



CATALYST DIALOGUE ON HEALTH FINANCING

Financing Health for All in the context of scarcity

Insights from a debate on how to increase funding for health and spend existing funds more effectively.

Emerging suggestions

The following suggestions for German policy-makers and parliamentarians surfaced over the course of this Catalyst Dialogue. Given its position as a major funder and champion of global health, **Germany can serve as 'honest broker'** by doing the following:

- **Consider financing health as investment and not as cost** in all its work.
- **Help develop taxation systems that generate domestic funds for health**, both globally and in partner countries.
- **Seek solutions to bottlenecks in implementing debt restructuring** agreements and establish and strengthen mechanisms and/or processes for investing a portion of the funds released in Health for All.
- **Work with governments, regional and global development partners and the private sector to create more stable conditions for investment by private enterprises** in health sector supply chains, from R&D through manufacturing and distribution to delivery, both in partner countries and through regional and global platforms.
- **Ensure that private sector investments** are aligned with the Sustainable Development Goals and contribute to Health for All.
- **Champion ongoing efforts to restructure the global health financing architecture** which bring heads of government – in addition to health ministers – into the policy and decision-making space.
- **Push for more harmonised processes** between different multilateral agencies, for example by agreeing a single framework for investing in health at the country level.
- **Support efforts to encourage countries to contribute their 'fair share'** to financing Health for All as a global public good.
- **Strengthen the capacities and voices of key health stakeholders in partner countries** that make the case for health in a domestically appropriate way and who hold governments to account.



Catalyst Dialogue participants:

- **Christoph Benn**, Director for Global Health Diplomacy, Joep Lange Institute
- **Jayati Ghosh**, Professor of Economics, University of Massachusetts at Amherst
- **Tom Hart**, Research Fellow, ODI
- **Lesley-Anne Long**, President & CEO, Global Business Coalition for Health
- **Riaz Tanoli**, CEO, Social Health Protection Initiative, Health Department Khyber Pakhtunkhwa, Pakistan

Why a Catalyst Dialogue on health financing?

The COVID-19 pandemic and the economic crisis that it has triggered, have placed considerable pressure on both national health systems and the broader development architecture. Repeated shocks have laid bare the acute underfunding of health systems and institutions at every level – from community health systems through to multilateral institutions such as the WHO, and global resources such as the [Pandemic Fund](#). Climate-related crises continue to demonstrate the stark need for health systems that are more agile, more resilient and above all more equitable.

The scale and intensity of these challenges could be seen as a rare window of opportunity for a radical re-think of the structures and processes for providing and financing development cooperation for health. Germany currently provides [more funding for development cooperation](#) than any of its European counterparts, ranking second only to the US at a global level. As a major contributor to the WHO, Germany has long championed both multilateralism and global health. It is therefore in a unique position on the global stage and vis-a-vis governments of partner countries to advocate for some urgently required changes.

To inform the German government's position on financing Health for All, the [Global Health Hub Germany](#) and [Healthy DEvelopments](#), co-sponsored by the German Federal Ministries of Health and of Economic Cooperation and Development, convened a high-level 'Catalyst Dialogue' among five distinguished representatives of academia, development cooperation, think tanks, the private sector and multilateral institutions. Participants initially took part in individual interviews and then gathered on March 16, 2023, for a virtual debate on how to finance Health for All in the context of scarcity.

The objective of this paper is not to present a consensual statement of all Dialogue participants, but to trace central lines of argument from the Catalyst Dialogue discourse as it unfolded. It illustrates policy-relevant positions and presents a range of complementary perspectives, all of which promise to enrich Germany's policy dialogue on financing Health for All in the context of scarcity.

How do Catalyst Dialogues work?

Catalyst Dialogues focus on one overarching question, combining virtual debates and individual interviews governed by the [Chatham House Rule](#). This gives discussants the space for open and frank conversations ‘on the record’ while protecting the identities and affiliations of the speakers. Quotes cited in this paper are attributed to individual Dialogue participants with their express permission.

