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Midterm Review of the Utilization of the Regional Health Security Set-Aside

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ABBREVIATIONS

ADB	–	Asian Development Bank
ADF	–	Asian Development Fund
CA	–	concessional assistance
COL	–	concessional OCR loan
DMC	–	developing member country
IHR	–	International Health Regulations
OCR	–	ordinary capital resources
PARD	–	Pacific Department
PBA	–	performance-based allocation
PHC	–	primary health care
RHS	–	regional health security
SARD	–	South Asia Department
UHC	–	universal health coverage
UNICEF	–	United Nations Children’s Fund
WHO	–	World Health Organization

NOTE

In this report, “\$” refers to United States dollars, unless otherwise stated.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

CONTENTS

	Page
EXECUTIVE SUMMARY	i
I. INTRODUCTION	1
A. Motivation Behind the Regional Health Security Set-Aside	1
B. Details of the Regional Health Security Set-Aside	3
II. UTILIZATION OF THE REGIONAL HEALTH SECURITY SET-ASIDE	5
A. Challenges Encountered and Addressed, and Outlook for Pipeline in ADF 12 (and possibly ADF 13)	8
B. Next Steps and Recommendations	9

EXECUTIVE SUMMARY

Some of the deadliest and most expensive pandemic outbreaks in history have originated in Asia and the Pacific, and trends indicate that the region continues to be at high risk for future outbreaks. While some Asian countries have made progress toward strengthening their health security, several gaps remain. Despite the lessons learned that investments in health security must be made during inter-pandemic periods, many Asian and Pacific countries are not prepared for a severe outbreak and do not have established response procedures. To combat the lack of domestic financing for health security, through the 11th replenishment of the Asian Development Fund (ADF 12), the Asian Development Bank (ADB) created a set-aside to leverage financing for grants focusing on regional health security (RHS).

Through the RHS set-aside, the \$52.8 million in RHS grants from the ADF were leveraged into four projects worth a total of \$195.6 million. Funded projects spanned three of ADB's operational departments. The largest project under the set-aside is in Viet Nam, where \$12.0 million in RHS financing was leveraged into a \$100.6 million reform to develop health care systems at a local level. In South Asia, Sri Lanka received \$12.5 million from the RHS set-aside to generate a \$50.0 million project to strengthen primary health care systems and fortify disease surveillance at ports of entry. Bhutan also received funding (\$13.3 million from the set-aside leveraged to a \$20.0 million project) to strengthen primary health care and information systems for localized disease detection. Four Pacific island countries (Samoa, Tuvalu, Tonga, and Vanuatu) received \$15.0 million from the set-aside, to support a \$25.0 million effort to increase effective coverage of new vaccines in the region.

These projects represent the reprioritization of health at ADB and are an important step toward strengthening RHS in Asia and the Pacific. ADB's Strategy 2030 places emphasis on developing human capital, and ADB is looking to strengthen its position as a leader in regional health and develop its pipeline of health projects.

With the new emphasis on human capital under the Strategy 2030 operational priority 1, additional collaborations with development and technical partners will be leveraged to increase ADB activities aimed at improving health security in Asia and the Pacific through the involvement of multiple related sectors. Incentivizing investments in country-level and regional health security—including the establishment of a regional center for disease control and prevention—will contribute to greater health, social, and economic resilience in the region and beyond and is among the most crucial actions that ADB should undertake.

I. INTRODUCTION

A. Motivation Behind the Regional Health Security Set-Aside

1. **Vital regional public good.** With some of the deadliest and most expensive pandemic outbreaks in recent history having originated in the Asia and Pacific region, investments in regional health security (RHS)—especially those related to pandemic preparedness and response—are a vital regional public good. Since 2014, most infectious disease outbreaks requiring World Health Organization (WHO) notification have come from countries in Asia and the Pacific, primarily the People’s Republic of China, the Republic of Korea, Cambodia, and the Lao People’s Democratic Republic (Lao PDR). Greater mobility of populations and increased vulnerability to climate change and natural disasters—along with increased risks from new and mutating pathogens and the growing spread of antimicrobial resistance—will amplify the threat of infectious disease outbreaks across the developing member countries (DMCs) of the Asian Development Bank (ADB) and globally.

