

Where
has Beyond ODA
funding been used
before and **why?**

To **finance the global effort toward the development of vaccines against emerging infectious diseases**, the UK committed US\$297 million to support the Coalition for Epidemic Preparedness Innovations' (CEPI's) COVID-19 response.

According to OECD DAC guidelines, this **should not all be counted as ODA** as developing a successful vaccine is a global public good (GPG) that high income countries will also benefit from. The DAC's suggestion was that countries should source 47% of this funding from Beyond ODA budgets in 2020.

What made it beyond
ODA?

Changes to the OECD DAC's rules on ODA eligibility have a big impact in contexts like the UK where an ODA ceiling exists.

In this circumstance, the OECD deciding that a component of donors' CEPI contributions might not be counted toward ODA could guarantee that a portion of the UK's already pledged funding **will come on top of their fixed ODA budget.**

What does this imply
about **how** more
Beyond ODA could be
accessed?

The **goal of this exercise is additionality** and accessing funding that is outside of the usual scope of ODA, not gaming ODA eligibility.

This makes it essential for advocates to look for opportunities to get **new funding that does not cause tradeoffs elsewhere.** Achieving this goal looks very different depending on the donor context and the relative flexibility of their ODA budgets.

In contexts such as the UK where governments have imposed a strict ODA ceiling, trying to **ensure that new funding stays firmly beyond the scope of ODA eligibility is key**; otherwise, it creates a risk that the newly mobilized funding displaces ODA funding for other priorities. The only way to be absolutely sure that funding will come on top of the ODA budget is if there are changes in the institutional rules and structures beyond donors' control.

In contrast, in contexts such as Germany, where there is no fixed ODA ceiling, it is of little consequence whether advocates can mobilize pockets of funding which are subsequently counted toward the country's total ODA spend, **as long as they are additional to what the government would have spent without that advocacy effort.** For example, Germany's US\$100 million investment in the WHO Hub for Pandemic and Epidemic Intelligence (WHO Hub) was additional funding that the German government was convinced to spend on global health because the government wanted the Hub to be located in Berlin given their desire to position themselves as experts in the field. We don't yet know whether this will be coded as ODA but what the government calls it is of little consequence; the additionality is what is important.

Where
has Beyond ODA
funding been used
before and **why?**

To protect its national health security, the UK's Department of Health and Social Care (DHSC) **invested in COVID-19 sequencing capabilities** in low- and middle-income countries.

This funding could be considered Beyond ODA because, although it had an international benefit, **its primary objective was domestic health security.**

What made it beyond
ODA?

This funding was additional (not ODA) because although it may have been ODA-eligible in principle, **the UK didn't have any ODA budget left**, so the DHSC decided to source this funding from its domestic COVID-19 budgets. It justified this spending since these efforts toward improving the sequencing of new COVID-19 variants in low- and middle-income countries were done with the primary aim of strengthening the UK's own health security.

What does this imply
about **how** more
Beyond ODA could be
accessed?

The **decentralized way the UK's ODA budget is managed** means that there are champions of international development left over in places other than the Foreign, Commonwealth and Development Office (FCDO; where most of the ODA budget is managed).

These individuals or departments may still want to **use the UK funding pragmatically to support both global and national goals.**

Although the decentralization of development funding responsibilities across government departments has not always been met with widespread approval, there are advantages to this more diffuse model in the context of Beyond ODA funding. **Spreading out the responsibilities for development funding and decision-making more clearly reflects the interconnection of global and domestic challenges.** It also creates opportunities for those working across government to see opportunities for global investments that are in the national interest, as the UK DHSC example above demonstrates. For advocates, these contexts offer a wider set of proverbial doors to knock on and potentially offer opportunities to skirt around strict ODA rules when sympathetic government officials can be convinced of the benefit of global investments for their own citizens.

In contexts where there is currently a greater centralization of responsibility for development, advocates could attempt to change this. COVID-19 provides an ideal backdrop against which to begin these efforts; it is easy to argue that discussions regarding the crisis, such as pandemic preparedness or vaccine distribution, should not be taking place in a silo. However, efforts to change the workings of government will require long-term effort and will not yield immediate results.

Example
1

Example
2

Where
has Beyond ODA
funding been used
before and **why?**

To protect national health security, create economic benefits, and promote the reputation of the German R&D sector, the German government **invested in mRNA vaccine research**. This could be Beyond ODA funding given its focus on German companies and benefit to German citizens.

To promote national health security by securing preferential access to future vaccine supply and to enhance its reputation and geopolitical positioning by being able to supply the world with vaccines, the German government is **investing in vaccine manufacturing capacity**. This could be considered Beyond ODA funding because its primary goal is ensuring German preparedness for the next pandemic, but it also has positive externalities in that it increases the global vaccine supply.

What made it beyond
ODA?

In both of these examples, the funding could not be considered ODA because these investments would not qualify as ODA according to OECD rules. **Domestic benefits were the overwhelming reason behind this spending**, which just happened to have positive externalities relevant to global health.

What does this imply
about **how** more
Beyond ODA could be
accessed?

There is a need to **think more creatively about the types of funding that could create positive externalities** and the types of opportunities that might exist to shape money that is seemingly domestic-focused but has positive implications for the global community.

There are instances in which the **efficiency of global coordination could be used as an argument** for Beyond ODA funding for global health priorities. In circumstances where lots of countries are investing in similar things (e.g., vaccines to end a pandemic), coordination is important to shape global benefit.

Example 1

Example 2

Where has Beyond ODA funding been used before and **why**?

The US Defense Advanced Research Projects Agency (DARPA), an agency funded by the US Department of Defense, was among the first supporters of Moderna’s **mRNA vaccine technology**. As early as 2010, DARPA was investing in research into mRNA vaccines because of their potential to enhance US national security by shortening the timeline on vaccine production in the event of a global pandemic.

To protect its national food security in the face of a changing climate, the Food and Agriculture Research (FFAR) funded the **development of climate-resilient wheat** by a Mexico-based research center. FFAR, a congressional program funded through the Farm Bill, uses a public-private partnership model to fund agricultural research with the potential of improving agricultural outcomes in the US.

What made it beyond ODA?

In line with both DARPA’s and FFAR’s mandates, these **investments were made with US domestic interests at their core**. In the case of DARPA, it was the aim of enhancing US national security by protecting the health of US citizens. In the case of FFAR, although this funding was disbursed outside of the US, the outcomes of the research are important to the domestic food supply and to the livelihoods of US wheat farmers who, like farmers around the world, are feeling the impacts of climate change.

What does this imply about **how** more Beyond ODA could be accessed?

The US examples demonstrate **the enhanced opportunities for Beyond ODA created by relative institutional flexibility (combined, in this case with an extremely large economy)**. Under these conditions, the government can disburse funding to independent agencies or foundations with domestically focused goals, which then have the autonomy to recognize instances in which it is in the national interest to protect global order and invest globally. The result is that the US spends significant sums on global priorities driven by domestic interest and not sourced from development budgets.

Although the US is a unique case, advocates operating in similarly flexible environments could consider **pushing for the formation of similar mechanisms** through which funding for domestic priorities could be channeled for global benefit.