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Global Health Alliance Australia 2021-22 Federal Pre-Budget Submission

January 2021



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ACKNOWLEDGEMENTS

Global Health Alliance acknowledges Aboriginal and Torres Strait Islander peoples as the traditional owners and custodians of the land on which we work. We pay our respect to elders past, present and emerging.

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The Global Health Alliance Australia is an innovative and trusted Alliance of member organisations based in Australia, which drives change through specialist advice and expertise; influence and advocacy; connections and networking; and, collaboration and investment.

The Alliance aims to advance health equity and health security through sustainable development in our region.

EXECUTIVE SUMMARY

The Global Health Alliance Australia welcome the opportunity to be able to provide a submission for the 2021-22 Federal Budget.

2020 has highlighted the importance of a robust, fully-funded global health ecosystem in Australia and regionally. The rapid research, development and rollout of COVID-19 vaccines has shown what can be achieved when the sector receives sufficient resourcing and investment, and at the same time has shone a spotlight on the fragility of underfunded health systems in our region to withstand unexpected crises.

As the peak body for global health organisations in Australia, we welcome the significant contributions made by the Australian Government in 2020-21 to respond to the pandemic, including the \$80m contribution to the COVAX Advanced Market Commitment to support equitable vaccine access, and the \$523m commitment over three years for the Regional Vaccine Access and Health Security Initiative.

But the pandemic is far from over. This submission supports further strong leadership from the Australian Government towards the international COVID-19 response, via allocations made in, and in addition to, the existing Official Development Assistance (ODA) expenditure. We support investments towards the immediate COVID-19 response to coordinate a fair and equitable recovery, and to prevent and mitigate the alarming rise of secondary health impacts of the pandemic. We also call for increased spending towards improving health security and ensuring preparedness for future infectious disease outbreaks.

Lastly, in a year where the Australian Government has been unwavering in its support for heeding science and following evidence-based approaches, we renew our urgent call for acknowledgement and action to address the impact of climate change on global health.

The following recommendations are thus suggested, and detailed in the following pages:

Recommendation 1: Consistent with our G20 commitments and our regional and multilateral interests, increase Australia's contribution to the ACT Accelerator's global COVID-19 response and recovery collaboration by at least \$500 million in the 2021-22 Federal Budget. This increase should be in addition to the existing ODA budget and the new measures announced in 2020-21.

Recommendation 2: To adapt and maintain the delivery of vital global health programs, and to mitigate the secondary health impacts of COVID-19, the Australian Government should contribute at least \$72.6 million to the Global Fund to Fight AIDS, TB and Malaria, and \$60 million to Gavi, the Vaccine Alliance in fiscal year 2021-22, in line with pledges made in 2019 and 2020 to their respective replenishment rounds.

Recommendation 3: Australia must build our region's resilience to health security challenges through increased and sustained Official Development Assistance spending. The Australian Government and Opposition are urged to jointly agree to a sustained increase to the official development assistance budget, with a view to achieving a bipartisan commitment of 0.5% of GNI by 2025/26, and a pathway to the internationally-agreed benchmark of 0.7%.

Recommendation 4: The Australian Government should provide \$250 million in funding to support the formation of the Australian Institutes of Infectious Diseases and Global Health and the new facility in Melbourne.



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Recommendation 5: The Australian Government should draw on funds allocated to the \$2 billion Australian Infrastructure Financing Facility for the Pacific to address serious climate-sensitive health challenges across the region.

Recommendation 6: The Australian Government should establish a multi-institutional Health and Climate Change Research Facility, based in rural Australia with a financial contribution of at least \$20 million over four years.



KEY RECOMMENDATIONS

1. Increase support to the global effort to accelerate the end of the COVID-19 pandemic through equitable access to safe and effective tests, treatments and vaccines.

Speeding up the end to the acute phase of the COVID-19 pandemic will be crucial to save lives, improve livelihoods, protect hard-fought progress and to restart the global economy. But an accelerated recovery can only be achieved via significant investments from high-income countries to enable and coordinate an equitable distribution of safe and effective vaccines, tests and treatments.

Early, large-scale financial backing of vaccine research, development and manufacturing has meant that the first safe and effective vaccines are now commencing rollout. But with high-income countries prioritising coverage of their own populations, current forecasts suggest that most low-income countries will not have adequate, or even minimal, access to a vaccine before 2022-23ⁱ. The WHO has described this as an unfolding “moral catastrophe”.

Equitable distribution of vaccines is in every country’s economic interest, with the International Chamber of Commerce estimating a \$9 trillion loss to the global economy by 2025 if developing countries are shut out of the vaccine rollout in 2021ⁱⁱ. Moreover, in the absence of a fair and equitable global vaccine rollout, Australia and its Indo-Pacific neighbours will remain vulnerable to recurring outbreaks, and initiatives to kick-start tourism and labour mobility such as the proposed Trans-Tasman Travel Bubble will remain unlikely. This will undermine regional stability, economic confidence and social cohesion. It will also provide an opening for those states which may exploit the pandemic to undermine the rules-based order.