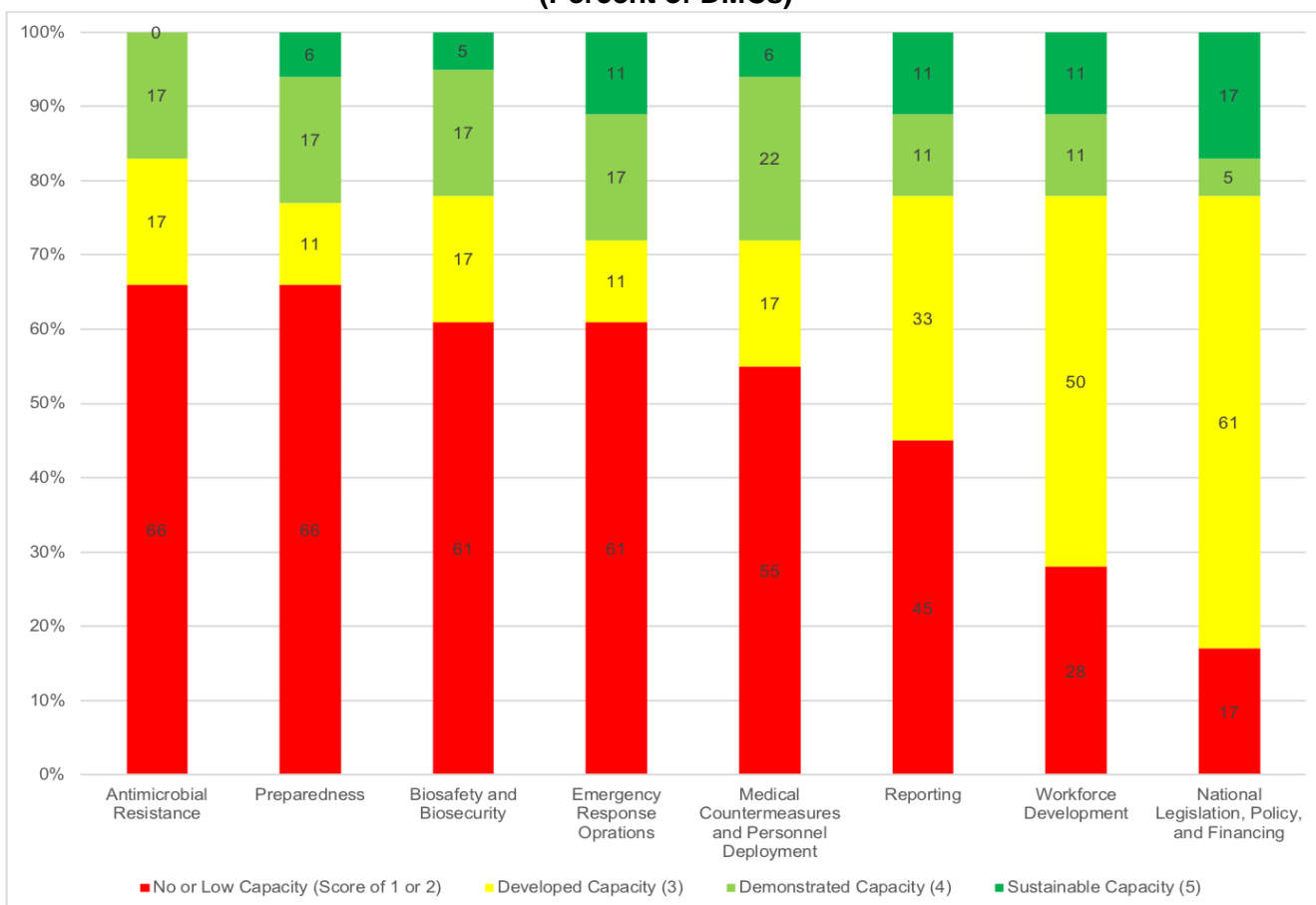
2. **Prioritizing investments in preparedness.** As with any disaster, the key to mitigating pandemic risks is to build and strengthen resilient health systems, public health capacities, governance, and infrastructure, while increasing investments in research and development during the pre- and intra-pandemic periods. The return on investment in pandemic preparedness is extraordinarily high in terms of lives saved and economic and social disruptions avoided. A severe pandemic can cause thousands of deaths, and even conservative estimates by the World Bank and others suggest that pandemics cause annual losses of \$60 billion–\$80 billion. The economic impact of disease outbreaks is exacerbated by fear—exemplified by the 2015 Republic of Korea Middle East Respiratory Syndrome outbreak, which resulted in substantial changes in consumer behavior that caused a 41% drop in tourism. Conversely, strengthening pandemic preparedness and response capacities saves lives, fosters social and economic stability, and has a high return on investment. Additionally, investing in preparedness has broader benefits to the strengthening and resilience of health systems and achieving universal health coverage (UHC). For instance, many of the capabilities and infrastructure for health security are also necessary to address (i) endemic and emerging infectious diseases that cross borders, (ii) the epidemiological transition to noncommunicable diseases, (iii) antimicrobial resistance, and (iv) other public health emergencies.

