Recommendations for the new EU Global Health Strategy

In May 2022, the European Commission announced that the EU will aim to adopt a new Global Health Strategy by the end of the year. As the previous strategy dates from 2010, this new strategy is a crucial opportunity to implement lessons learned from COVID-19, namely by ensuring requisite financing for global health, building fairer and and more sustainable partnerships, and improving policy coherence across the EU and Member States to ensure that internal health, trade, digital and competition policies align with equitable global health objectives.

Over the last two years, COVID-19 reversed decades of progress in global health, deepened inequalities and set back the fight against other preventable diseases. While the transmissibility of COVID-19 quickly made health a geopolitical priority, recent developments - from Russia’s invasion of Ukraine to the developing economic and food crises - has led to a shifting of priorities. There is now a serious risk that global health becomes deprioritized and underfunded in the years ahead, that health inequalities exacerbated by COVID-19 are not closed.

Key Recommendations:

1. Support a Sustainable Global Health Financing Architecture

COVID-19 exposed structural weaknesses in how global health is financed. Multilateral responses were stymied due to slow and insufficient funding, while underfunded health systems across the world were quickly overburdened throughout the pandemic, leading to a reversal of progress against other deadly diseases. Overall financing needs from all sources have increased 30% for the next 3 years to €130 billion to get back on track in the fight against AIDS, tuberculosis, and malaria, build stronger and more resilient health systems and strengthen capacities to prevent and prepare for future pandemics.¹

Unfortunately, existing domestic budgets and financing mechanisms are insufficient to meet rapidly compounding needs. Of the US$ 31.1 billion² required annually for Pandemic Preparedness and Response (PPR), there is still a gap of $10.5 billion per year in additional international donor financing required for a fit-for-purpose PPR architecture. Low- and middle-income countries (LMICs) have the largest capacity gaps and the least fiscal space to address them.³ In 2019, high-income countries spent $5,638 per capita on healthcare, while LMICs spent $269. Low-income countries spent just $35.⁴ This is symptomatic of the wider inequality in global health financing which COVID has accentuated and threatens to perpetuate.

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² Analysis of Pandemic Preparedness and Response (PPR) architecture, financing needs, gaps and mechanisms, World Health Organization (WHO) & the World Bank, 22 March 2022. Available here. Additional funding for PPR should not be solely provided from overstretched health or ODA budgets as COVID-19 demonstrated how a pandemic impacts the global economy and all areas of our lives. PPR should be considered by all relevant Directorates-General (DGs), particularly International Partnerships, Health and Food Safety, Trade, Agriculture, and Environment.
³ A 2021 report by the WHO found that healthcare spending in Low-income countries was financed primarily by out-of-pocket expenditure (44%) and external aid (29%), while government spending dominated in high income countries (70%). - for more see: Global expenditure on health: Public spending on the rise?, World Health Organization (WHO), 2021. Available here.
We recommend that the Global Health Strategy:

- **Makes the case for increased investments in Global Health:** The Global Health Strategy should encourage and establish political consensus between the European Commission and Member States on the need to drastically increase financial resources to global health. The Strategy should underscore the economic case for health investment, emphasising how it underpins trade, education, and economic productivity. The Strategy should inspire political courage to increase the ceiling of Heading 6 to provide additional finance for external health priorities, both through budget support from the Geographic Window of the NDICI, as well as through increased contributions to multilateral health initiatives financed through the Thematic Window of the NDICI.

- **Encourages innovative financing:** The Global Health Strategy should encourage political support for EU Member States to leverage other innovative financing mechanisms to support LMICs, and provide more fiscal space for health priorities and pandemic preparedness. This should include a target for EU Member States to re-channel $100 billion of SDRs to lower-income countries, as encouraged in the Africa-Europe Joint Vision for 2030 and June 2022 Council Conclusions on global food insecurity. The IMF’s Resilience and Sustainability Trust could serve as a vehicle to facilitate this SDR re-channeling for short- and longer term financing for pandemic preparedness. The EU and Member States should jointly pursue strategies to increase lending through Multilateral Development Banks by reassessing capital adequacy thresholds.

