

CLOSING THE DEAL: FINANCING OUR SECURITY AGAINST PANDEMIC THREATS

Summary of Recommendations

RECOMMENDATION 1

Unlock domestic resource mobilization. Mobilize health, security, and non-ODA spending. Rigorously track results.

At the UN HLM, all governments should present prioritized, costed PPR plans and announce new PPR financing, funded through a mix of domestic resources—like a dedicated portion of transport fees and health taxes as well as biosecurity spending—and international financing. Direct bilateral ODA and/or MDB financing for civil society organizations should be accelerated where governments lack presence or capacity to enhance PPR financing in fragile settings. Ahead of the UN HLM, the G20 JFHTF should launch an annual Global Pandemic Spending Tracker* covering country, MDB, PDB, and private sector financing across health, security, and development budgets toward the minimum benchmarks below.

MINIMUM BENCHMARKS FOR ANNUAL PANDEMIC PPR FINANCING

- At least \$15 billion annually in international financing directed toward regional and global public goods to fight cross-border threats.
- At least 0.1% to 0.2% of GDP per year, per country, directed toward pandemic PPR spending, informed by the recent analysis from the WHO, OECD, and the World Bank.
- At least 0.5% to 1.0% of security and defense budgets per year from G20 and other high- and upper-middle-income countries (HICs and UMICs) directed toward biosecurity, biosurveillance, and the 100 Days Mission to support deterrence, operational resilience, and to prevent deliberate and accidental misuse of biological agents—at home and globally.

RECOMMENDATION 2

Accelerate geographically diversified access to MCMs.

Ahead of the 2026 UN HLM, the IFC and other DFIs should partner to launch and finalize at least one dedicated, blended MCM surge financing facility and an associated 'standby' list of regional manufacturers and pooled procurement mechanisms for each region. Linked to that effort, philanthropies should launch a designated operational platform for technical assistance, market assessments, and stress testing to expand the list of regional manufacturers, particularly for under-invested products like diagnostics, PPE, and biomanufacturing. This facility should fill a key financing gap in the private sector, coordinate among like-minded actors as a partnership program, and leverage ongoing design work among G7 and G20 DFIs, IFC, and partners under the MCM Surge Financing Initiative, ensuring rapid deployability by 2026.

RECOMMENDATION 3

Enable development bank at-risk financing for MCM advance purchases.

Ahead of the 2026 UN HLM, all MDBs and relevant PDBs should confirm and clearly communicate the availability of rapid and effective at-risk financing for advance purchases of MCMs by LMICs during epidemics and pandemics (i.e. borrowing to purchase promising candidate MCMs before regulatory approval). At-risk financing should apply explicitly to country-level loans as well as any pooled procurement mechanisms using the development bank balance sheets. WHO PQ and NRA approvals must be accelerated and products that have already received regulatory approval by WHO-Listed Authorities at ML3 or higher should be given provisional or temporary approvals until WHO and NRA approvals are completed.

RECOMMENDATION 4

Operationalize financing for tests, treatments, and PPE.

Ahead of the 2026 UN HLM, global and regional organizations should designate specific international and regional anchor institutions to coordinate the development and scale-up of tests, treatments, and PPE; launch a financing strategy to prioritize and expand investments for specific epidemic and pandemic threats, leveraging the MCM Surge Financing Facility outlined in Recommendation 2 as well as other existing blended finance mechanisms; and identify and support at least one PPE manufacturing hub in each region with regional stockpiles, including for long shelf-life products such as elastomeric respirators.

RECOMMENDATION 5

Strengthen the Pandemic Fund financing, speed, and scale. Cement its role as the world's premier preparedness financing facility.

Ahead of the 2026 UN HLM, the G20 and other countries should commit to sustainably capitalize and strengthen the speed and scale of the Pandemic Fund. The World Bank and other MDBs should commit to using their tools and establishing standing allocations to ensure renewable support for the Pandemic Fund and its work. The Pandemic Fund should double down on its core preparedness mandate as well as its role in tackling cross-border threats, catalyzing domestic and non-ODA resources, soliciting matching funding, enhancing access for civil society implementers in fragile settings, and partnering more systematically with MDBs to leverage their lending.

High-Level Summary of Recommendations and Enabling Actions

1

Unlock domestic resource mobilization. Mobilize health, security, and non-ODA spending. Rigorously track results.

Domestic and global spending on pandemic PPR is not well tracked. ODA resources are dramatically decreasing. Security and private sector pandemic PPR financing remains elusive. Humanitarian-setting financing for pandemic PPR is inadequate.