3. **Joint external evaluation.** To inform countries’ investments in RHS interventions, the WHO developed the joint external evaluation tool to assess country-level capacity to prevent, detect, and rapidly respond to health security threats. The joint external evaluation is intended to measure country-specific status and progress in achieving the health-security related targets outlined by the International Health Regulations (IHR), 2005. The systematic, multisectoral evaluation of 19 IHR technical areas helps countries to identify the most urgent needs within national health systems; prioritize efforts; enhance preparedness, response, and action; and engage current and prospective donors and partners in targeting resources in the most effective way. Joint external evaluations require voluntary country participation, transparency, and openness of data and information sharing; and are performed through a national self-assessment and an external evaluation team with experts from all relevant sectors such as human and animal health, food safety, agriculture, defense, and public safety.

4. **Several gaps remain.** An analysis of the 18 joint external evaluations available for DMCs demonstrates that although individual countries have made significant progress toward achieving health security, and the region demonstrates reasonable capacity to prevent and detect health

threats, weaknesses exist in the ability of countries to respond to outbreaks (Figure). The biggest regional threat to health security has been identified as the lack of preparedness—especially the lack of national multi-hazard public health emergency plans. Developing national multi-sectoral pandemic preparedness and response plans is a critical step on the path to building the resilience of a country to future outbreaks during intra-pandemic periods and strengthening health systems. Unfortunately, many countries do not realize the importance of such plans until an outbreak has already started. This can have adverse effects on neighboring countries, even if they have formalized preparedness plans, thereby posing a considerable threat to RHS. Emergency response operations are also deemed to be of limited capacity in the region. This shows a clearly demonstrated need for either a regional institution such as ADB or a network of institutions to support emergency preparedness planning and response efforts across countries in Asia and the Pacific.

Figure: Joint External Evaluation Scores for ADB's Developing Member Countries for Achieving Health Security (Percent of DMCs)



ADB = Asian Development Bank, DMC = developing member country.

Source: Authors. 2019. Adapted from Joint External Evaluations.

5. Lack of investment in preparedness. Many DMCs do not prioritize domestic financing for RHS, with governments and donors historically focused on responding to health security crises as they occur, while neglecting investments in preparedness. Making a strong case for sustainable financing for health security and pandemic preparedness is difficult because of competing development and health sector priorities, reluctance to invest in low-probability risk

events, or shortsighted mis-appreciation of the long-term benefits brought about with collective investments in regional public goods. Given the need to mobilize country investments in health security and the elevated risk of a pandemic striking the region—resulting from both increased human-animal interaction and regional connectivity—it is therefore essential to mobilize grant assistance to incentivize DMCs to focus on and invest in RHS to prevent and/or minimize the impact of pandemics and other health security threats.

6. **ADB uniquely placed to provide grant financing.** As a regional development bank with a relevant institutional mandate and a reputation as an honest broker and trusted partner of DMCs, ADB has proven convening power and the ability to forge a broad range of strategic partnerships. This includes a demonstrated record of rich experience in regional cooperation and integration across sectors and in health.

7. **ADB sectoral advantage.** No other development partner has systematically provided and continues to provide investment support for RHS and other region-wide health interventions in Asia and the Pacific. Recent achievements include the innovative Greater Mekong Subregion Health Security Project (approved in November 2016)—wherein ADB is working with the governments of Cambodia, the Lao PDR, Myanmar, and Viet Nam to address weaknesses in these countries' health systems and is promoting cross-country cooperation to improve national and international health security¹—and the Regional Malaria and Other Communicable Disease Threats Trust Fund established in 2013, which has successfully helped to mainstream and scale up efforts to build transnational capacity for RHS.

