Financial support to developing countries to face the challenges associated with avian influenza

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Potential impacts of avian influenza

• Worldwide
  - Costs of US $ 135 thousand billion
  - Losses of 1,35% of the world GDP
  - Estimated mortality of 70 million people

(World Bank, June 2006)

• In Latin America
  - Costs of US$ 1,17 billions in hospitalizations
  - Costs of US$ 2,31 to 3,64 billions in work loss days
  - 878 to 7561 estimated deaths

(PAHO, Based on an infection estimate of 35% - January, 2006)
Reasons to offer international financial support

- Need to prepare public and private institutions as well as the civil society to avoid or mitigate the impact of a pandemic.
- Need to support the countries that could be facing a pandemic situation in emergency activities.
What to finance in the pre-pandemic phase?

- Development and implementation of National Preparedness Plans;
- Performance of table top exercises to evaluate, identify, correct weaknesses and improve response capacities;
- Optimization of the response ability of surveillance and human and animal health;
- Implementation of strategies of social communication;
- Estimations of the national and local economic impact;
- Development of regional and national coordination strategies among countries;
- Local production, procurement and distribution of pandemic vaccines and antiviral medications;
- Strengthening health networks to acquire the satisfactory response capacity in the case of a pandemic.
What to finance in the pandemic phase?

- Measures and activities that aim to stop the spread of the disease.
- Measures that intend to reduce morbidity, mortality and that seek to avoid or mitigate social disruption.
- Massive efforts in epidemiologic evaluation and field investigation to improve immediate capacity against the spread of the pandemic.
Mechanisms of financing

- Donations (multilateral funds or bilateral technical cooperations);
- Refinancing active loans that can sponsor activities associated with efforts in preparedness (animal health, strengthening epidemiologic surveillance and response capacity of health services; acquisition of basic stocks and distribution of vaccines and antiviral medications);
- Credit lines of fast preparation, approval and disbursement (during the pre-pandemic and pandemic phases) that allow more efficiency with the resources;
- Combined operations (donations for the design and technical assistance of the combined preparation with loans for infrastructure, goods and services).
- Multilateral banks and bilateral agencies could use the evaluation skills of specialized institutions such as PAHO, WHO, FAO, OIE, IICA and others.
Available international resources

- **Multidonor Financial Fund**
  - Created in the Beijing conference (January, 2006);
  - Eligible for all countries depending on existing risk level;
  - Equivalent resources US$ 1.9 billion,
  - World Bank has already negotiated US$ 500 million in loans and donations;
  - The most significant multilateral donors are: U.S (US$ 334 million); European Union (US$ 260 million); Japan (159 million); Russia (US$ 45 million) and Australia (US$ 42 million)

Multidonor fund (% distrib of investments)

- Strengthening institutions
- Surveillance systems
- Investigation
- Decrease human exposure to the virus
- Others (Antivirals, Compensation, etc.)
Available international resources

- Special facility for avian influenza (The World Bank)
  - Donations no higher than $100,000 per country to support preparedness efforts;
  - Proposals revised by an advisory council, conformed by donor countries that donate more than US$ 2.5 million.
  - The proposals will be reviewed by organisms of the United Nations involved in this issue and for the OIE.
The role of the IDB

- Support to specialized institutions that are actively involved in the subject (PAHO, FAO, OIE, IICA and others)
- First initiative, technical cooperation and agreement with PAHO, signed in March, 2006;
- Basic activities that provide support to countries in preparedness efforts to face a possible influenza pandemic;
The role of the IDB

Goals of the agreement with PAHO

- Improve the risk evaluation of avian and human influenza in the region;
- Obtain information about the level of preparedness of countries in the case of a pandemic;
- Develop tools to assist countries in eliminating gaps in the preparedness process;
- Identify financial instruments that give continuous support to countries in their efforts for preparedness.
The role of the IDB
Possible financial instruments

- Donation funds to support national efforts for preparedness that complement the facility created by the World Bank;
- Creation of a facility that could act as a complement to the available resources in the Multidonor Financial Fund to support countries in their efforts of preparedness in infrastructure, goods, services and compensation mechanisms;
- Refinancing active loans that can support activities in animal health and adaptation of health systems and surveillance;
- Credit lines or donations (FOMIN) for representative organizations of poultry producers for the preparedness of the private sector;
- Special funds, available to the country offices, for the technical assistance and exchange among countries with more development and those with less development in the process of preparedness;
- Development of a new facility to support countries in the case of a pandemic emergency.
Thanks!!!

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