RECOMMENDATION 1

At the UN HLM, all governments should present prioritized, costed PPR plans and announce new PPR financing, funded through a mix of domestic resources—like a dedicated portion of transport fees and health taxes as well as biosecurity spending—and international financing. Direct bilateral ODA and/or MDB financing for civil society organizations should be accelerated where governments lack presence or capacity to enhance PPR financing in fragile settings. Ahead of the UN HLM, the G20 JFHTF should launch an annual Global Pandemic Spending Tracker* covering country, MDB, PDB, and private sector financing across health, security, and development budgets toward the minimum benchmarks below.

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* The tracker should be analogous to the existing OECD tools for tracking development assistance and NATO tools for tracking defense spending.

**While scarcity of existing data on PPR expenditure is a concern, future spending should be benchmarked against historic and required levels. Those data that do exist (see Appendix F) suggest initial minimum PPR expenditure benchmarks in these ranges.

ENABLING ACTIONS TO ENSURE MAXIMUM IMPACT

- **Enhance Domestic Resource Mobilization:** Incentivize and accelerate domestic resource mobilization. Expand fiscal space for pandemic PPR through earmarked health and security budgets and innovative taxes. Stress the importance of PPR as a mechanism for foundational health care access and security, which is essential during a crisis.
- **Expand Defense and Security Sector Spending on Biosecurity:** Accelerate financing for biosecurity and ensure security and defense ministries commit resources alongside health ministries. As defense and security budgets rise, biodefense spending should be a core component.
- **Enable PPR Financing in Fragile Settings:** Develop a mechanism to accelerate the use of International Development Association (IDA) and other MDB grants to directly fund civil society and non-governmental organizations where governments lack presence or capacity to promote effective PPR.
- **Stress Test Pandemic Financing. Invest in Data Collection, Consolidation, and Accountability. Commission a Global Pandemic Risk Assessment:** Institutionalize an annual global exercise based on the G20 JFHTF Operational Playbook for Pandemic Response Financing. Invest in required data collection and consolidation and commission a biennial global Pandemic Risk Assessment to monitor gaps and progress.
- **Radically Mobilize and Scale Private Finance for Pandemic PPR:** Expand business interruption insurance and create real incentives, including blended finance and advance commitments, to unlock capital for PPR innovation. Establish a task force to mobilize private equity, biotechnology investors, and development finance for PPR innovation, with a particular focus on emerging AI-based solutions.
- **Better Leverage IFIs to Accelerate Pandemic Financing:** Maximize resources, coordination, and alignment among IFIs in support of pandemic PPR spending. Leverage the International Monetary Fund (IMF) Resilience and Sustainability Trust (IMF RST); preserve the IMF RST PPR mandate; recapitalize the Catastrophe Containment and Release Trust (CCRT) for outbreaks in LICs; and leverage and scale IDA, other MDB grants, and debt relief and restructuring facilities to de-risk PPR investment.
- **Offset Negative Economic Consequences for Transparency in Disease Reporting:** Encourage MDBs, PDBs, and philanthropies to establish a financial mechanism to offset the negative economic consequences of rapidly reporting an emerging epidemic.