8. In response to the recommendations of ADB's Independent Evaluation Department assessment of Asian Development Fund (ADF) X and XI operations, that ADB support the broader provision of regional public goods—and given its experience in strengthening health security, regional, multi-sectoral mandate, and the massive returns from investing in health security—ADB created a mechanism to leverage funds to crowd in government investments in RHS interventions through the ADF RHS set-aside.²

B. Details of the Regional Health Security Set-Aside

9. To maximize the value of grant financing and leverage investments in RHS through the strategic position of ADB, the ADF donors agreed in 2016 for ADB to strengthen its support for RHS through grant financing available for all concessional assistance (CA) countries via a set-aside within the ADF contribution framework. This was financed on a voluntary and pilot basis for the ADF 12 period, while protecting the existing regional set-aside resources. Financing of up to \$150 million in ADF grants was agreed to be sourced from contributions to ADF and other voluntary contributions. The amount of \$52.83 million has been provided as voluntary contributions, while no contributions from ADF have been added to the RHS set-aside to date.³ Given the high level of interest in the set-aside from countries, as well as the successful leveraging of set-aside funds, additional contributions are sought to meet the agreed target.

10. The allocation of resources for RHS (i.e., the health security grants) has followed the same principle as the existing regional set-aside and prioritized CA-only countries. For ordinary capital

¹ ADB.2016. *Report and Recommendation of the President to the Board of Directors: Proposed Loans and Grant Kingdom of Cambodia, Lao People's Democratic Republic, Republic of the Union of Myanmar, and Socialist Republic of Viet Nam: Greater Mekong Subregion Health Security Project*. Manila.

² Independent Evaluation Department. 2015. *Asian Development Fund X and XI Operations: Opportunity Amid Growing Challenges*. Manila: ADB.

³ The amount has increased to \$58 million on 31 December 2018 due to exchange rate movements.

resources (OCR)-blend countries, greater ownership—including greater contribution of resources from their performance-based allocation (PBA) compared with CA-only countries—has been a necessary condition for the provision of grants. The CA-only countries⁴ need to match ADF health security grants with their PBA accounting for at least one-third (33.3%) of the total project amount, while the OCR-blend countries⁵ need to match the ADF health security grants with their PBA accounting for at least three-quarters (75%) of the total project amount.

11. ADF health security grants follow a similar proposal process to the regional set-aside, prioritizing projects from CA-only countries.⁶ Multi-country and single-country proposals were considered if the proposal demonstrates clear links with national and RHS needs. The proposed projects have been expected to explicitly target unmet health security needs and priorities, and be aligned with national and regional plans. Preference has been given to larger-scale or longer-term investments, and projects that support innovations for health system strengthening and financing for RHS. Projects have also been expected to ensure the sustainability of RHS, including strategies for government ownership and commitment (e.g., policy, budget, institutional set-ups).

12. The definition of RHS is aligned with the World Health Organization (WHO) definition, and includes “activities required, both proactive and reactive, to minimize vulnerability to public health risks that endanger the collective health of populations living across geographical regions and international boundaries.”⁷ The scope of health security risks includes infectious and emerging diseases; deliberate use of chemical and biological materials; violence, conflict, and humanitarian emergencies; environmental change and natural disasters; chemical accidents and radioactive dangers; and food insecurity and poverty.⁸

13. Health teams of regional departments and regional cooperation divisions were consulted to define the specific ADF health security grants eligibility criteria. As a result of these consultations, no department-specific allocations have been made. Instead, grants were allocated based on the quality of the proposal. The team closely monitors the selected projects throughout project implementation. The Independent Evaluation Department is expected to undertake an evaluation of the use of the ADF health security grants before the end of the ADF 12 replenishment period.

14. The prioritization criteria required proposal components for the following:

- (i) well-defined activities targeting unmet health security needs and priorities, which have been identified by the DMC in national plans;
- (ii) links to regional and national policies (legal and policy frameworks), programs (e.g., health security, antimicrobial resistance), or projects (e.g., information and communication technology, infrastructure such as laboratory networks);
- (iii) specific justification that these are investments in regional public goods;

⁴ Central and West Asia Department (CWRD): Afghanistan, Kyrgyz Republic, Tajikistan; South Asia Department (SARD): Bhutan, Maldives, Nepal; Southeast Asia Department (SERD): Cambodia, Lao PDR, Myanmar; Pacific Department (PARD): Kiribati, Marshall Islands, Nauru, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu.

⁵ CWRD: Pakistan, Uzbekistan; East Asia Department: Mongolia; SARD: Bangladesh, Sri Lanka; SERD: Viet Nam; PARD: Federated States of Micronesia, Palau, Papua New Guinea, Timor-Leste.

⁶ ADB. 2016. *Asian Development Fund 12 Donors' Report: Scaling Up for Inclusive and Sustainable Development in Asia and the Pacific*. Manila.

⁷ World Health Organization. 2007. *The World Health Report 2007: A Safer Future Global Public Health Security in the 21st Century*. Geneva.