- **Supports stronger domestic resource mobilisation:** The difference between the amounts invested in health between Low-income countries (roughly 5% of GDP) and middle-income (roughly 10% of GDP) countries is another stark illustration of the capacity gap. The Global Health Strategy should support additional domestic resource mobilisation (DRM) and allocation for health priorities, including through innovative and OECD/G20 backed global tax schemes. The Strategy should also recognize the high value of civil society in improving DRM and health allocations, such as ONE’s recent report on the State of Primary Health Care in Nigeria. Finally, debt swaps can also ensure that additional financing is invested in healthcare through domestic resource mobilisation. For example, Debt2Health is an innovative financing partnership between creditors, grant-recipient countries and the Global Fund, where countries are granted debt relief and in return invests an agreed amount in health. It has been estimated that this mechanism could raise about US$100 million per year.

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See also, Council Conclusions on the Team Europe response to food security, 20 June 2022. Available here.
7 Multilateral development banks have opportunities to unleash between $500 billion and $1 trillion in excess lending capacity without risking MDB’s financial health. A G20 independent expert report has already highlighted 5 main areas of potential reform to capital adequacy frameworks, such as redefining risk appetite and including callable capital, however future success depends on building consensus amongst the banks shareholders.
8 The OECD/G20 2 Pillar proposal can help increase the tax intake of LMICs by ensuring all multinational enterprises are subject to a minimum corporate tax rate of 15%. Broadening the tax base, together with formalisation of the informal sector should be foundational goals for partner countries to facilitate domestic resource mobilisation.
9 See The State of Primary Health Care Service Delivery in Nigeria, developed by ONE, National Advocates for Health, Nigeria Health Watch, Public & Private Development Centre (PPDC), and other partners, as an advocacy tool and measure of States’ progress in the implementation of the Basic Health Care Provision Fund (BHC PF) in all 36 states and the Federal Capital Territory. Available here.
• **Maps finance strands in the EU to monitor financial efforts and to identify consistent, additional sources of funding for global health initiatives:** The Global Health Strategy should commission a long-term mapping for global health needs based on priority objectives, and track existing and foreseen commitments to meet these needs. This mapping should also aggregate all EU Member State contributions to Team Europe health initiatives, and aim to incentivize further engagement and participation. This will be essential to provide additional predictability for partners and monitor potential gaps in financing needs. Progress against financing targets, as well as an evaluation of the impact of financing, should be a core pillar of the Global Health Strategy’s annual monitoring and reporting.

• **Commits to increased financial accountability:** Despite the large sums of public money used to finance development and procurement of vaccines and therapeutics, private companies often maintain most control over pricing, supply and distribution, often under extremely opaque terms. It is estimated that the EU may have overpaid as much as €30 billion for its COVID-19 vaccines, nearly equivalent to the total funds allocated to sub-Saharan Africa for the 2021-2027 MFF. The Global Health Strategy should encourage Team Europe to leverage its economic clout to negotiate concessions and conditionalities for increased transparency, accountability, and global access conditionalities within EU procurement contracts. The Strategy should build political consensus around the need for public funds to strike a more equitable balance between supporting the public interest and catalysing private sector profits.

### 2. Renewing Global Health Governance

COVID-19 showed how the EU’s domestic health policies and inefficient global health governance can inadvertently exacerbate health inequalities and reinforce donor dependencies. Short-term national interests led to wealthy nations stockpiling vaccines and other treatments, and despite the united voice of the Global South pushing for emergency rules at the WTO to increase supply, these calls fell on deaf ears in the Global North. Still today, therapeutics and diagnostics remain inaccessible or unaffordable for many.

Moving forward, it is essential that the EU and Member States take steps to weigh global health objectives in domestic policy responses, and ensure policy coherence across all sectors to guarantee equitable outcomes. This must be taken into account as the EU develops preparations for the next pandemic, especially as it builds new strategies to incentivize early detection and reporting, decentralise manufacture of medicines through investment and sharing of technology and intellectual property, and establish new funding mechanisms for pandemic preparedness.

**We recommend that the Global Health Strategy:**

• **Builds stronger policy coherence between the EU’s internal and external health, trade and competition policies:** The Global Health Strategy must encompass the entirety of the European Commission in accountability and ownership, and create a functional mechanism that encourages coordination and collaboration to ensure a ‘health-in-all-policies’ approach across key DGs leading on health, international partnerships, trade, digitalisation and research. Furthermore, the

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11 The Great Vaccine Robbery: Pharmaceutical corporations charge excessive prices for COVID-19 vaccines while rich countries block faster and cheaper route to global vaccination, the People’s Vaccine Alliance, 29 July 2021. [Available here](Available here).

