2020-21 Budget Submission
January 2020
Introduction: Global Health in the Federal Aid Budget

As the peak body for global health organisations across Australia, in this submission the Global Health Alliance Australia supports the human, societal and economic value (including the return on investment) of the global health components of Australia’s Official Development Assistance expenditure for both regional partners and Australia.

As has been recognised by the Department of Foreign Affairs and Trade (DFAT), health is a cornerstone of economic growth and social development.¹ Whilst global health has made significant achievements, sustained and well-structured financing arrangements are needed in order to ensure the longevity, quality and scale of vital programs. The recent measles outbreak in Samoa is a demonstration of the need to support health systems and develop health workforce capacity in our neighbouring countries. Investment in global health is also critical to facilitate positive flow-on effects for multiple areas of development, strategic and trade policy.

Key budget recommendations:

**Recommendation 1**: The Australian Government should maintain the total Official Development Assistance budget for health of $545.8 million.

**Recommendation 2**: The Australian Government should establish a National Centre for Preparedness for Biothreats with a financial contribution of $100 million over 10 years.

**Recommendation 3**: The Australian Government should commit at least $275 million to Gavi for the period 2021-2025.

**Recommendation 4**: The Australian Government should support the Global Fund by contributing at least $72.6 million in the financial year 2020-2021.

**Recommendation 5**: The Australian Government should contribute an additional $130 million over the 2020-21 to 2023-24 period for nutrition-specific programs.

**Recommendation 6**: The Australian Government should support the Australia-Based World Health Organization Collaborating Centres (WHOCC) to attend the WHOCC Regional Forum in Cambodia by contributing $100,000 as a travel subsidy.

**Recommendation 7**: The Australian Government should allocate new and existing funding as a contribution to the health impacts of climate change.

**Recommendation 8**: The Australian Government should dedicate resources of at least $100 million to neglected tropical diseases in Australia and the region.
Key budget recommendations:

Recommendation 1: The Australian Government should maintain the total Official Development Assistance budget for health 2019-2020 of $545.8 million.

Rationale
Investing in global health has real benefits for partner countries and their citizens. In almost every area there has been quantifiable improvements in critical health issues over the past 50 years. Major killers like malaria have been rapidly and consistently reduced, vaccines are preventing and even eliminating infectious diseases such as polio and smallpox, and contemporary health interventions have increased the length and quality of life for those with Type 1 Diabetes.

More specifically, investment and innovation in maternal and child health means that under-five child mortality has continued to decrease year on year. Under-five mortality worldwide has reduced from an estimated rate of 93 deaths per 1000 live births in 1990, to 39 deaths per 1000 live births in 2018, a decrease of 59%. This decline has saved an estimated 48 million children since the year 2000. Innovations in biomedical technology, service delivery, implementation science and health promotion underpin these improvements.

Over recent years, Australia has contributed substantially to global and regional health. This has involved supporting the Asia Pacific Leaders Malaria Alliance, the Global Fund to Fight AIDS, Tuberculosis and Malaria, TB Alliance, and Gavi, the Vaccine Alliance.

In addition, global health programs, services and technology are firmly within Australia’s national interest and support the objectives of the 2017 Foreign Policy White Paper. In sum, it promotes prosperity, regional stability and security; fosters innovation from which Australia can benefit economically and intellectually; and extends our influence, expertise and commercial interests.

For all these reasons, global health should continue to be a cornerstone of the Australian Government’s ODA investment with a comparable allocation as in the 2019-20 budget.
**Recommendation 2:** The Australian Government should establish a National Centre for Preparedness for Biothreats with a financial contribution of $100 million over 10 years.

**Rationale**

Biosecurity is a key issue affecting the health, security and economy of Australia. Australia’s response to security challenges is to establish a platform structure to manage it. Examples include national security and cyber security, where we have established integrated platforms in response to a identified threat.

Biothreats are no different. They require an integrated and whole-of-government approach to mitigation and response. Currently, the landscape consists of bespoke projects and limited integrated planning. Consider the threat to our agricultural sector and our human health. Business sustainability through the agricultural, tourism and eventually financial sectors will be severely threatened. The potential effects on human health are considerable.

Australia needs leadership, funding and thoughtful work planning. Such an integrated approach would focus on the prevention, detection and management of each threat and utilise proven defence methodologies.