⁸ Y. W. Chiu. 2009. [The nature of international health security](http://apjcn.nhri.org.tw/server/APJCN/18/4/679.pdf). *Asia Pacific Journal of Clinical Nutrition*. 18 (4). pp. 679–683. <http://apjcn.nhri.org.tw/server/APJCN/18/4/679.pdf>.

- (iv) targeting of underfunded health security priorities that require multiyear investments and innovations that governments are not yet funding; and
- (v) mechanisms to ensure financial sustainability, including domestic cofinancing.

15. Other criteria for selection stipulated that the project provide “protection” from communicable diseases and/or build on existing regional cooperation activities. Selection has also prioritized projects in DMCs in which ADB has ongoing or planned health sector operations.

16. The Strategy, Policy, and Review Department facilitated a call for proposals, and the regional departments submitted five proposals. The Pacific Department (PARD) and the South Asia Department (SARD) submitted two proposals each, and the Southeast Asia Department submitted one proposal. The Health Sector Group committee, together with regional cooperation and integration experts, conducted an evaluation. After a thorough review, four proposals were selected: a multi-country proposal for four Pacific DMCs, and one proposed project each for Bhutan, Sri Lanka, and Viet Nam. One proposal for improving health security through digital health innovations in a Pacific DMC was not included because it was not ready at the time. Other health projects that could benefit from additional available RHS financing are being vigorously developed.

II. UTILIZATION OF THE REGIONAL HEALTH SECURITY SET-ASIDE

17. ADF RHS grants were provided for Bhutan’s Health Sector Development Project (\$13.3 million);⁹ Sri Lanka’s Health System Enhancement Project (\$12.5 million);¹⁰ Viet Nam’s Local Healthcare for Disadvantaged Areas Sector Development Program (\$12.0 million);¹¹ and the Pacific Regional Project on Systems Strengthening for Effective Coverage of New Vaccines in the Pacific for Samoa, Tonga, Tuvalu, and Vanuatu (\$15.0 million).¹²

18. ADB was able to leverage these \$52.8 million grants into a total of \$195.6 million worth of projects, with the DMCs mobilizing \$142.8 million of ADF grants/loans and concessional OCR loans (COL) (Table). As of December 2018, all four projects have been approved by the ADB Board of Directors; and the Sri Lanka and Bhutan projects, and Tonga and Tuvalu subprojects have been committed. The overall available amount for the RHS set-aside has been fully allocated to these projects.

⁹ ADB. 2018. *Report and Recommendation of the President to the Board of Directors: Proposed Grants and Technical Assistance Grant Kingdom of Bhutan: Health Sector Development Program*. Manila.

¹⁰ ADB. 2018. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Grant: Democratic Socialist Republic of Sri Lanka: Health System Enhancement Project*. Manila.

¹¹ ADB. 2018. *Report and Recommendation of the President to the Board of Directors: Proposed Policy-Based Loan and Grant Socialist Republic of Viet Nam: Local Health Care for Disadvantaged Areas Sector Development Program*. Manila.

¹² ADB. 2018. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Grants Independent State of Samoa, Kingdom of Tonga, Tuvalu, and Republic of Vanuatu: Systems Strengthening for Effective Coverage of New Vaccines in the Pacific Project*. Manila.

**Table: ADB Projects with Health Security Component
(financed under ADF Health Security Grant)**

Operational Department	DMC	Project Name	ADF Health Security Grant (\$ million)	ADB Resources (\$ million)	Total Project Amount (\$ million)	Board Approval
South Asia	Bhutan	Health Sector Development Program	13.3	6.7 ADF	20.0	5 October 2018
South Asia	Sri Lanka	Health System Enhancement Project	12.5	37.5 COL	50.0	23 October 2018
Pacific	Samoa, Tuvalu, Tonga, Vanuatu	Systems Strengthening for Effective Coverage of New Vaccines in the Pacific	15.0	10.0 ADF loan (for VAN)/ grant allocation	25.0	8 November 2018
Southeast Asia	Viet Nam	Local Healthcare for Disadvantaged Areas Sector Development Program	12.0	88.6 COL	100.6	10 December 2018
		Total	52.8	142.8	195.6	

ADB = Asian Development Bank, ADF = Asian Development Fund, COL = concessional ordinary capital resources lending, DMC = developing member country, VAN = Vanuatu.

Source: Asian Development Bank.