Concepts and questions that guided this Catalyst Dialogue

The World Health Organization (WHO), with the [Alma Ata Declaration](#) of the late 1970s that was signed by governments from around the world, identified primary health care as the key to attaining the goal of Health for All by 2000. In 2005, the [58th World Health Assembly](#) adopted a resolution urging governments to reform their health financing systems and to push for Universal Health Coverage (UHC), advocating affordable access to promotive, preventive, curative and rehabilitative health interventions, with a view to achieving equity in access.

Today, UHC remains a central target of Sustainable Development Goal (SDG) 3 to ensure healthy lives and promote well-being for all at all ages. Growing social, political and economic upheaval around the world, including global health threats such as the COVID-19 pandemic, have given rise to a renewed focus on Health for All as a global public good and public policy objective, as set out in a series of foundational briefs by the [WHO Council on the Economics of Health For All](#).

One of these briefs, [Financing Health for All: Increase, transform and redirect](#), served as an inspiration and starting point for this Catalyst Dialogue, and a group of five high-level experts went on to discuss four important questions for Germany on the financing of global health:

- How to help countries **increase domestic resources for health**
- How to **unlock private investments in health**, while ensuring these investments conform to the notion of health as a global public good
- How to strengthen the **effectiveness of the international health financing initiatives**
- How best to work with partner countries to **strengthen the systems, capacities and voices of health sector stakeholders**

How can more domestic finance be mobilised for Health for All?

More resilient and equitable health systems which protect people from financial hardship due to out-of-pocket spending on health are indispensable to the achievement of UHC. Yet progress on expanding coverage of UHC **stalled and likely reversed in many countries** during the COVID-19 pandemic. There was broad agreement amongst panellists that further progress towards UHC will not be possible without increasing domestic government spending on health, whether these funds come from higher overall government spending or larger allocations to health within given national budgets.

Panellists also agreed that international cooperation cannot impose the change in mindsets required from governments and institutions in partner countries, but can work to enable these changes, while acknowledging that this is not a quick process but a long-term game.

How then can Germany, with its considerable influence on the global stage and a sizeable international cooperation budget, best play this enabling role, while ensuring collaboration and coordination with bilateral and multilateral institutions, as well as stakeholders in partner countries? Panellists came up with the following suggestions.

Advocate for health as an investment and not a cost

The WHO Council on the Economics of Health for All urges governments, development partners and multilateral institutions to consider financing health as a long-term investment and not a short-term cost. We need to think about the broader conditions that ensure health over

the life cycle from birth to the end of life, and this means changing the way we think about health as well as how our economies are organised.

Health should be seen as an investment and not as a cost. It is too often seen as a kind of softer sector rather than a genuine investment. In the WHO Council, we argue that health is a major investment for the economy and in society, producing healthier, more productive and happier people, which has positive long-term implications for everyone.

Jayati Ghosh

This naturally elevates health and well-being to a higher level within a country's decision-making hierarchy. Once health is seen as a critical, long-term investment, it follows that discussions and negotiations about financing Health for All should be cross-sectoral and involve senior government officials, not only from ministries of health, but also from the ministries of finance, social welfare, infrastructure and so on.

It also follows that austerity measures, such as those which in the past have often been forced on governments by global financial institutions as a condition for borrowing, should never be an excuse for cutting health expenditures. In the longer term, cutting health spending will have adverse effects, including lower resilience to shocks, lost productive capacities and fewer women in the workplace, and higher healthcare costs.

Support countries in raising revenues through taxation

Panellists pointed to evidence that an increase in tax revenues constitutes the largest and the most sustainable source of potential domestic fiscal space for health. In addition to raising overall domestic resources, progressive taxation can be an effective tool to address inequalities.¹

“ We know that taxation is critically important for generating resources, but it’s also important for reducing inequality. We know that increased inequality is actually bad for health, even for the rich in peculiar ways because it contributes to societal tensions and instability. So there is a strong case for progressive taxation.

Jayati Ghosh

Panellists mentioned three broad ways in which domestic taxation can yield additional resources for health:

- a. taxation reforms, for example widening the tax base to capture more tax payers, reducing tax expenditures² or simply making tax collection more efficient;
- b. introducing minimum international corporation tax levels to encourage countries to raise their corporation tax rates and strengthen tax collection, as promoted by the Independent Commission for the Reform of International Corporate Taxation (ICRICT);

- c. the introduction of new taxes or levies with revenues earmarked for health, such as through so-called earmarked ‘health taxes’ on sugary drinks or tobacco.

