



Press Release

Singapore's Contribution to the Financial Intermediary Fund for Pandemic Prevention, Preparedness and Response Hosted by the World Bank

The COVID-19 pandemic has caused significant impact on lives and livelihoods worldwide. We have to play our part to overcome the current pandemic and better prepare for the next one. This will help avoid a repeat of the catastrophic economic, social and human costs of COVID-19.

2. In line with the recommendations by the G20 High Level Independent Panel¹, the G20 Joint Finance and Health Ministers Meeting has endorsed a proposal to establish a financial intermediary fund (FIF)² for pandemic prevention, preparedness and response (PPR), hosted by the World Bank. The FIF aims to fill critical financing PPR gaps and promote a more coordinated approach to PPR investments. It will value-add to existing work to catalyse domestic investments in low- and lower-middle-income countries, as well as build pandemic PPR capacities at the regional and global levels. The European Commission, Germany, Indonesia, and the United States have pledged contributions to the FIF.

3. Singapore supports multilateral initiatives to strengthen our global health security. We have contributed to the COVID-19 Vaccine Global Access (COVAX) Advance Market Commitment (AMC) mechanism³, as well as to the World Health Organization and other international health agencies for responses to COVID-19. In addition, Singapore will contribute US\$10,000,000 to the FIF to support this multilateral endeavour.

4. Singapore will continue to work closely with the Indonesia G20 Presidency and our international partners to strengthen our collective resilience against future pandemics.

¹ The G20 High Level Independent Panel on Financing the Global Commons for Pandemic Preparedness and Response was established by the Italian G20 Presidency in 2021. It was co-chaired by Tharman Shanmugaratnam, Ngozi Okonjo-Iweala and Lawrence Summers. Refer to Annex A.

² A Financial Intermediary Fund (FIF) is a trust fund administered by World Bank to leverage public and private resources to provide global public goods like preventing communicable diseases, responding to climate change and providing food security. The World Bank provides tailored operational, legal and financial services to manage the Fund. Other examples of FIFs hosted by the World Bank include the Green Climate Fund; the Global Environment Facility; and the Global Fund to Fight AIDS, Tuberculosis and Malaria. See more information on FIFs at the World Bank [here](#).

³ COVAX AMC supports 92 low- and lower-middle income countries' access to donor-funded COVID-19 vaccines.

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Annex A:

High Level Independent Panel urges G20 leaders to launch a ‘global deal’ to present catastrophic costs of future pandemics

VENICE, ITALY, 9 July 2021 – COVID-19 will likely be a forerunner of future, catastrophic pandemics, unless significant new investments and reforms are urgently made to bolster global and national capacities for pandemic preparedness and rapid response, a panel of leading global experts warned today.

In its report, [*A Global Deal for Our Pandemic Age*](#), the [*G20 High Level Independent Panel on Financing the Global Commons for Pandemic Preparedness and Response*](#) (the Panel) finds that the world remains very poorly equipped to prevent or contain future epidemics or pandemics. The Panel calls on the G20 and international community to move swiftly to close current shortfalls in the international COVID-19 response. However, the world cannot wait for COVID-19 to be over to make the global investments and reforms that are critically needed to head off future pandemics, which threaten to be more frequent and increasingly dangerous.

The Panel calls for a public funding increase in international financing of at least US\$75 billion over the next five years, or US\$15 billion per year, to plug major gaps in pandemic prevention and preparedness — at least doubling current spending levels. The four pressing preparedness gaps identified by the Panel are infectious disease surveillance, resilience of national health systems, global capacity to supply and deliver vaccines and other medical countermeasures, and global governance. Future pandemic risks can be substantially reduced if these gaps are addressed.

The needed investments are larger than the international community has been willing to spend in the past, but negligible compared to costs of another major pandemic. **The costs to government budgets alone from pandemics are up to 700 times larger** than the annual additional international investments proposed by the Panel.