MINIMUM BENCHMARKS FOR ANNUAL PANDEMIC PPR FINANCING

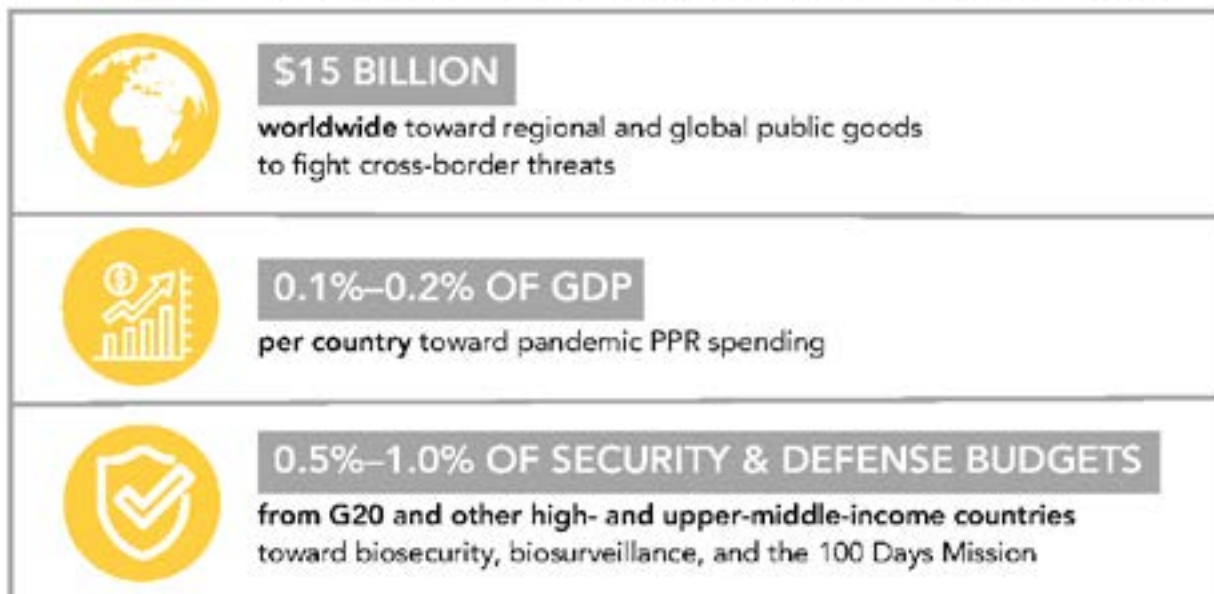


FIGURE 3 | Minimum Benchmarks for Annual Pandemic PPR Financing
SOURCE: Created by authors.

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Accelerate geographically diversified access to MCMs.

Manufacturing and delivery of MCMs is not sufficient nor sufficiently diversified geographically. Blended financing mechanisms are needed to enable regional manufacturing and pooled procurement.

RECOMMENDATION 2

Ahead of the 2026 UN HLM, the IFC and other DFIs should partner to launch and finalize at least one dedicated, blended MCM surge financing facility and an associated 'standby' list of regional manufacturers and pooled procurement mechanisms for each region. Linked to that effort, philanthropies should launch a designated operational platform for technical assistance, market assessments, and stress testing to expand the list of regional manufacturers, particularly for under-invested products like diagnostics, PPE, and biomanufacturing. This facility should fill a key financing gap in the private sector, coordinate among like-minded actors as a partnership program, and leverage ongoing design work among G7 and G20 DFIs, IFC, and partners under the MCM Surge Financing Initiative, ensuring rapid deployability by 2026.

ENABLING ACTIONS TO ENSURE MAXIMUM IMPACT

- Create a 'standby' list of regional manufacturers and pooled procurement mechanisms for each region.
- Hold at least one to two 'live fire' simulations per year, per region, including inter-regional coordination. These exercises should guarantee real production runs of commercially usable products, allowing manufacturers to demonstrate surge-scale capabilities while generating reimbursable sales and creating a dedicated pull-market mechanism.
- Finalize and support the establishment of a permanent secretariat or advisory council for the DFI MCM Surge Financing Initiative to pool resources more effectively.
- Establish pre-negotiated lines of credit for emergencies and regular assessments of supply chains and regional and domestic production capabilities in LMICs.
- Accelerate all regions' ability within 100 days to manufacture a substantial portion of MCM and rapidly respond to an emerging biological threat.

3

Enable development bank at-risk financing for MCM advance purchases.

Pre-negotiated at-risk financing and rapid use of country-level loans for LMICs to procure MCMs during crises is not sufficiently enabled among the World Bank, all MDBs, and relevant PDBs. Even approved products wait too long for WHO PQ.

RECOMMENDATION 3

Ahead of the 2026 UN HLM, all MDBs and relevant PDBs should confirm and clearly communicate the availability of rapid and effective at-risk financing for advance purchases of MCMs by LMICs during epidemics and pandemics (i.e. borrowing to purchase promising candidate MCMs before regulatory approval). At-risk financing should apply explicitly to country-level loans as well as any pooled procurement mechanisms using the development bank balance sheets. WHO PQ and NRA approvals must be accelerated and products that have already received regulatory approval by WHO-Listed Authorities at ML3 or higher should be given provisional or temporary approvals until WHO and NRA approvals are completed.

ENABLING ACTIONS TO ENSURE MAXIMUM IMPACT

- Drawing on existing groups such as the Coalition for Pandemic Preparedness and Innovation (CEPI), Gavi's Independent Product Group, and the WHO, the World Bank should recognize a panel of health and economic experts to recommend candidate MCMs for at-risk advance purchases using IDA or International Bank for Reconstruction and Development (IBRD) financing, as well as financing from other PDBs. The panel will explicitly consider the benefits of accelerating access and the costs of delay. Countries would be free to follow alternative guidance that meets MDB assurance requirements.
- The World Bank should establish a mechanism that allows donors and other funders to share some of the risks associated with at-risk procurement for IDA countries. In extremis, the Gavi First Response Fund could act as a partial backstop or first loss tranche to reduce the impact of potential financial losses associated with early pooled procurement for LMICs.
- Negotiate an Memorandum of Understanding (MOU) to End Pandemics with chief executive officers (CEOs) of leading MCM manufacturers in each region to pre-position indemnity and liability protection for manufacturers, which they require for advance purchases, and establish a template advance purchase contract for LMICs.
- **Related:** During a health emergency, products that are already approved by a WHO-Listed Authority at ML3 or higher should receive a temporary or provisional approval until WHO

PQ reviews are completed, so as not to slow the response by NRAs and international agencies. The WHO PQ mechanism should be adequately financed so that it can accelerate its reviews.