19. Bhutan's Health Sector Development Program

- (i) **Regional health security issue.** Despite impressive gains in terms of health outcomes, Bhutan faces increased risks related to infectious diseases and health security because of growing cross-border travel and economic activities. Contributing to this problem is the fragmentation of the health information systems, which create a large and often redundant reporting burden on health facilities and thereby reduce the quality and regularity of reporting to the critical national disease surveillance system. These factors contribute to the considerable challenge of improving the equity, efficiency, and financial sustainability of the health care system brought about by the increasing burden of noncommunicable diseases, growing population estimates, and medical–technological advances.
- (ii) **Approach.** The sector development program will (a) support primary health care (PHC) service delivery improvements in selected areas, (b) strengthen the Bhutan Health Trust Fund, and (c) improve health information management. Specific to improving health security, the sector development program will strengthen disease surveillance, expand financing for vaccines through the Bhutan Health Trust Fund, and improve provisions for infection prevention and control at primary health facilities. These interventions will fortify the health system and health security of Bhutan.

20. Sri Lanka's Health System Enhancement Project

- (i) **Regional health security issue.** Although the country has benefitted greatly from improvements in health outcomes since 2008, it is now more exposed to

communicable diseases because of increased labor mobility and connectivity. It also faces new health challenges such as the dramatic increase of noncommunicable diseases and lifestyle diseases, which are causing a surge in demand for health services and an increase in health care costs. Furthermore, disparities in health outcomes, health seeking behavior, life expectancy, and the disease burden persist in lagging geographic areas—especially in rural and estate (plantation) sector populations.

- (ii) **Approach.** In response, the government is developing a more comprehensive package of PHC services with better access and higher quality of services to (a) strengthen PHC services, (b) reduce bypassing of primary care, and (c) expand the access of vulnerable groups. The government is committed to implementing e-health initiatives to strengthen evidence-based health services and improve disease surveillance. It is also strengthening quarantine services at ports of entry and conducting health assessment of migrants. The project will support all these efforts with a focus on enhancing PHC in the Central, North Central, Sabaragamuwa, and Uva provinces. It will also support the strengthening of health information and disease surveillance capacities, policy development, capacity building, and project management. In addition, the web-based surveillance system for notifiable diseases managed by the quarantine unit will be strengthened with support through the training of health personnel in the use of the quarantine manual, surveillance, and vector control. The project will also support the review and development of inbound assessment guidelines for the new inbound migrant screening facility.

21. Pacific Regional Systems Strengthening for Effective Coverage of New Vaccines in the Pacific (Samoa, Tonga, Tuvalu, Vanuatu) Project

- (i) **Regional health security issue.** Although routine immunization coverage in Tonga and Tuvalu is relatively high, and coverage rates in Samoa and Vanuatu are just below international targets, all four immunization programs are considered incomplete as they are missing three WHO-recommended routine vaccines: human papillomavirus vaccine, pneumococcal conjugate vaccine, and rotavirus vaccine. The immunization programs are further weakened by having outdated cold chain equipment to keep the vaccines at recommended temperatures, shortages in staffing at both national and subnational levels, and challenges in reaching “the last mile” for remote and outer island communities. These countries have weak individual purchasing power because of their small population sizes and, as middle-income countries, they are unable to access global vaccine support through agencies like GAVI, the Vaccine Alliance.
- (ii) **Approach.** The project supports a comprehensive vaccination program by financing the introduction of human papillomavirus, pneumococcal conjugate, and rotavirus into the four national health systems. It will employ pooled procurement through the United Nations Children’s Fund (UNICEF) Vaccine Independence Initiative, which will allow the four countries to benefit from lower prices, assured quality products, technical expertise in vaccines and cold chain management, and emergency stockpiles. The project aims to ensure healthy lives and promote well-being for all ages and to reduce the incidence and prevalence of cervical cancer in the Pacific region. It targets increased immunization coverage and meeting the 90% vaccine coverage target set by the WHO Global Vaccine Action Plan.¹³ The

¹³ World Health Organization. 2013. *Global Vaccine Action Plan 2011–2020*. Geneva. https://www.who.int/immunization/global_vaccine_action_plan/GVAP_doc_2011_2020/en/

project will fund the strengthening of regional vaccine procurement and health systems, while improving community awareness. Integrating vaccine programs into broader primary health care is an opportunity to strengthen health sector management capacity by improving evidence-based planning and resource allocation decisions, all of which will improve the sustainability of immunization and strengthened primary health care.