“ These are three areas where there really is scope for countries to push further, and where it makes sense to help countries strengthen implementation and raise awareness of the value of these actions at a global level. Germany is doing the right thing in supporting ministries of finance to improve the transparency of systems and processes, to assess where money is being given away and where expenditures are in fact fulfilling a valuable public function.

Tom Hart

In times of economic scarcity and rising global inflation, it can be difficult for countries to raise taxes and increase government spending, particularly for low- and lower-middle income countries. As one panellist pointed out, now is not the time to burden people with additional taxes. However, inefficiencies in financial systems and processes can be addressed and this will release funds that can then be allocated to health.

¹ A **progressive tax** is a tax rate that increases (or progresses) as taxable income increases. Higher income earners are taxed proportionately more than lower-income earners.

² Tax expenditures are preferential tax treatments, such as exemptions, deductions, credits, or lower tax rates granted to specific sectors, activities or groups.

/// Under current circumstances, it is not easy for the government to put more pressure on people by raising taxation. Things are already very difficult. So it's a tricky proposition for countries like Pakistan to increase fiscal space. But fiscal priorities and fiscal discipline – those we can definitely improve. In the health system in particular, we need to identify considerable sources of wastage to make funding available for life-saving and system strengthening activities.

Riaz Tanoli

Continue to invest in global-level analysis of tax systems and processes

Weak administration of tax revenues – that is, the systems in place for tax collection and accountability for tax revenues – along with large arrears in tax collection, are major barriers for countries in raising domestic revenues. One way to raise awareness of the different ways in which governments can use taxation reforms to increase overall domestic resources, as highlighted by the panellists, is to undertake and publish global-level analysis of tax systems and processes.

This provides a useful benchmark against which countries can compare the performance of their own taxation systems. The [German Institute of Development and Sustainability \(IDOS\)](#) has developed the first global database on taxation expenditures around the world, enabling analyses that continue

to shed important light on inefficiencies in tax systems and providing useful implementation lessons from different social, political and economic contexts.³

/// This global-level analysis supports global monitoring, but it also helps in-country actors say, “Look at what my neighbours have been doing and what this has achieved”. It is incredibly important for domestic policy actors to have globally comparable information.

Tom Hart

Government stakeholders can use this type of analysis – whether it is related to taxation reform, public financial management reforms or other systems reforms – to strengthen their case when they advocate for structural changes to increase domestic revenues as part of efforts to strengthen those systems.

Support global minimum corporate taxation rates

In a letter to the United Nations Secretary-General António Guterres in March 2023, Jayati Ghosh and her ICRICT co-chair Joseph Stiglitz describe the international tax system as ‘unable to address the enormous challenges imposed by the cross-border shifting of profits by multinational corporations, the intensified tax competition between countries for direct foreign investment, the accelerating digitization of the world economy, and the ability of the extreme wealthy to shift their assets into tax havens’ (ICRICT 2023).

³ Von Haldenwang C, Redonda A and Aliu F (2021). [Shedding light on global tax expenditures: TGED flagship report 2021](#), published by the German Development Institute /Deutsches Institut für Entwicklungspolitik (DIE) and the Council on Economic Policies (CEP).

Suggestions on the table to fix these failures include a global minimum corporate tax rate, such as the 15% minimum rate proposed by the OECD or the 25% minimum rate favoured by ICRICT, along with more progressive and inclusive systems that would enable countries to tax multinationals for the work done in their countries. As Jayati Ghosh pointed out, these two measures alone would unlock substantial amounts of revenue in low-income countries, providing them with resources to develop health systems that are more resilient to shocks and crises, and to ensure they do not fall further behind when the next crisis strikes.

One panellist cited a World Bank study which modelled the impact of a 15% minimum corporate tax rate applied to the largest one percent of firms in 13 countries at various income levels in Africa, Latin America and Eastern Europe. The authors found that in half of the sample countries, this would raise corporate tax revenues by at least 27%, corresponding on average to 0.6% of GDP.⁴ Germany could, if it so wishes, play an important role at the global level to pave the way for higher global corporate tax rates.