12 Africa Centre for Disease Control and Prevention, Latest updates. [Available here](Available here).
Strategy should build guiding principles for the EU and Member States to reconcile domestic interests with global needs, such as guaranteeing fair distribution of scarce tools and medicines, and proactive sharing of procurement contracts and prices, especially in WHO declared epidemics and pandemics. The Global Health Strategy should notably foresee coherence with HERA’s annual work streams as well as the EU’s new Pharmaceutical Strategy, and aim to leverage the EU’s market shaping tools to not only increase affordability and access for EU citizens, but also for those most in need in LMICs. To this end, it is imperative that new push and pull incentives for novel medicines take global access needs into consideration.

- **Implements a monitoring and evaluation system for EU actions under the Global Health Strategy**: To be most effective, the Global Health Strategy should foresee both a clear action plan and consistent monitoring against core indicators, which should be carried out jointly by the European Commission, Member States, partner countries and CSOs. This report should include three pillars for evaluation, (i) progress made against financial needs and contributions from Team Europe; (ii) progress made on global objectives such as strengthening global health governance and improving access to medical tools and shaping pharmaceutical markets; (iii) progress made on specific national priorities such as health systems strengthening and improving universal health coverage. To inform this report, the European Commission should hold strategic dialogues with stakeholders at least twice per year, ideally through the Global Health Policy Forum, to discuss new evidence and potential strategic shifts required to address new challenges.

- **Advocates for meaningful and inclusive engagement** from Low- and Middle-Income Countries, civil society, and the WHO in the governance of global health mechanisms, including the FIF. This should go beyond inclusive representation and include equal decision making powers. It is essential that mechanisms such as the board of the FIF include at least 2 CSO seats, and a meaningful voting block for beneficiary governments. In the future, emergency mechanisms such as COVAX should be co-created with the Global South to ensure priorities and voices from LMICs are reflected in governance, avoid creating donor-dependency, and ensure adequate focus on health systems.

- **Increase local production of medicines and health tools**: COVID underlined the importance of proactively sharing technology and intellectual property with LMICs, to allow for scaled local manufacturing. To this end, the Global Health Strategy should encourage open-science principles and participation in patent-pools for EU sponsored R&D initiatives, and also advance WTO initiatives to increase LMIC’s access to intellectual property. This should be complemented by regional partnerships and private sector investments, to build regional health sovereignty.

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13 The Commission adopted its pharmaceutical strategy on 25 November 2020 and indicated that they will propose legislative reform around the affordability of medicines towards the end of 2022. This is an opportunity to address the root causes of medicines shortages, ensure patients have access to safe and affordable pharmaceutical treatments, and increase transparency on prices and public R&D funding.

14 The proposed structure and governance of the FIF repeats many of the failures of multilateral mechanisms. The scope and governance of the FIF is currently being designed solely by contributing governments and partners. Civil society, community organisations and LMICs should be involved in the design process and their perspectives taken into account.

15 Africa currently has capacity to produce 1% of the world’s vaccine needs but by 2040 aims for this to reach 60% to allow for resilience to future pandemics and provide health sovereignty to the continent. African Union and Africa CDC launches Partnerships for African Vaccine Manufacturing (PAVM), framework to achieve it and signs 2 MoUs 12-13 April, 2021. Available here.

16 The European Commission and Member States have already launched a Team Europe initiative on scaling manufacturing capacity in Africa. This initiative is a welcome start, however many details concerning key benchmarks and distribution of the planned €1 billion are not available. The initiative might be strengthened by building stronger policy coherence with the EU’s forthcoming pharmaceutical strategy to build clear alignment on how the EU can leverage push and pull incentives to catalyse global access to vital technology, know-how and intellectual property. Available here.
Incentivises early detection and reporting systems for future pandemics: Early detection and reporting is a crucial component of a pandemic response as delays lead to less effective public health responses and prolongs pandemics. It is vital that countries are not penalised for the reporting of this information by the imposition of visa or flight bans for their citizens.