22. Viet Nam's Local Healthcare for Disadvantaged Areas Sector Development Program
- (i) **Regional health security issue.** Inclusive growth in Viet Nam is adversely affected by inequitable health outcomes, catastrophically high expenditure associated with illness, and health and livelihood impacts of epidemic-prone diseases and other public health threats. A strong local health care system consisting primarily of commune health stations is critical to ensure early detection of and timely response to health security threats. However, the local health care system has been unable to adequately deliver health care services and many commune health stations are considered substandard, lacking the capacity to diagnose patients accurately and quickly. This is due in part to inadequate hardware and a health workforce with an inappropriate skill mix. Patients also perceive commune health stations to be poor quality and often bypass them for higher level and more expensive facilities. Further, patients using the local health care system receive limited coverage from health insurance. As a result, out-of-pocket health expenditure remains high—constituting 43% of total health expenditure in 2015.
 - (ii) **Approach.** With the government acknowledging in its health sector five year plan that a strong local health care system is essential for addressing inequitable health outcomes, the health and livelihood impacts of epidemic-prone diseases and other public health threats, and illness-related catastrophic health expenditures, the project will support interventions that enhance the accessibility, responsiveness, quality, and affordability of local health care, particularly in disadvantaged and remote areas. The policy-based loan component addresses key health system and health security reform areas governing public investment, health service delivery, and health workforce quality in the local health care system, through the accomplishment of 16 policy actions. The loan is complemented by a project grant component, which finances reforms to improve health security in 12 pilot districts in six provinces along borders and socioeconomic corridors with high poverty incidence and ethnic minority populations. The grant will also finance the implementation and monitoring of local health care system reforms in infrastructure and equipment standards, health insurance benefits, and the family doctor model.

A. Challenges Encountered and Addressed, and Outlook for Pipeline in ADF 12 (and possibly ADF 13)

23. An initial challenge ADB faced was limited internal capacity, institutional mechanisms, and partnerships to assist member countries adequately in RHS. To strengthen ADB's mandate to lead RHS, steps were taken to build capacity in health security, including (i) expanding internal expertise, (ii) strengthening strategic partnerships with technical partners, and (iii) collaborating with development partners. The Strategy 2030 of ADB places increased emphasis on the health sector to address remaining poverty and inequality in Asia and the Pacific.¹⁴ As such, ADB's

¹⁴ ADB. 2018. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila.

health team has expanded and now includes global experts on global health security. Externally, ADB has developed partnerships with technical partners such as WHO, UNICEF, Japan International Cooperation Agency, Australia National University, and Resolve to Save Lives - an initiative to make the world safer from epidemics. Partnerships with other international development partners, including Australia's Department of Foreign Affairs and Trade, the Department for International Development of the United Kingdom, the Rockefeller Foundation, and the Mériex Foundation position ADB to make immediate and substantial contributions to RHS. Internal capacities and partnerships will continue to be expanded and strengthened as the health sector remains a strategic focus under Strategy 2030.

24. The RHS set-aside was created to address a lack of country and regional level understanding of the importance of prioritizing RHS and a belief that health security investments were competing efforts to achieving broader UHC goals. To address these knowledge gaps, detailed discussions were held to emphasize to countries that they should view efforts to strengthen RHS as efforts to strengthen health systems and make progress on the path to UHC. The RHS set-aside facilitated these clarifications and helped enable subsequent country-level health system investments, as in the case of Bhutan. With grant support from the RHS set-aside, Bhutan is enhancing its patient information system, which is expected to support its pursuit of UHC and expand its capacity and capability to address health security risks. The RHS set-aside supporting investments in RHS interventions contributes to countries achieving UHC, since both can best be achieved through individual country health system strengthening, as well as collaboration and cooperation between countries.

25. **Challenges** are expected challenges in implementing the projects and sustaining investments in RHS. ADB has been increasing its health staffing in all regional departments and expects to provide support to resident missions, which will lead the implementation of the four projects. With regard to sustaining investments, the ADF health security set-aside has helped to strengthen the ADB health sector pipeline. Although significant gains in health security have been made through the initial phase of the set-aside, ending the mechanism risks losing the progress made and reverting to the previous non-prioritization of RHS. Continued investment and donor support are required to maintain the momentum and gains already made toward RHS during the initial phase of the set-aside.

26. The challenge of health security may also be seen through the lens of human health. Pandemic preparedness is a complex and multifaceted activity, and requires the participation of multiple sectors in addition to health—incorporating the functions of public sector financing, animal health, tourism, and other sectors. Asia and the Pacific is the only region without a multinational, multisector institution to strengthen and coordinate disease outbreak response efforts. Therefore, a regional institution with the mandate to build multisector capacity for pandemic preparedness and response in the greater Asia and the Pacific region is needed. The RHS set-aside has helped position ADB as a convener and financier in scaling region-wide capacity and capability in addressing RHS risks, and has contributed in making ADB uniquely positioned to lead the building of multisector capacity for pandemic preparedness and response in Asia and the Pacific.