As such, we propose that the Australian Government establish a National Centre for Preparedness of Biothreats with a financial contribution of $100 million over 10 years. Allocations would come from Departments of Defence, Home Affairs, Health, Agriculture and Foreign Affairs.

Pandemic threat is pertinent example, demonstrated by the emergence of novel Coronavirus as a Public Health Emergency of International Concern. This is a direct and immediate threat to Australia that could be better addressed through a coordinated and centralised agency.

**Recommendation 3:** The Australian Government should commit at least $275 million to Gavi, the Vaccine Alliance for the period 2021-2025.

**Rationale**

In June 2020, Gavi will be seeking renewed funding for the 2021-2025 period. Gavi released an investment case for this period, which calls for a global minimum of $US 7.4 billion ($AUD 10.8 billion) in contributions.

Australia has contributed to Gavi since 2006 and pledged $250 million for the 2016 to 2020 period. The Global Health Alliance Australia recommends that Australia contributes at least $275 million for the 2021 to 2025 period, which would at least maintain Australia’s share of Gavi funding (taking into account inflation and currency fluctuations).

Expenditure on global health activities and interventions has been demonstrated to have a measurable return on investment for donor countries – this is especially true for vaccination. Recent declines in all-age mortality are estimated to have contributed between 11% and 24% to economic growth in low to middle-income countries.

For example, cervical cancer is the second biggest killer of women worldwide with around 260,000 deaths estimated to occur in 2017. Most cervical cancer deaths are estimated to occur in lower and middle income countries. 70% of cervical cancers can be prevented by human papilloma virus (HPV) vaccines. Developed from Australian research, these are now available in over 120 countries with over
270 million doses administered worldwide (as of May 2017). Global health agencies including GAVI and UNICEF are extending access to the HPV vaccine in low and middle income countries, negotiating a record low price of $4.50 per dose and hoping to reach over 13 million girls across 40 countries by 2020.4

Over 340 million children have been immunised in Indo-Pacific countries with Gavi support from inception through 2018, this constitutes 44% of total 760 million children immunised with Gavi support. Australia has a global ambition to eliminate cervical cancer in Australia by 2035, and Australia can further consolidate its position by working together with Gavi which plans to immunize a further 50 million girls for the next strategic period - averting 950,000 deaths due to HPV. This can be supported by the Victorian Cytology Service and relevant implementation partners.

Australia’s total contribution to Gavi is expected to be $USD 555 million between 2000-2020 whereas Gavi’s commitments to countries in the Indo-Pacific region stand at $USD 4 billion for the same period. Therefore, total commitments to the region are more than 7 times the contribution from Australia (hence Australia is getting a high leverage).

Each dollar of investment in immunisation via Gavi will give a return of $21 dollars, rising to $54 dollars when broader societal benefits are included and is expected to generate US$ 900 million in donor cost savings in 2021–2025, through reduced prices of the powerful vaccines presented in the Berlin Investment Opportunity. The Gavi model is that 97 cents out of every $1 goes to supporting vaccine programmes. Gavi will maintain this efficient model into 2021–2025.

**Recommendation 4:** The Australian Government should support the Global Fund by contributing at least $72.6 million in the financial year 2020-2021.

**Rationale**

The Government of Australia pledged $242 million for the Global Fund’s sixth replenishment (fiscal year 2020-21 to 2022-23) at the Sixth Replenishment Conference in October 2019 in Lyon. The pledge was a 10 percent increase compared to the previous replenishment and was closely in line with the increase in the overall replenishment target. We call for the Government of Australia to contribute at least AUD $72.6 million5 in fiscal year 2020-21.

The contribution by Australia in 2020-21 is aligned to the government’s priorities with regards to regional health security as the Global Fund is the leading source of international funding for countries to fight the three infectious diseases and build resilient and sustainable systems for health. This enables the Global Fund to directly tackle key threats to global health security, such as multidrug-resistant tuberculosis and better respond to new infectious disease outbreaks.

For the sixth replenishment cycle (2020-2022), the Global Fund has increased countries’ funding allocation by 20.5 percent for the Indo Pacific region compared to the fifth replenishment cycle (2017-2019).6 The Global Fund is investing USD 100 million in the Pacific region, which is 61.6 percent increase compared to the previous period and consists of Papua New Guinea (PNG), Solomon Island and multi-country Western Pacific grant that includes Kiribati, Marshall Islands, Micronesia, Samoa, Tonga, Tuvalu and Vanuatu.7 PNG received a $USD 78 million allocation, which was an increase of 81 percent.
Australia’s investment in the Global Fund has represented excellent value for money. As of 27 January 2020, for every dollar contributed to the Global Fund, US$20 has been invested in the Indo-Pacific region and close to US$12 has been invested in the Asia Pacific region.

