because of our interconnectedness. Doing so effectively requires helping people meet their basic health needs, in part, because global health is a global public good.



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