/// *If Germany raises its voice in the G20 and says “We’re going to change this”, many, many more countries will be emboldened to follow suit and to bring in their own taxes. There’s no more doubt that this is needed, for both corporate taxation and the taxation of wealth.*

Jayati Ghosh

Broker solutions to debt-restructuring bottlenecks

Panellists then moved on to discuss the issue of debt restructuring, and specifically the challenges with implementing the [Common Framework for Debt Treatment](#) which, if overcome, could release substantial domestic funds that could be re-directed towards health. This Framework was introduced in 2020 to address some of the [challenges of the Debt Service Suspension Initiative \(DSSI\)](#) – that is, to take a longer-term view and go beyond the rescheduling of debt repayments to the restructuring of the underlying debt.

Endorsed by Germany’s Federal Government, this Framework is the only multilateral mechanism for forgiving and restructuring sovereign debt. Importantly, the Framework stipulates that private creditors, which now account for [over 60% of all public and publicly-guaranteed debt in low- and middle-income economies](#), must provide comparable debt relief, although it is not clear how this should be enacted or enforced. And China, which is now the largest official creditor for many countries in the global South, has also signed up. However, the implementation of the Framework has been beset by challenges.

High levels of indebtedness – dubbed by World Bank economists as a ‘tsunami of debt’⁵ – have continued to worsen as the financial crisis deepens and interest rates rise. As panellist Tom Hart pointed out, [some 60% of low-income countries are currently rated as being in debt distress or at high risk of debt distress](#), and [37 low- and lower middle-income countries spent more on debt service than they spent on health in 2020](#).

⁴ Bachas, P, Brockmeyer, A, Dom, and Semelet, C (2023). [How do corporate tax rates vary by firm size? And why that matters?](#) World Bank blogs, April 12, 2023.

⁵ Ayhan Kose, M, Nagle, P, Ohnsorge, F, Sugawara N. [What Has Been the Impact of COVID-19 on Debt? Turning a Wave into a Tsunami](#), Policy Research Working Paper 9871, World Bank.

“ Debt restructuring is being held up in places like Ghana, Zambia and Sri Lanka. This is partly related to technical issues, but also due to geopolitical issues. As a major shareholder on the World Bank and IMF boards, Germany could play an honest broker role to try and sort out some of these logjams and to improve the functioning of the Common Framework.”

Tom Hart

Progress will require leadership and effective coalitions of change, as well as efforts to ensure a sufficient allocation of

government funds to health. This is where Germany can again use its influence and expertise.

“ Whether we are talking about minimum corporate tax rates or debt relief, there is still too much of a siloed approach between different countries. You need a core group of countries and the right people engaged in these conversations over a period of time because it’s about a paradigm shift.”

Lesley-Anne Long



How can more private investments in health be leveraged?

Encourage private investment in supply chains and in innovations, including in digital health

There was agreement among panellists that private corporations should be encouraged to move beyond traditional investment areas of infrastructure and tertiary care in low- and lower middle-income countries. Instead, private enterprises should be incentivised to invest in strengthening supply chains, capitalising on their specific areas of expertise. This could include innovations in research and development, diagnostics, pharmaceuticals and digital health, which is about to revolutionise healthcare provision in many of these countries.

“ It is in the area of innovation that the private sector can add most value. This is where they have a core mandate and the public sector can benefit from this.”

Christoph Benn

However, experience shows that leveraging private sector investments in health can be a significant challenge. Despite a large and growing volume of public-private partnership (PPP) arrangements for health initiatives in low- and lower middle-income countries, there remains a critical evidence gap, particularly around whether they deliver value for money for governments, and whether they contribute to the achievement of development goals.⁶

⁶ Naznin B, Quayyum Z, Tajree J, Golder S et al. (2022). Assessment of Public-Private Partnership (PPP) Models in Health Systems in Least Developed, Low Income and Lower-Middle-Income Countries and Territories: A Protocol for a Systematic Review. Health Care Curr Rev. 10:306.