Further disparity between high income countries and low- and middle- income countries’ access to tests and treatments is also expected to exacerbate in 2021.

In April 2020, the Access to COVID-19 Tools (ACT) Accelerator was convened by the World Health Organisation, European Commission, The Bill and Melinda Gates Foundation and the French Government. ACT-A was established with a mandate to accelerate global access to tools that will end the acute phase of the COVID-19 pandemic and support the health systems needed to deliver these in order to prevent further disruption to lives and livelihoods.

Investment in the ACT Accelerator is the world’s best bet and most viable solution for ending the acute phase of the pandemic and restarting the global economy, yet it remains severely underfunded.

- The Diagnostics Pillar (led by the Global Fund and FIND) requires total funding of US\$6 billion to continue the development of more widely available, affordable and easy-to-use tests, including self-tests, as well as to fund procurement to meet the immediate testing needs of low- and middle-income countries; however, it currently has a funding gap of US\$5.3 billion (AU\$6.9 billion);
- The Therapeutics Pillar (led by Unitaid and Wellcome) requires a total of US\$6.6 billion to rapidly fund treatment research, prepare the market to produce treatments at scale, and deliver lifesaving treatments such as monoclonal antibodies in low- and middle-income countries; it currently has a funding gap of US\$6.2 billion (AU\$8.07 billion);



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- The Vaccines Pillar (led by Gavi, the Vaccine Alliance and the Coalition for Epidemic Preparedness Innovations) requires a total of US\$ 11.1 billion to ensure country readiness and equitable access to vaccines for low- and middle-income countries but has an outstanding funding gap of US\$3.3 billion (AU\$4.3 billion);
- The Health Systems Connector (led by the Global Fund and the World Bank) requires US\$9.5 billion to prepare health systems and ensure access to oxygen and personal protective equipment but has a funding gap of US\$9.1 billion (AU\$ 11.85 billion)

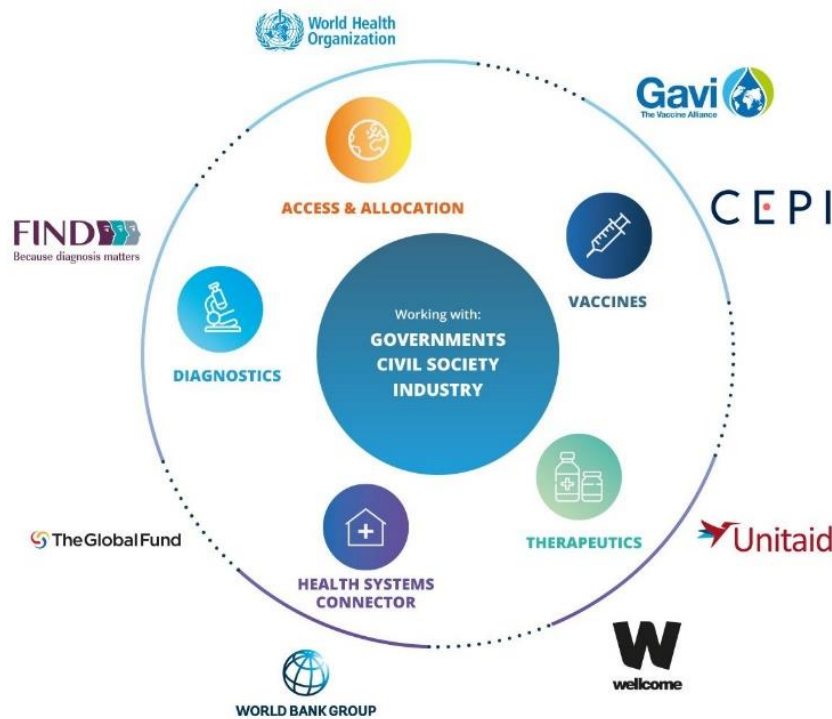


Figure 1. The ACT-Accelerator is organised into four pillars of work: diagnostics, treatment, vaccines and health system strengthening. Each pillar is vital to the overall effort and involves innovation and collaboration

In November 2020, Australia, along with other G20 nations, committed to “spare no effort to ensure that all people have affordable and equitable access to safe and effective COVID-19 diagnostics, therapeutics and vaccines”. However, while Australia has committed US\$68 million (AU\$80 million) for the Accelerator in 2021, fellow G20 nations such as Canada and the UK have committed over ten times this amount — US\$688 million (AU \$896 million) and US\$1.08 billion (AU\$1.41 billion), respectively. The US has also approved a commitment of US\$4 billion (AU\$5.21 billion) to the COVAX Advanced Market Commitment.