**Global Fund Return on Investment**

<table>
<thead>
<tr>
<th>Region</th>
<th>Long-term economic gains</th>
<th>Results achieved in 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific region</td>
<td>Global Fund’s investment of $USD 8.4 billion in the Asia Pacific region is estimated to have spurred $USD160 billion in long-term economic gains.</td>
<td>▪ 2 million people were on antiretroviral (ARV) treatment</td>
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<td></td>
<td></td>
<td>▪ 4 million people were treated for tuberculosis</td>
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<td></td>
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<td>▪ 11 million bed nets were distributed</td>
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<tr>
<td>Indo-Pacific region</td>
<td>Global Fund’s investment of US$ 14.5 billion in Indo-Pacific region is estimated to have spurred US$276 billion in long-term economic gains.</td>
<td>▪ 10 million people were on ARV treatment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ 4 million people were treated for tuberculosis</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ 18 million bed nets were distributed</td>
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</tbody>
</table>

**Recommendation 5**: The Australian Government should contribute an additional $130 million over the 2020-21 to 2023-24 period for nutrition-specific programs.

Malnutrition in all its forms is directly or indirectly responsible for approximately half of the 5.3 million deaths of children under the age of five each year, making it one of the leading causes of child mortality.

Most countries are making progress in reducing the number of children who are stunted, but overall progress remains slow. Since 2000, the number of children who are stunted has fallen by 25%.

Countries in the Indo-Pacific have among the highest rates of malnutrition in the world. For example, 49% of children in Papua New Guinea and 58% of children in Timor Leste have had their growth stunted. This has devastating consequences for children’s survival, health, cognitive and physical development, and earning capacity in the future.

The World Bank estimates that countries affected by undernutrition lose at least 2-3% of their Gross Domestic Product and can incur billions of dollars in avoidable healthcare spending. For PNG, Save the Children estimates that child undernutrition in PNG costs the economy $USD 1.5 billion (8.45% of GDP) in a single year (2016-17).

In order to achieve reductions in stunting, female anemia and low birth weights, additional resources are required from both international donors and national governments. Nutrition is a key priority of DFAT’s Health for Development Strategy 2015. In line with this strategy, the Australian Government should also increase its funding for nutrition-specific programs by $130 million over 2020-21 to 2023-24 period.
Recommendation 6: The Australian Government should support the Australia-Based World Health Organization Collaborating Centres (WHOCC) to attend the WHOCC Regional Forum in Cambodia by contributing $100,000 as a travel subsidy.

As of October 2019, Australia was home to 50 World Health Organization (WHO) Collaborating Centres positioned within Australian universities, research institutes and government associated agencies. This is the fifth largest number of WHOCCs in any member state after China, US, India and the UK and the highest number per capita of any country in the world. These WHOCCs generate widespread positive impacts for health systems and outcomes by making significant contributions to WHO program activities and strategic priorities in the region and globally.

In December 2019, the first Forum of the Australia-based WHO Collaborating Centres was held in Melbourne, hosted by the Network for the WHOCCs. This is shaping up to an important vehicle for promoting and supporting the work of Australian WHOCCs at home and abroad. The next critical meeting will be at the Fourth WHO Collaborating Centre Forum 2020 held in Cambodia.

This submission requests the federal government to provide financial support for the WHOCCs to attend this Forum in 2020.

Recommendation 7: The Australian Government should allocate new and existing funding as a contribution to the health impacts of climate change.

Climate and environmental change is having significant impacts on human health. In the Asia-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. 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.

Australian government expenditure does not suggest awareness of the intersection between climate change and global health. For example, the 2017-18 Official Development Assistance budget appears to contain no financial support for interventions and programs to help health systems adapt to climate change.

It is critical that the Australian Government dedicate resources to addressing this issue. 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.\(^\text{12}\)

We also 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. The establishment of a facility which develops policy-relevant 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.

**Recommendation 8:** The Australian Government should dedicate resources of at least $100 million to neglected diseases in Australia and the region.