Help create more stable investment contexts

As President & CEO of the [Global Business Coalition for Health \(GBC Health\)](#), Lesley-Anne Long regularly consults with a wide range of private-sector investors in health in the fields of access to medicines, vaccine manufacture and delivery, and more recently anti-microbial resistance (AMR). She spoke of three important challenges faced by private enterprises investing in public-private partnerships.

“The first challenge relates to countries where there is a high level of political uncertainty and consequently no guarantee of a long-term market. The second is the lack of acknowledgement. When private enterprises do invest, they feel they are branded as bad actors by civil society and NGOs. And the third relates to the lack of feedback – private investors say ‘We don’t know where our money goes and what impact our funds are making’.”

Lesley-Anne Long

The question remains of how to create the necessary conditions for private enterprises to invest in health supply chains in ways which ensure both returns for the investors and value for money for public funders. Panellists suggested that here again Germany could use its position to act as ‘honest broker’, mediating between representatives of private sector investors and coalitions on the one hand, and partner country governments and development partners on the other.

“Private investors need to see a medium- or even a long-term return on their investments, however this is measured. It all comes back to the question of how best to create a more stable environment, and how to de-risk private sector investments.”

Lesley-Anne Long

Approaches that help de-risk private investments across the health supply chain – from research and development through manufacturing to procurement and delivery – include government subsidies, guarantees and upfront financing, such as provided by [Gavi](#) for vaccine development, and tax and other financial incentives. Strengthening national procurement processes can also serve to create a more stable investment context.

Support private investments that provide greater public value

Panellists acknowledged that private companies can contribute much-needed expertise in research and development, manufacturing, procurement, and distribution. However, where they receive public subsidies, they must be incentivised to ensure that the innovations and technologies they bring to the table benefit the majority of the population, including vulnerable groups.

/// *We're not saying you should not be profitable, but we're saying that those for-profit activities must be designed and regulated in a way that conforms to the public good. For example, if you're going to give subsidies to companies to make vaccines, you should have some control over the pricing and the spread of technology and not as happened during the pandemic – let them keep all that control as well as the data.*

Jayati Ghosh

Well-enforced regulatory frameworks, conditionalities attached to public subsidies and better designed contracts for public-private partnerships are some of the ways in which governments can make sure they benefit from these public investments. However, the capacities needed to engage with private partners and investors, such as in negotiating, modelling and contracting, are often missing on the government's side. Technical cooperation can be used to build these capacities in partner countries (see also page 15).

Broker development-oriented cooperation between private-sector coalitions and partner country governments

Panellist Lesley-Anne Long pointed to some highly successful partnerships where groups of like-minded private corporations work alongside governments to achieve a shared vision. For example, the Corporate Alliance on Malaria in Africa (CAMA) has been operating since 2007 to improve the impact of malaria control efforts in

Sub-Saharan Africa. CAMA represents the collective force and voice of companies from diverse industries that have business interests in Africa, and is facilitated by GBC Health as implementing partner.

/// *The value for private coalition members is in having a seat at the table with government representatives, where they are better able to understand country priorities. This then opens the door to follow up on issues such as tax and regulatory frameworks, distribution networks and so on. We hear from our private sector colleagues that this is of huge value to them because it creates business opportunities that they might otherwise not have.*

Lesley-Anne Long

Facilitate pooled private investments via global platforms

Linked to the idea of more effective coalitions of private investors is the idea of pooling resources among them. One panellist pointed out that the private sector has more agility and flexibility than, say, development partners that are locked into procurement systems and financial calendars which make coordination so difficult. Private investors have more flexibility in pooling funding, provided the right mechanism exists to enable them to do this.

The right mechanism may already exist, such as the Pandemic Fund or one of the global financial institutions such as the [Global Fund](#), or a new platform such as a Global Public Investment mechanism

might be required, as discussed below. Panellists agreed that Germany and its partners in the EU could play a pivotal role in bringing private enterprises to the table with these institutions.

And as another panellist pointed out, market share both drives prices down for low-income countries and drives innovation, as has been clearly demonstrated by Gavi, the Global Fund and other global institutions that both pool resources at the global level and have harnessed the ability of the private sector to develop and deliver new technologies.