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Whilst vaccine progress to date is promising, rapidly increasing infection and mortality rates, combined with the discovery of new, more infectious mutations of COVID-19 make it clear that more than one line of defence is needed against the virus. Effective tests and treatments will also be vital in low- and middle-income countries to help to slow the spread of the virus and save lives as countries wait for vaccines.

This additional investment will supplement Australia's generous Regional Vaccine Access and Health Security Initiative, enhancing value-for-money through pooled purchasing arrangements.

Recommendation 1: Consistent with our G20 commitments, and our regional and multilateral interests, increase Australia's contribution to the ACT Accelerator's global COVID-19 response and recovery collaboration by at least \$500 million in the 2021-22 Federal Budget. This increase should be in addition to the existing ODA budget and the new measures announced in 2020-21.



2. Protect hard-fought progress in global health, and mitigate the secondary health impacts of COVID-19

COVID-19 threatens to reverse the extraordinary health gains made over the past two decadesⁱⁱⁱ. In many countries facing a heavy burden of communicable and non-communicable diseases, the knock-on impact of COVID-19 may outweigh the direct impact of the virus.^{iv}

Bi-monthly Global Fund surveys in more than 100 countries show that due to lockdowns, restrictions on movement, economic fallout, and the redirection of resources, around 75% of lifesaving HIV, TB and malaria prevention and treatment programs have been moderately to seriously disrupted for the greater part of 2020. Without intervention, infection rates will rise for the first time in many years, and HIV, TB and malaria deaths are predicted to increase by up to 10%, 20%, and 36% in the next 5 years, respectively, as a direct result of the COVID-19 pandemic^v. Malaria poses the most acute risk, with the risk of doubling or tripling in a single wet season if there are severe disruptions to programming^{vi}. The Global Fund has indicated that it will require US \$1 billion in the next 12 months to help countries adapt HIV, TB and malaria programs for the COVID-19 context to protect progress and momentum on the three diseases^{vii}.

In addition, the impact of the pandemic to carry out life-saving immunisation services around the world is putting more than 80 million children aged <1 year at increased risk of diseases like diphtheria, measles and polio^{viii}, according to the Gavi, the Vaccine Alliance.

Many public health systems in the Pacific and South East Asia region were already fragile and nearing capacity before the pandemic and are now facing at best being overwhelmed, at worst collapse^{ix}. These diseases will not wait as we work to eliminate COVID-19^x. An inadequate response from Australia to support the mitigation and prevention of the knock-on effects of the pandemic will have grim toll, and result in a social, humanitarian and health security crisis on our doorstep.

Recommendation 2: To adapt and maintain the delivery of vital global health programs, and to mitigate the secondary health impacts of COVID-19, the Australian Government should contribute at least \$72.6 million to the Global Fund, and \$60 million to Gavi, the Vaccine Alliance in fiscal year 2021-22, in line with pledges made in 2019 and 2020 to their respective replenishment rounds.



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3. Build the Indo-Pacific region’s resilience to health security challenges through increased and sustained Official Development Assistance spending.

Over the past seven years, the Federal Government’s Official Development Assistance (ODA) spending has been in continual decline – from \$5.5b^{xi} in 2012-13 to \$4.1bn in 2019-20^{xii}. That equates to an aid-to-GNI percentage of 0.21% in 2019-20, well below the agreed international benchmark of 0.7%.

In turn, the total health investment in the ODA budget has also decreased from over \$800 million to \$562.5 million in the same time period.

Whilst we welcome the additional support packages that Australia has committed to the global COVID response in 2020-21 – including the \$304.7 million recovery package for the Pacific and Timor-Leste, \$523 million Regional Vaccine Access and Health Security Initiative and the \$80 million contribution to the COVAX Advanced Market Commitment – the Department of Foreign Affairs has made it clear that this support is “targeted and temporary”^{xiii}.

Current and future pandemics and the spread of disease pose an enormous threat to the lives and livelihoods of people living in our region, and to advancing the progress of the SDGs. It also threatens Australia’s strategic and commercial interests, given our extensive trade, business, and tourism ties with the Indo-Pacific region.

Fundamental to Australia’s health security is our neighbouring countries’ capacity to effectively prevent, detect and respond to infectious diseases by having resilient and inclusive systems that provide health care for all^{xiv} and the COVID-19 pandemic has exposed the fragility of many health systems in our region and their limited capacity to address the threats they face. A sustained and significant investment in the ODA budget to strengthen health security in the region will be vital to insure against further risk to the region and to protect progress against the SDGs.