3. Strengthening Health Systems

The 2010 Communication on Global Health left room for improvement to consider some of the most pressing global health challenges, and in the years since, the world has changed. Climate change has intensified, COVID highlighted the inadequate level of pandemic preparedness, and digitalisation is slated to transform healthcare systems in the next decade. Looking ahead, it is essential that we learn from the pandemic and plan for the future, considering both new and existing global health challenges. These challenges include antimicrobial resistance, WASH, nutrition, disability inclusion, mental health, sexual and reproductive health, and the provision of primary health services.

Ensuring that these challenges are incorporated into the Global Health Strategy can help ensure that the EU and partner countries make the right investments now, and prevent further crises later. Strong health systems and Universal Health Coverage (UHC) are the foundation of productive, resilient, and inclusive societies, and are key to detecting and managing the next outbreak. However, in Sub-Saharan Africa, there are just 2.9 physicians per 10,000 people compared to 38.3 per 10,000 in Central Europe, Eastern Europe, and Central Asia. The Global Health Strategy should aim to close these existing health inequities, and also aim to prevent new inequalities stemming from rapid digitalisation in higher-income countries.

We recommend that the Global Health Strategy:

- Supports partner countries in health workforce training, recruitment, deployment, and continuous professional development. The WHO estimates a projected shortfall of 18 million health workers by 2030, mostly in Low-income and Lower-Middle income countries. Severe shortages of health workers in LMICs have been exacerbated by COVID-19 as health workers are enticed to emigrate to other parts of the world by higher wages and improved conditions. This trend has worsened, particularly as resources to provide routine healthcare and immunisation, have been diverted for COVID-19 response. The Global Health Strategy should aim to support health systems by prioritising workforce training, recruitment, deployment and continuous professional development.

- Combines population-based approaches with programme-based approaches to support community-based service delivery: This is vital to ensure that those who cannot access health clinics are reached by tailored and appropriate services. In many low-income countries, community health workers (CHWs) and faith-based health networks provide primary health care

17 For example, in Sub-Saharan Africa, only 1 in 2 healthcare facilities have access to water, sanitation and hygiene (WASH). See COVID-19 in Africa, One Year On: impacts and prospects, Mo Ibrahim Foundation 2021 Forum Report. Available here
18 2.4 billion people need rehabilitation care and this will grow in the years ahead due to chronic diseases, ageing, injuries and disability. Persons with disabilities are three times more likely to be denied healthcare and 50% more likely to face unaffordable costs. See Global estimates of the need for rehabilitation based on the Global Burden of Disease study 2019: a systematic analysis for the Global Burden of Disease Study 2019, The Lancet, December 2020. Available here
20 Community groups were crucial in ensuring access to COVID vaccines and other medicines during the pandemic and their experiences should be incorporated into the strategy to ensure locally-rooted sustainable impact.
services.\textsuperscript{21} As part of its regular monitoring and evaluation of the Global Health Strategy, the European Commission and EU delegations in partner countries should regularly seek input from community-based healthcare workers and organisations.

- **Addresses health inequities through digitalisation and data governance:** The EU has made swift advancements in the digitalisation of health and the European Health Data Space (EHDS) will transform healthcare by increasing interoperability, sharing healthcare data across borders, and ultimately improving the quality and affordability of medical products and services. The Global Health Strategy should consider how to ensure complementarity so that partner countries can be included in this digital transformation, and ensure that the current digital divide does not lead to a new set of global health inequalities.\textsuperscript{22} Digitalisation has already significantly improved healthcare provision across LMICs, for example through the use of mobile healthcare applications, and the EU should aim to enable and empower further digital transitions in partner countries in the years to come.

- **Promotes routine immunisation to get it back on track after COVID:** Routine immunisation serves to protect against specific diseases, and additionally helps strengthen health systems and improve primary health care through critical infrastructure, supply chain, cold storage, trained health care workers, data systems and surveillance which can be replicated for the provision of other services.

- **Integrates climate resilience into agricultural production:** The increase in food insecurity as a result of Russia’s invasion of Ukraine has highlighted the importance of diversifying food sources and reducing the dependency on food imports. The Global Health Strategy should encourage integrating climate resilience into agricultural production, which can help protect food sources from the impact of climate change in the years ahead and allow more LMICs to increase their self-sufficiency. This is essential to prevent the food crisis turning into a health crisis for LMICs, which are already struggling as a result of the pandemic.

\textsuperscript{21} Faith-based and community health workers provide between 30-50\% of healthcare service in Africa.