“ Once you start pooling resources among many countries, you have the capacity to influence or shape markets. For example, the so-called vertical funds have dramatically brought down prices through pooled procurement, be it for vaccines through Gavi or for AIDS, TB and malaria drugs through the Global Fund. If you have a sizable market share, as these funds do, you can also drive innovation in line with development goals, such as investments in research or technologies for vaccine development.

Christoph Benn



How can the global health financing architecture be improved?

Global health has generally enjoyed high political support in Germany over the last 15 years. Until the current economic downturn, spending on health steadily increased, so that **Germany is now the second largest funder of global health**. As an important champion of global health, Germany has considerable authority on the global stage and can use this influence to shape and strengthen global financing institutions and processes.

Consider health as a global public good and ensure countries pay their ‘fair share’

Debate is ongoing about how to solve the considerable challenges for multilateral institutions and platforms of severe under-funding, fragmentation and underrepresentation of countries from the global South. Panellists pointed out that this will require far-reaching change – moving from a paradigm where aid is

“ The German government has a clearly articulated policy to strengthen the multilateral system. It has deliberately chosen to support existing global structures, resisting the temptation to introduce new mechanisms when the opportunity arose, such as during its G7 and G20 presidencies. This is why Germany is right now the largest contributor to WHO and among the top three or four contributors to other multilateral health organisations.

Christoph Benn

provided by a few countries in the global North to low- and lower-middle income countries, to one where all countries feel responsibility to make a fair contribution and are fully engaged in the governance structures of the relevant funding platforms.

To this end, panellists discussed several concepts currently on the table which elevate responsibility and accountability for health to head-of-state level. One of these concepts, which several of the panellists have been closely involved in developing, is [Global Public Investment \(GPI\)](#). GPI extends responsibility for financing Health for All to all countries, providing a more inclusive, participatory and accountable governance structure that has the potential to raise significantly more funds.

“ We believe that global public goods, such as Health for All, pandemic prevention, preparedness and response, as well as addressing climate change, should be the responsibility of all countries. This is not a question of development aid. This is a fundamental responsibility of all countries following the principles of GPI, which holds that all countries should contribute according to their ability: all benefit and all decide.

Christoph Benn

GPI is currently gaining traction in Germany and was recently discussed by several German Parliamentary Committees, receiving a favourable reception. The idea is that, instead of financing Health for All from limited health budgets, governments would eventually establish budgets for GPI, and ensure that sufficient funds are allocated to Health for All.

Like GPI, the [Global Health Threats Council](#), proposed by the [Independent Panel on Pandemic Preparedness and Response \(IPPR\)](#), would also ensure high-level political leadership for health. The

Council would include representatives from all regions of the world and, by co-opting heads of state, it would provide an inclusive and legitimate voice of authority under the auspices of the UN General Assembly.

And as panellists also pointed out, these platforms would go some way towards ensuring more countries pay their ‘[fair share](#)’. This term arose in February 2022, when a working group set out to calculate contributions to be made by 55 high- and middle-income countries to finance ACT-A, the global COVID-19 response mechanism. Contributions were based on the size of a country’s national economy and what they would stand to gain from a faster recovery of the global economy and trade. However, ACT-A, like many other global mechanisms for financing health, has been [severely under-funded](#).

Build on efforts to strengthen governance of Global Health Initiatives

Panellists were asked to comment on an important question facing Germany and other global health stakeholders: whether the priority should be to continue with the existing Global Health Initiatives (GHI) and focus on improving their governance and operations, or whether new and improved structures should be introduced to replace them.

The introduction of yet more health financing structures risks adding to the already high levels of fragmentation which, as all panellists agreed, is severely detrimental for countries dealing with multiple donors and their different systems and processes. As a panellist pointed out, having three or even four investment cases across a health sector does not help ministries of health

plan effectively or advocate for more resources with ministries of finance. A single investment case is needed for the whole health sector that identifies where resources should be targeted and how they are going to benefit not only the health sector but the broader economy as well.

There are, however, both practical and highly political challenges when it comes to the question of closing down any of the existing structures.

“Although rationally one might say “Yes, we could merge some of these funds”, in reality this has never happened as these are highly political decisions. One can usually trace the origins of any new fund or institution back to the efforts of a few champion countries, as happened with the United States and the Pandemic Fund. So a lot of political capital is invested in these funds, making fundamental changes so much harder.

