# Financing Solutions for NCDs and Mental Health

NCD Alliance Advocacy Priorities for the 2nd Global Financing Dialogue on Sustainable Financing for NCDs and Mental Health

NCD Alliance

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# Introduction

This policy brief presents the NCD Alliance's advocacy priorities for the 2nd Global Dialogue on Sustainable Financing for NCDs and Mental Health (GFD2) organized by the World Health Organization (WHO) and the World Bank. Framed as a technical meeting with a high-level segment, the GFD2 will explore approaches on how to include NCDs and mental health responses within national health and financing plans, assess the status of NCDs in development financing, and develop recommendations for the Director-General's Report on NCDs.

The GFD2 will have two main outcomes. The first will be **actionable strategies**, including a measurement approach defining how each strategy contributes to ensuring that sufficient budget is allocated to the prevention and management of NCDs and mental health conditions (NCD/MH[1]). The second will be **policy recommendations** on NCD/MH to be included in the WHO Director-General's Progress Report. This report will be presented to the UN Secretary-General at the end of 2024, and in turn, will inform the zero draft of the Political Declaration on NCDs and Mental Health in 2025. In addition to reaching participants and stakeholders at the GFD2, this brief is intended to support health and development advocates in their engagement with financial decision-makers to make the case for scaling up NCD/MH investment.

In the *Invest to Protect* report, the NCD Alliance identifies five financing mechanisms: domestic resourcing, development financing and international cooperation, philanthropies, the private sector, and innovative mechanisms. [2]Our priorities for the GFD2 consider specific recommendations and activities for stakeholders across these mechanisms to scale NCD/MH financing, in alignment with the growing NCD/MH burden and national development priorities. These priorities also consider the need to enhance and improve data and accountability, and leverage existing resources in smarter, more strategic ways.

The following page contains a summary of our priority areas for financing solutions and our specific advocacy asks within each one of them.

# Priorities areas and key asks for NCD/MH financing

The chart below summarizes NCD Alliance's recommended 'asks' for health and development advocates making the case to financial decision-makers for scaling up NCD/MH investment. These will guide discussions for the 2nd Global Financing Dialogue and are discussed in greater detail in the following pages.

| PRIORITY AREAS | KEY ASKS |
|---|---|
| **Domestic Resource Mobilization:** Increasing and optimizing domestic resources for allocation to the NCD/MH care continuum should form the backbone of sustainable national NCD/MH financing strategies. | › Develop national investment cases and costed national NCD/MH strategies;<br>› Commit to minimizing out-of-pocket expenditures;<br>› Implement taxation on and phase out subsidies for unhealthy commodities;<br>› Promote strategic purchasing and multisectoral partnerships to optimise efficiency in health systems and care delivery;<br>› Leverage existing health financing to better integrate NCD/MH into current efforts to achieve person-centered UHC implementation;<br>› Engage civil society and people living with NCDs. |
| **Development Financing and International Cooperation:** Development financing and international cooperation is a so far an untapped funding source for NCD/MH in LMICs, and can play an important catalytic role towards sustainable domestic financing. | › Prioritize development aid that supports sustainable domestic resource mobilization;<br>› Request that WHO and the World Bank develop recommendations and provide technical assistance to facilitate NCD/MH investment;<br>› Protect people and planet by optimizing integrated health and climate action. |
| **Private Sector and Philanthropies:** Here is a vast pool of private capital that can help address the NCD/MH funding gap and achieve the SDGs; however, investment case studies for these initiatives are limited and under-promoted. | › Request that WHO and the World Bank develop a framework on how to utilize catalytic capital and private sector contributions;<br>› Promote initiatives to maximize impact, such as pooled funding mechanisms. |
| **Conceptualizing NCD/MH Financing Targets:** NCD/MH do not have politically agreed specific and measurable financing targets. Without a clear understanding of the targets necessary for the financing of NCD/MH, investment will continue to stagnate or lag. | › Support increased data collection, transparency, and accountability for NCD/MH financing in development budgets and indicators;<br>› Request that WHO, in collaboration with the World Bank, develop a set of global financing targets for NCD/MH to encourage Member State commitment and investment to address NCD/MH as a health and development issue within the UN Political Declaration on NCDs in 2025. |

# Context

**There is a strong and urgent imperative for investment in NCD/MH prevention and treatment, with the potential to complement and benefit from a range of health and development agendas. This is because NCD/MH represent far more than a health issue – they are a poverty issue, an equity issue, and a major human rights and sustainable development issue, as they disproportionately burden the poorest and most vulnerable populations with disease, disability, and death.**