- **Related:** Clarify and confirm the use of country-level loans to acquire existing and approved MCMs during health emergencies. The Crisis Response Toolkit should apply to the use of IDA and IBRD to acquire approved epidemic and pandemic MCMs, as well as at-risk purchases for emerging threats.
- **Related:** Develop a revolving capital fund in each region, modeled after the Pan American Health Organization (PAHO) Revolving Fund.^a The Revolving Fund structure could serve as a regional window or co-investment partner with the MCM Surge Financing Facility in Recommendation 2.

^a <https://www.paho.org/en/revolving-fund>

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Operationalize financing for tests, treatments, and PPE.

Tests, treatments, and PPE have been under-prioritized in the 100 Days Mission, with no clear institutional home to drive innovation or mobilize surge financing. While vaccine progress has advanced, there is still no global mechanism or coordinating body leading R&D and financing for these essential tools, leaving critical gaps in pandemic preparedness and response.

RECOMMENDATION 4

Ahead of the 2026 UN HLM, global and regional organizations should designate specific international and regional anchor institutions to coordinate the development and scale-up of tests, treatments, and PPE; launch a financing strategy to prioritize and expand investments for specific epidemic and pandemic threats, leveraging the MCM Surge Financing Facility outlined in Recommendation 2 as well as other existing blended finance mechanisms; and identify and support at least one PPE manufacturing hub in each region with regional stockpiles, including for long shelf-life products such as elastomeric respirators.

ENABLING ACTIONS TO ENSURE MAXIMUM IMPACT

- Spur financing for PPR-relevant diagnostics and launch a multisectoral PPR diagnostics working group that is linked to the Global Diagnostics Coalition.^a Establish regional hubs for platforms in LMICs to support sample access and test evaluation linked to procurement-aligned quality benchmarks.
- Identify and support at least one PPE manufacturing hub in each region with regional quality assurance (QA) labs and stockpiles of long shelf-life elastomeric respirators.
- Endorse the establishment and acceleration of the Therapeutics Development Coalition, a public-private partnership to reinvigorate the global therapeutics pipeline by coordinating R&D investment, streamlining development pathways, and strengthening access mechanisms for priority pathogens.
- Investment in R&D and innovation, including rigorously applied social science research to reduce disease transmission (e.g. the use of air filters in schools, hospitals, and workplaces; innovations in PPE; and fractional dosing)^b and investment in countermeasure technologies (including universal vaccines) to address major pandemic risks, such as from respiratory pathogens like coronaviruses and influenza.
- Establish a dedicated taskforce to mobilize venture capital and private equity and development finance for PPR innovation, complemented by public, philanthropic, and blended finance mechanisms.

^a <https://www.who.int/initiatives/global-diagnostic-coalition>

^b <https://www.cgdev.org/blog/could-fractional-dosing-be-key-addressing-mpox-vaccine-shortage>

5

Strengthen the Pandemic Fund financing, speed, and scale. Cement its role as the world's premier preparedness financing facility.

The Pandemic Fund is not yet sufficiently or sustainably capitalized. It should double down on its core prevention and preparedness mandate and its role in incentivizing and filling national capacity gaps and tackling cross-border threats. It should be increasingly focused on assisting countries to build PPR into national budgets.

RECOMMENDATION 5

Ahead of the 2026 UN HLM, the G20 and other countries should commit to sustainably capitalize and strengthen the speed and scale of the Pandemic Fund. The World Bank and other MDBs should commit to using their tools and establishing standing allocations to ensure renewable support for the Pandemic Fund and its work. The Pandemic Fund should double down on its core preparedness mandate as well as its role in tackling cross-border threats, catalyzing domestic and non-ODA resources, soliciting matching funding, enhancing access for civil society implementers in fragile settings, and partnering more systematically with MDBs to leverage their lending.

ENABLING ACTIONS TO ENSURE MAXIMUM IMPACT

- Transition from the current single, time-bound call for proposals process to a rolling model.
- Enter into structured agreements with MDB implementing entities and partner more systematically with them to leverage their lending.
- Create a model compact for pandemic PPR financing and require costed national plans and matching investments, including from biosecurity and private sector funders.
- Allocate a designated portion (e.g., 10–20%) of annual commitments to address fragile, conflict-affected, and hard-to-reach geographic locations and enable funding of civil society and humanitarian actors directly.
- Elevate the Pandemic Fund's membership to more senior-level political appointments to further drive prioritization.