Christoph Benn

The answers, therefore, must lie in seeking more harmonised approaches between the different institutions, and strengthening their governance so that they better respond to the needs of countries in the global South. However, as Riaz Tanoli pointed out, improved coordination is an entrenched challenge that has not been resolved in Pakistan despite repeated attempts over many years.

What Germany can do – in fact what Germany is already doing and where it could do more – is to lead by example, strengthening coordination and building coalitions for change which will see more

meaningful participation by low- and lower middle-income countries in both the governance and operations of these global financing institutions.

“Their efforts are scattered – there is no single forum where the multilateral institutions sit. So WHO is working separately, World Bank is working separately, US organisations, UNICEF, so many of them. There has been so much dialogue on how to improve coordination over so many years, but it has never actually happened.

Riaz Tanoli

In 2018, for example, Germany, in tandem with Norway and Ghana, put forward the idea of a [Global Action Plan for Healthy Lives and Well-Being](#) (the so-called GAP for SDG3) to set out the steps necessary for improving coordination and collaboration between health programmes in the context of scarce resources. And the establishment of new funds, such as the Pandemic Fund, are addressing some of the shortcomings of the current system by tackling underfunding and strengthening governance.

“The governance structure of the new Pandemic Fund is a step in the right direction because you have countries such as Indonesia, China, India and South Africa making significant contributions. And the current board chair is from Indonesia, representing investor countries. That’s the new world we are seeing and we should encourage it.

Christoph Benn

Strengthen regional pooling and procurement mechanisms

As one panellist pointed out, the global pooling and procurement functions established by institutions such as UNICEF, UNFPA, Gavi and the Global Fund have been very successful at ensuring the supply of essential commodities and getting prices down. Many of these institutions also work with countries to develop more robust and sustainable health systems, as part of efforts to help them transition away from external support. However, a major challenge for these countries is that, when they do transition, they lose many of the advantages that go with this support.

/// As countries start graduating from these global mechanisms, how can their benefits be maintained in a world that doesn't look like a global North donor world versus a global South recipient world? If you've graduated from Gavi, can you purchase vaccines at the same prices which Gavi negotiated? How can countries or groups of countries benefit from the global procurement expertise of, say, the UNICEF supply division?

Tom Hart

This question is at the heart of a recent paper by the Centre for Global Development on what the authors call 'Marginal Aid'.⁷ It proposes a radical restructuring of health financing where countries themselves are responsible for financing their essential health services (i.e., vaccination, malaria, TB, HIV and AIDS) and external assistance is redirected towards those health services that are non-essential or deemed to be 'at the margin', however that may be defined in each country.

Part of the solution lies in strengthening supply chains at the regional level. This means facilitating innovation and manufacturing in regions that are home to low-income countries, where production costs are likely to be cheaper but where quality can still be assured. Pooling procurement capacities across regional platforms will be critical for lowering prices (i.e., through Africa CDC, the East African Community, ECOWAS, SADC or African Union), and can also drive innovation. In fact, German development cooperation is already supporting such efforts, and as one panellist pointed out, doing this requires long-term commitment and strong leadership.

⁷ Drake T, Regan L, Baker P. (2023). Reimagining Global Health Financing: How Refocusing Health Aid at the Margin Could Strengthen Health Systems and Futureproof Aid Financial Flows. CGD Policy Paper 285, Washington, DC: Center for Global Development.

How can health financing capacities in partner countries be strengthened?

Strengthen capacities and capabilities of ministries of health

Panellists agreed that ministries of health – and specifically the units within the ministry of health that deal with budgeting and allocation of funds – need to be enabled to actively participate at a high level in dialogues on health financing, both with their ministry of finance colleagues, but also at the global level.

More than ever, ministers of health need to be very savvy in the way that they deal with ministries of finance. Not only do they need to make an effective case for investing more, they need to be able to show ministers of finance that they are being proactive in tackling waste and inefficiency as well.

Tom Hart

An important challenge with many capacity development efforts to date is that they are often too short to make a real impact: ministry staff may attend short courses to further their careers in a ‘tick box’ fashion, but do not leave having gained much that will help them tackle the very difficult challenges they face.