NCD/MH are both a cause and a consequence of poverty, destroying the economies of many millions of families each year. People with lower socioeconomic status and marginalized groups have a higher risk of developing and dying from NCD/MH than those with more resources. This also holds true on a global level, with over 80% of premature deaths from NCD/MH occurring in low- and lower-middle income countries (LLMICs), a trend that is expected to rise. This is due in part to greater exposure to NCD/MH risk factors, but also lower ability to access and pay for the necessary medical care. Globally, out-of-pocket (OOP) spending for NCDs is estimated to be twice as high per visit to a health clinic compared to infectious diseases,[3] which makes seeking and sustaining care for NCD/MH a significant financial burden. Of the estimated 100 million people worldwide who are pushed into extreme poverty every year because of health spending, we can safely assume that many of these are people living with NCD/MH, not only because of the prevalence of NCD/MH - with about 25% of the global adult population living with at least one condition - but also the chronic nature of NCD/MH, which tend to require costly long-term or lifelong treatment.[4]

Treatment costs for NCD/MH also increase exponentially in the case of multi-morbidities, which is becoming more of a norm rather than an exception. This catastrophic health spending in turn contributes to many households adopting negative coping mechanisms that include reduced spending on other health costs, food, education, and other needs,[5] often perpetuating a downward cycle of poor health and poverty that deepens across generations.

Beyond the toll taken on individuals and families, NCD/MH reduce economic productivity and human capital while increasing healthcare costs from serious illness and disability. Without timely and decisive investment in NCD/MH prevention and control, approximately 15 million lives a year will be ended prematurely as a result of NCD/MH, causing significant reductions in labor supply and productivity. Unaddressed, the five leading NCDs – cardiovascular disease (CVD), chronic respiratory disease, cancer, diabetes, and mental health and neurological conditions – will cost the global economy trillions of dollars. A 2011 model forecasted that US$47 trillion would be lost in the global economy between 2011-2030, or an average of more than US$2 trillion per year.[6] A more recent study on the economic burden of NCDs and mental health across ten South American countries alone estimated a burden of US$7.3 trillion for the 2020-2050 period[7], or 4% of their collective GDP lost due to NCDs.

Adding to the human toll and economic impacts, failing to take decisive action on NCD/MH also undermines investments in other health priority areas, such as those of the Millennium Development Goals,[8] UHC, and pandemic preparedness. In the Political Declarations on AIDS-HIV (2021) and on Pandemic Prevention, Preparedness, and Response (2023), Member States acknowledged the importance of NCD/MH prevention and care in strengthening population resilience in future health emergencies.[9,10] It is estimated that 60-90% of COVID-19 deaths were from people living with NCD/MH[11] whose co-morbidities proved to be a major risk factor for severe outcomes. There were also indirect impacts such as disruptions to essential NCD/MH services, access to care, and increasing prevalence of mental health conditions, all of which contributed to the growing recognition of the interplay between health agendas. Emergency preparedness and resiliency initiatives will not be achieved without the inclusion and advancement of NCD/MH priorities.

**The bottom line is that the investment required to effectively prevent and manage NCD/MH is far less than the cost of inaction, and the cost of meaningful action on NCD/MH is an affordable one, with a proven return on that investment.** The WHO Best Buys,[12] for example, are a set of evidence-based cost-effective interventions that focus on preventing and controlling NCD/MH. The WHO Global NCD Investment Case estimated that the implementation of the Best Buys would cost on average an additional US$0.84 per person per year in lower- and lower-middle income countries (LLMICs). For that investment, healthy diet interventions offer a return of nearly 12:1, while there is an estimated return of US$7.43 and US$9.13 for tobacco and alcohol reduction for every US$1 spent, respectively.[13]

Supporting these findings, an analysis conducted by The Lancet in their NCD 2030 Countdown series showed that a US$18 billion annual investment from 2023-30 in a package of 21 evidence based interventions would avert over 39 million deaths and generate a net economic benefit of US$2.7 trillion, or $390 per capita.[14] This investment, coupled with Ministries of Health allocating 20% of their budgets to high-impact interventions like the Best Buys and basic interventions for acute cardiovascular and pulmonary complications, would result in 55% of countries – most of them LLMICs – reaching SDG target 3.4 on NCDs, in which Member States committed to reducing premature mortality from NCDs by one-third by 2030 through prevention and treatment and the promotion of mental health and well-being. This makes a stark contrast to a 2020 finding that only 2% of countries were on track to reach the target for both men and women.[15]

The baseline annual need for NCD/MH, however, can be leveraged across other interventions for health systems strengthening, integrated care, redressing co-morbidities, and addressing shared risk factors, due to the mutually reinforcing nature of NCD/MH investments. There is a new opportunity to take advantage of the notable shift in strategic priorities towards more horizontally integrated health systems by global health initiatives (GHIs) like the Global Fund, Gavi, the Vaccine Alliance and the Global Financing Facility (GFF). In the Lusaka Agenda, published in December 2023, these GHIs and a number of other major bi- and multi-lateral funding agencies committed to promote a “one plan, one budget” approach to support nationally-owned action and more efficient resource use. This, together with specific mention in various GHI strategies of the need to address the rising NCD/MH burden, signals an opportunity to deliver enhanced NCD/MH services through UHC with a focus on primary healthcare (PHC) .

