



## **UN Foundation Unveils New Global Health Financing Solution Against Tough Budget Backdrop**

### ***Pledge Guarantee for Health Helps Aid Dollars Go Farther, Saving More Lives***

**February 23, 2011 (WASHINGTON):** Leading global health experts gathered today to discuss how innovative, private sector-led partnerships can create certainty, drive more efficient resource management, and fill growing gaps in a challenging funding landscape. The United Nations Foundation sponsored the event in partnership with The World Bank, the Brookings Institution, the Modernizing Foreign Assistance Network (MFAN), and Standard Bank.

At the event, the UN Foundation unveiled the Pledge Guarantee for Health (PGH), a promising new financial tool developed to speed and streamline foreign assistance disbursement and make global health supplies more affordable for recipient countries.

“With need growing and public funding shrinking, we must scale up new initiatives like Pledge Guarantee for Health or we risk losing momentum in our global fight against debilitating and deadly diseases,” said Kathy Calvin, CEO of the UN Foundation. “The private sector has enormous unrealized potential in this area, and we are calling on businesses, non-profits, and other entities to join us in exploring new partnerships and solutions.”

The keynote speech at the event was given by Amie Batson, Deputy Assistant Administrator for Global Health at the United States Agency for International Development (USAID). Highlighting the importance of innovative financing, Batson said:

*“Innovation is critical if we are to develop and deliver the breakthroughs that can achieve major health outcomes. Innovative finance, alongside advances in research, clinical practice and social marketing, is crucial in our efforts to reach ambitious global health goals in a resource-constrained world. Through the U.S. Global Health Initiative, the US is committed to invest in harnessing the power of these inventions and facilitating a continuum of innovation not only to develop the products of tomorrow, but to ensure we deliver these breakthroughs to achieve results.”*

Representatives from the co-hosting organizations brought diverse viewpoints to the panel as well, covering issues including foreign assistance reform, multilateral global health strategies, and corporate engagement on public health issues in developing countries.

Panel moderator Noam Unger, who is Policy Director of the Foreign Assistance Reform Project at the Brookings Institution and a Principal of MFAN, said: “The issue of innovative financing for global health is one part of a critical discussion about how we can make foreign assistance more effective, accountable, and responsive to the needs of poor people lifting themselves out of poverty. Smarter and more creative financing is particularly important in global health because so much development programming is devoted to the sector.”

Following a trial period in which the UN Foundation piloted PGH with support from the Bill & Melinda Gates Foundation, the program is showing early signs of promise in improving the delivery of

global health interventions to at-risk populations. In a PGH-facilitated deal between the Government of Zambia, the World Bank, UNICEF, and Stanbic Bank Zambia, part of the Standard Bank Group, more than 800,000 anti-malaria bed nets were delivered and distributed in Zambia three months ahead of schedule and before the peak of the deadly rainy season. The African Leaders Malaria Alliance and UN Secretary General's Special Envoy for Malaria also provided support.

PGH works by facilitating short-term loans to developing country recipients on the basis of pending aid commitments. This enables recipients to avoid stock-outs, emergency shipments, and high costs that can arise when they must wait for funding to replenish supplies of critical medicines. The PGH is flexible, and transactions are structured to accommodate needs of both recipients and donors. By facilitating the process and guaranteeing the bank loans on health supplies, PGH can take months off the procurement process and reduce commodity premiums by up to 83 percent.

“Now that our first deal is complete, we can study its effect all the way through the supply chain. There's a pipeline of transactions in contraceptives, anti-retrovirals, vaccines, and we hope to help programs achieve more impact with each deal,” said Kevin Starace, Executive Director of Global Health Innovation at the United Nations Foundation.

To read more about Pledge Guarantee for Health, click [here](#).

**MEDIA CONTACT:** Eric Porterfield, [eporterfield@unfoundation.org](mailto:eporterfield@unfoundation.org), 202-496-6381

### **About the United Nations Foundation**

The United Nations Foundation, a public charity, was created in 1998 with entrepreneur and philanthropist Ted Turner's historic \$1 billion gift to support UN causes and activities. We build and implement public/private partnerships to address the world's most pressing problems, and work to broaden support for the UN through advocacy and public outreach. Through our campaigns and partnerships, we connect people, ideas, and resources to help the UN solve global problems. These campaigns focus on reducing child mortality, empowering women and girls, creating a new energy future, securing peace and human rights, and promoting technology innovation to improve health outcomes. These solutions are helping the UN advance the eight global targets known as the Millennium Development Goals (MDGs). For more information, visit [www.unfoundation.org](http://www.unfoundation.org).