One panellist described a nine-month leadership programme for permanent secretary and director-level members of the ministry of health in Nigeria, getting participants thinking about leadership for the future, and including three months of coaching and mentoring to support participants to implement their newly developed plans.

It wasn't only about technical leadership but about changing mindsets. What we found over the nine months is that the course got them thinking in different ways, but also helped them in very practical ways to make necessary changes.

Lesley-Anne Long

A similar programme, ‘Leadership for UHC’ or L4UHC, is run as a collaboration between WHO, World Bank and the German Federal Ministry of Economic Cooperation and Development (BMZ). L4UHC aims to enable senior decision-makers not only to develop leadership skills, but to plan the collective actions needed to bring universal health coverage (UHC) to life in their countries. One of the panellists participated in the L4UHC course, stating:

For me, the programme really underlined the importance of forging alliances in order to expand coverage of social health insurance, not only with government but with civil society and the private sector – UHC is all about building coalitions.

Riaz Tanoli

Strengthen ‘home-grown’ initiatives

As a panellist pointed out, it is also important to strengthen home-grown initiatives, such as the [African Leadership Meeting on Investing in Health](#) that was initiated by the African Union in 2019.

At this meeting, African heads of state and their governments, business leaders and global health organisations gathered to discuss how to increase commitments for health and accelerate the path towards Universal Health Coverage.

“ This is a process that has obviously slowed down during the pandemic, but it is important to get this re-started and operationalised through the Regional Economic Communities, the East African Community, the Southern African Development Community, the West African Health Organisation and so on. If Germany can support more African-led initiatives like these, they are going to be far more effective.

Tom Hart

This echoes the call for a [New Public Health Order for Africa](#) by the African Union Commission and [Africa Centres for Disease Control and Prevention](#) in September 2022. This called for governments, multilateral organisations, philanthropists, the private sector, and civil society organisations to invest more in Africa’s health institutions, its workforce and in regional medical manufacturing capacity, while calling for respectful, action-oriented partnerships across the African continent.

Strengthen accountability mechanisms for financing Health for All

Panellists held a lively debate on the crucial role of civil society in holding governments to account for commitments made to financing Health for All, through expenditure tracking, budget monitoring, campaigning and advocacy for increased budgets.

“ Even more important than working government to government is to consider how Germany can strengthen the civil society voice at the country level. That’s something, I think, where German bilateral cooperation can really play a role.

Christoph Benn

Parliamentarians and parliamentary committees are a further important constituency in this regard, and there will be other important groups for holding governments in partner countries to account.

“ Financing for health is a political decision as well as an economic imperative. We really need to look across and strengthen the whole ecosystem of accountability for public spending.

Tom Hart

Neatly summing up the responses to this question, Riaz Tanoli pointed to a challenging combination of insufficient resources and weak technical capacities in ministries of health, weak accountability mechanisms, and a lack of political engagement once a programme is underway and the initial fanfare is over.

Looking back across the Catalyst Dialogue discussions, the critical role played by Germany in bringing stakeholders from different sectors, spheres and geographies to the negotiating table and facilitating joint action emerges as a constant underlying theme.

In these times of economic scarcity, and with political and social upheaval in many parts of the world, it is more important

/// Health programmes may not be properly monitored due to weak capacities, and so health outcomes are not measured. Without this information, it is difficult to prioritise what is needed. There is also an urgent need for everybody to speak with one voice, you know, and for a strong message to reach the government. Ultimately, it is the government's priorities that matter.

Riaz Tanoli

than ever that Germany uses its influence on the global stage to push for long-term solutions to some of the most pressing challenges for financing Health for All, for example in the on-going discussions on the Pandemic Fund and the so-called [Pandemic Treaty](#).

With important events on the horizon, such as the UN High-Level Meeting on UHC in September 2023 and the [Summit of the Future](#), which Germany will co-host with Namibia in September 2024, and research and consultations underway to examine the relevance and effectiveness of the global health architecture,⁸ now is the time for Germany to clarify its funding priorities, including for financing Health for All.

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⁸ For example, the on-going process looking at the [Future of Global Health Initiatives](#) led by Wellcome Trust.

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