The additional US\$15 billion per year of international financing in global public goods for prevention and preparedness includes a key proposal to establish a new **US\$10 billion annual Global Health Threats Fund** plus US\$5 billion a year to increase funding of existing international institutions, including to strengthen the World Health Organization (WHO) and create dedicated pandemic preparedness concessional financing windows in the World Bank’s International Development Association (IDA) and Multilateral Development Banks (MDBs).

The Panel also calls for the creation of a new **Global Health Threats Board**, which would bring together Finance and Health Ministers and International Organizations to provide systemic financial oversight and ensure timely and effective resourcing and coordination of international efforts to mitigate pandemic threats.

“The world is nowhere near the end of the COVID-19 pandemic. We must move aggressively and immediately to accelerate global access to vaccines, tests, treatments and other supplies to end this deadly crisis as soon as possible, while simultaneously scaling up efforts now to thwart the growing risk of future pandemics — which represent a clear and present danger,” said **Ngozi Okonjo-Iweala, Panel Co-Chair and Director-General, World Trade Organization, and former Minister of Finance, Nigeria.**

“The economic case for these additional investments in pandemic preparedness is overwhelming — the world is paying many times more and suffering far more human and economic costs from COVID-19 because too little investment in pandemic preparedness was

made. We must do better going forward to prepare for emerging pandemic threats and reduce the damage wrought. No less than our future global and national security is at stake,” said **Lawrence Summers, Panel Co-Chair and former Secretary of the Treasury, United States.**

“Achieving safety from pandemics will require a basic shift in thinking about international cooperation. This is fundamentally not about aid, but collective investments in global public goods from which all nations benefit. It is the ultimate case for both national self-interest and international solidarity at the same time,” said **Tharman Shanmugaratnam, Panel Co-Chair, Senior Minister and former Deputy Prime Minister and Minister of Finance, Singapore.**

The Panel also stressed the imperative for all nations to prioritize and sustain domestic investments in pandemic preparedness over time. Low- and middle-income countries would need to add about 1% of Gross Domestic Product to public spending on health over the next five years, complemented by increased support from multilateral and bilateral financing partners.

Specifically, the Panel lays out four areas for international action in its report:

- **Secure a fundamental shift towards greater multilateral financing for global health security, including a reformed and strengthened WHO,** which is heavily dependent on voluntary funding and grossly under-resourced. It is in the interests of all nations that the WHO receive both enhanced and more predictable resources to play its role effectively as the lead organization in global health.
- **Make global public goods, especially for pandemic security and climate action, part of the core mandate of the International Financial Institutions (IFIs),** namely the World Bank, other MDBs, and the International Monetary Fund (IMF). The MDBs should incentivize and bolster domestic investments in pandemic security for low-income countries with grant financing. Shareholders must ensure timely capital replenishments of their contributions to the MDBs. The IFIs should also ensure countries have fast-track access to financing for response when pandemics strike.
- **Establish a Global Health Threats Fund, mobilizing US\$10 billion per year in additional financing to provide strong and agile support for efforts to close gaps in global preparedness.** The new Fund would enable a transformed system of national, regional and global surveillance, and substantially increase the global supply of vaccines, treatments, and other medical countermeasures to radically shorten the time taken to respond to future pandemics. It would be designed to support the work of existing global and regional health organizations and to complement, not substitute for, other investments by governments and the private and philanthropic sectors in global health.
- **Strengthen global governance for pandemic security through a new Global Health Threats Board.** The Board will bring together health and finance ministers from an inclusive G20-Plus group of nations and regional organizations to ensure proper financing and swift actions to prevent and rapidly respond to future pandemics. The Board would determine the priorities for the new Global Health Threats Fund.

The G20 will be considering the Panel’s report and recommendations in detail in the lead up to the Joint Finance and Health Ministers meeting in October.

Download the full report “A Global Deal for Our Pandemic Age” [here](#).
For more information on the Panel and a list of members, go to <https://pandemic-financing.org/>