Recommendation 3: Australia must build our region’s resilience to health security challenges through increased and sustained Official Development Assistance spending. The Australian Government and Opposition are urged to jointly agree to a sustained increase to 0.5% of GNI by 2025/26 for ODA spending, with a view to achieving a pathway to the internationally-agreed benchmark of 0.7%.



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4. Improve Australia's expertise and capacity to prevent, prepare for and respond to global health issues.

We must ensure that Australia has the expertise and capacity to prevent, prepare for and respond to critical global health issues, such as the current COVID-19 pandemic domestically and across the Indo-Pacific region, and to maximise our ability to respond to future pandemics and other complex national and global infectious diseases.

The opportunity to bring together Australia's expertise from the medical research and public health sector ([see press release](#)) into one, central location will improve individual organisational strengths, and synergistically increase the collective capacity to make an impact.

The new Australian Institutes of Infectious Diseases and Global Health will provide better health outcomes for all Australians and the region via: increased health expertise and knowledge-sharing with 1500 scientists and clinicians in one location; increased International funding opportunities; faster turnaround of vaccines, rapid diagnostics and new therapeutics; greater critical thinking on public health responses; better public health communications; improved modelling capacity; greater global health impact in major diseases such as malaria and TB; improved health security for the region; increased clinical trials and commercialisation opportunities; potential resource and facility-sharing resulting in reduced duplication, increased efficiency and effectiveness.

The Australian Institutes of Infectious Diseases and Global Health will complement the work of existing bodies in Australia and the region such as the Indo-Pacific Centre for Health Security and the recently announced ASEAN Centre for Public Health Emergencies and Emerging Diseases and will seek to open up further opportunities for collaboration and partnerships amongst the network.

The collective impact will give added confidence to the community that expect the government to have effective measures in place that minimise any future health risks to the community and damage to the economy which has occurred during the COVID-19 pandemic.

Recommendation 4: The Australian Government should provide \$250 million in funding to support the formation of the Australian Institutes of Infectious Diseases and Global Health and the new facility in Melbourne.



5. Acknowledge climate change as a global health emergency and take urgent action through increased investment in research, mitigation and adaptation in our region.

Climate and environmental change is having significant impacts on human health. In the Indo-Pacific region and in Australia, climate change is raising sea levels, exacerbating the severity of natural disasters, reducing nutrition levels in food, reducing the quality of fresh air with particulate matter and other pollutants and increasing disease produced by unclean water. All present substantial risks for the health of humans, including Australians.

To date, the sense of urgency gripping international policymakers about the intersection between climate change, environmental change and human health has not been reflected in Australian policymaking. This year, the COVID-19 pandemic has clearly demonstrated what happens when a common threat impacts on a community's health and livelihoods. Both climate change and the COVID-19 pandemic share commonalities and converging effects – including that it is the poorest communities who remain the most vulnerable to its impact.

That health and climate change are interwoven is widely accepted, with extensive evidence of their interactions^{xv}. Throughout the COVID-19 pandemic, Australian leaders have sought the advice of experts and followed the science to guide their response. They have made policy decisions based on evidence and facts. The same level of pragmatism and commitment must be applied to the science regarding climate change, and its present and future health impacts on Australia and our region.

While the Australian Government is taking initiatives in relation to climate change and global health as separate policy areas, its response to the impacts of climate change on human health across sectors has been more limited. The World Health Organization identifies the health impacts of climate change as one of the world's greatest risks, yet it is not mentioned in the Australian Department of Health's Long-Term National Health Plan^{xvi}. Nor is the intersection of health and climate change the focus of any of the 20 initiatives listed as 'areas of national priority' in the department's 10-year, \$5bn investment plan for the Medical Research Future Fund^{xvii}. We recommend that this is rectified on both counts.

Similarly, the 2019-2020 Official Development Assistance budget appears to contain no financial support for interventions and programs to help regional health systems adapt to climate change.

It is critical that the Australian Government urgently dedicate resources to addressing this issue.

Recommendation 5: We recommend that the Government draw on funds allocated to the \$2 billion Australian Infrastructure Financing Facility for the Pacific to address serious climate-sensitive health challenges across the region. This could respond to the work undertaken by 13 Pacific Health Ministers which identifies the top 10 climate-sensitive health issues and the related investments required to address them.^{xviii}

In addition, the establishment of a facility which develops policy-relevant health and climate change research in partnership with those industry sectors most affected such as agriculture, would greatly assist policy makers in determining which interventions will assist those most directly impacted by climate change. This work could utilise the skills of Indigenous Peoples and colleagues in the Pacific who are already experiencing the impacts of climate variability on their health and livelihoods.



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Recommendation 6: We recommend that the Australian Government establish a multi-institutional Health and Climate Change Research Facility, based in rural Australia with a financial contribution of at least \$20 million over four years.



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