B. Next Steps and Recommendations

27. **Integrate regional health security into health and development spending.** ADB is preparing operational plans to roll out the implementation of Strategy 2030, which aims to support DMCs to achieve better health outcomes for their populace and attain UHC—the principal objectives of Sustainable Development Goal 3. Thus, ADB recognizes the need to continue

supporting health systems development, health security, and communicable disease management as components of this pillar. Health security fits within country level UHC targets since protecting against health risks is a key part of health coverage, and developing systems for preparing for and responding to pandemics will in turn strengthen efforts for UHC and country and regional resilience. Strengthening health security should therefore not be considered a siloed activity, but instead, an integral component of health and development spending. At ADB, this is an activity that will be addressed using a comprehensive approach through several of ADB's operational priorities in Strategy 2030. In addition to health, this includes collaborating with teams involved with climate change and building disaster resilience, livable cities, and fostering regional cooperation and integration.

28. Increase country-level support and strengthen regional collaboration. Substantial progress in strengthening RHS has been made at the country level through the ADF 12, yet there is a need to ramp up RHS activities in other DMCs, maintain momentum in countries that have received ADF funds, and strengthen regional collaboration for health security. ADB is fully prepared to implement the four projects committed through the RHS, however continued and additional efforts will be necessary. The Asia and the Pacific region has been responsible for the vast majority of potential pandemic outbreaks since 2014.¹⁵ If current levels of country and regional preparedness are not increased, the next major pandemic will be as dire or worse than previous outbreaks—resulting in devastating impacts on human, social, and economic health in the region.

29. Support the establishment of a regional center for disease prevention and control for enhanced coordination, cooperation, and communication around infectious disease and other public health threats. If future ADF set-asides are mobilized to continue financing RHS, ADB can continue to help improve the IHR (2005) capacities identified as weak at the country level. However, even as individual countries progress toward achieving IHR (2005) capacities, a formal institution is still needed to mobilize agencies beyond the health sector and coordinate efforts to prevent, detect, and respond to pandemic outbreaks in the Asia and Pacific region. In response to similar challenges across their member states and in recognition of the need for a single formal body to provide regional leadership, the European Union and the African Union established regional centers for disease prevention and control. Both the European Centre for Disease Prevention and Control and the Africa Centres for Disease Control and Prevention (Africa CDC) were designed to develop well-coordinated regional capacities to prevent, detect, and control public health threats effectively and to strengthen country-level responses. ADB is partnering with global and regional partners such as the Global Fund to Fight AIDS, Tuberculosis and Malaria and Fondation Mérieux to review existing capacities in the region and explore potential options for such a regional institution in Asia and the Pacific. A portion of future ADF financing can contribute to the regional public good of health security by implementing some of the recommendations of this forthcoming report.

30. Continue to scale up financing to expand engagement in regional health security in the region and beyond. The implementation of Strategy 2030 needs to build on the ongoing success of the ADF set-aside for RHS, which has leveraged \$53 million in grants, to mobilize an additional \$142 million in investments in health security and health systems. Future activities should continue to build on these impressive gains, while mobilizing domestic and other financing for health security activities in new DMCs. To improve cross-country collaboration on the prevention of and response to threats to health security in Asia and the Pacific, the potential for developing a formal and sustained set of technical networks that can prevent, detect, and respond

¹⁵ World Health Organization. 2019. *Disease Outbreak News*. <https://www.who.int/csr/don/en/>

to health security threats should be explored. Together with ADB's increasing commitment to health security, the continued implementation of the ADF set-aside for RHS will expand engagement with DMCs and contribute to greater health, social, and economic resilience in the region and beyond.

31. **Continue to address poverty and persistent inequities within the region.** Maintaining the support for investments in RHS would lead to continued growth in country-level investments and protect Asia and the Pacific from the adverse economic impact, poor health outcomes, reversal of health gains, and increased vulnerability brought about by pandemics and other health security threats, which countries are not prepared to face. Strategy 2030 envisions a prosperous, inclusive, resilient, and sustainable Asia and the Pacific. It calls for reducing, and even eliminating, the remaining pockets of poverty and inequity in countries and the region. Incentivizing investments in RHS and UHC interventions are among the most crucial actions that ADB should undertake.