Global funding for basic research and product development for neglected diseases reached a new record high of $USD 4,055 million in 2018, easily surpassing the previous year’s record, an increase of 7.9 percent from 2017.13

As in previous years, HIV/AIDS, malaria and tuberculosis (TB) collectively received more than two thirds (up 69% from 2017) of all global funding for neglected disease Research and Development (R&D) in 2018. Funding increased significantly for hepatitis C (up 188%) and bacterial pneumonia & meningitis (up 21%), while Salmonella infections (up 5.7%) saw a smaller increase, with negligible funding changes for kinetoplastid diseases (down -1.6%), diarrhoeal diseases (up 0.8%) and helminth infections (down -1.0%). The largest drop in funding was once again for dengue (down -4.4%).

Funding for the six diseases with the lowest historical funding – leprosy, cryptococcal meningitis, Buruli ulcer, trachoma, leptospirosis, rheumatic fever – fell across-the-board, leaving them with their lowest-ever share of global funding.

Australia only gives 1.4 percent of total public funding to neglected infectious diseases, or $AUD 53.5 million in 2018. **This submission recommends that the Australian Government increase this figure to a minimum of $100 million annually, with an increased focus on Neglected Tropical Diseases (NTD), funding for which has gone backwards or flatlined over the past decade. More specifically, the Australian Government should (a) support the WHO Collaborating Centre for Mycobacterium Ulcerans based at the Doherty Institute to develop an effective communications strategy to combat the Buruli ulcer epidemic which has a global hotspot in South East Australia, and (b) sustain and increase its funding to Product Development Partnerships (PDPs) under the Regional Health Security Initiative, including expanding the scope of this funding to include regionally important NTDs.**

**The Global Health Alliance Australia**

The Global Health Alliance Australia is the peak membership body for Global Health organisations in Australia. The Alliance currently has 48 member organisations. Our members and stakeholders include commercial entities, Government-affiliated agencies and not for profits, across a variety of organisational types including: research, clients and patients, education, service delivery, policy, entrepreneurs and business, shared–value and investment.

We also host the Network for the 50 World Health Organisation (WHO) Collaborating Centres in Australia, and have reciprocal membership with six sister Global Health Alliances in North America.

By building relationships nationally, around geographic hubs, and through communities of practice we:

- Create non-partisan space for meeting and learning, enabling strategic connections that might not be possible otherwise.
• Encourage strong personal and professional relationships within and across organisational types, regions and areas of mutual interest.
• Provide opportunities to innovate, apply research to practice, explore alternative health financing models, swap ideas and resources, and create new and unlikely programming and investment partnerships.

We would welcome the opportunity to discuss or further expand on the specific initiatives outlined in this brief submission.

Misha Coleman
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I acknowledge the Traditional Owners of the land on which I work, and pay my respects to the Elders, past and present.

Gold Sponsors

These Gold and Bronze sponsors of the Alliance are acknowledged for their support and global health leadership.
References

1 Department of Foreign Affairs and Trade, Australian Aid Budget Summary, 2019-2020 Budget.
4 https://www.gavi.org/types-support/vaccine-support/human-papillomavirus
5 Australia had set aside 10% of its pledge (AUD 24.2 million) for technical assistance. Hence total cash contribution is AUD 217.8 million and an annual cash contribution which is equally divided by three years is expected to be AUD 72.6 million.
6 Data tables can be accessed here: https://www.theglobalfund.org/en/funding-model/before-applying/allocation/
7 Under the Global Fund Eligibility Policy, multi-country programs can include ineligible countries, as long as 51 percent of the countries are eligible in their own right.
8 In the Indo Pacific region as defined by Australian government, the Global Fund invests in Afghanistan, Bangladesh, Bhutan, Cambodia, Fiji, India, Indonesia, Iran (Islamic Republic), Iraq, Kenya, DPRK, Lao, Malaysia, Maldives, Mongolia, Mozambique, Myanmar, Nepal, Pakistan, PNG, Philippines, Solomon Islands, Somalia, South Africa, Sri Lanka, Tanzania, Thailand, Timor-Leste, Viet Nam, and several multi-country grants.
9 In Asia Pacific region, the Global Fund invests in Afghanistan, Bangladesh, Bhutan, Cambodia, Fiji, India, Indonesia, DPRK, Lao, Malaysia, Maldives, Myanmar, Nepal, Pakistan, PNG, Philippines, Solomon Islands, Sri Lanka, Thailand, Timor-Leste, Viet Nam, and several multi-country grants.
10 Data derived from internal Global Fund documents