The consultation process within the Future of Global Health Initiatives that delivered the Lusaka Agenda also illustrates the importance of government stewardship on health financing, and the understanding that partnerships and multi-sectoral integrated approaches are increasingly essential to leverage, maximize, and unlock resources for NCD/MH, given the shrinking fiscal space for health.

As the global health community approaches the GFD2 with more evidence and research to support the return on investment for NCD/MH interventions, a renewed emphasis on partnering for health, an increasing focus on co-morbidities among NCD/MH, and stronger links between NCD/MH with other health agendas like HIV/AIDS, there are plenty of new grounds for discussion. The GFD2 should look to provide stakeholders at all levels with recommendations and targets to increase and mobilize investments to move towards the achievement of SDG 3.4 integrated with support for the achievement of target 3.8 on UHC.

Since the First Global Dialogue on Partnerships for Sustainable Financing for NCD Prevention and Control took place in 2018, the global environment for the implementation of NCD/MH financing has evolved significantly. The COVID-19 pandemic, increasing impacts from the climate crisis, geo-political conflicts, displacement and humanitarian emergencies, and a constricting global economy have all contributed to shifting priorities in global health and development. At the same time, the second UN High-Level Meeting on Universal Health Coverage (UHC) held in 2023 – and its resulting Political Declaration – indicates continued intent to achieve UHC by 2030.

**Within this global context, the GFD2 provides an important opportunity for strengthening synergies between health and development priorities and taking joint action to build health systems that do not leave NCD/MH behind. The future of the NCD/MH agenda is not a standalone one, but rather one that is uniquely poised to produce co-benefits for other health and development agendas.**

# Our Priorities for Financing Solutions

The GFD2 is an opportunity to make the investment case for NCD/MH and why they should be made a priority for both Ministries of Finance and Health, emphasizing the need for more money for health and more health for the money. It will also help consolidate the financing solutions and policy agendas ahead of UN High-Level Meeting processes to begin building political momentum among national policymakers, emphasizing that it is still feasible to meet SDG 3.4 by 2030 if the necessary investments are made.

The sections below present our priority areas for financing solutions and our specific advocacy asks within each one of them.

## Domestic Financing and Resource Mobilization

Countries can leverage a range of financing sources to invest in cost-effective NCD/MH interventions by i) increasing and optimizing health budgets; ii) implementing fiscal measures; and iii) streamlining service delivery.

### i) Increasing and optimizing health budgets

The first priority for governments wishing to increase spending on health is to allocate a greater share of general government expenditure (GGE) toward health. Governments should align these budgetary allocations according to in-depth analyses on national disease burdens, the effectiveness of possible interventions to address public health needs and realise UHC, and the wider socio-economic return on corresponding investments. In many countries, particularly those relying on development assistance for health (DAH) to supplement and support domestic health budgets, the **current allocations of funding do not match national disease burdens**. This is due not only to a general lack of funds, but also in large part to the disproportionate allocation of DAH to health priorities representing a much smaller disease burden than NCD/MH. Therefore, to close the gap in NCD/MH care, it is essential that countries be supported in accurately identifying the specific health needs of their populations.

As governments work to optimize their budgets and implement UHC, the development of nationally costed NCD/MH plans must be central to implementation and to initiatives that expand and sustain investment in NCD/MH. It is also important to apply an equity lens in all decision-making, in order to reach the furthest behind first **through strengthening social and financial protection schemes for NCD/MH**. Achieving SDG 3.4 and SDG 3.8 will require commitment to minimizing OOP payments, aiming to limit them to a maximum 20% of national total health expenditure. It will also require a commitment to prevention and early diagnosis, thereby minimizing the need for higher levels of care and reducing the long-term OOP burden on households that is so common for NCD/MH.

Furthermore, there is an increasing body of research demonstrating the cost-effectiveness of integrated healthcare, with significant benefits for both health systems and service users.[16,17] The need for technical support and guidance on optimizing health service budgets, planning, and implementation must be stressed with key stakeholders like the World Bank and other global health initiatives during the GFD2.

Increasing health budgets should be made in conjunction with more widespread adoption and implementation of the Abuja Declaration target of 15% of GGE to health[18]. It should be noted that the most recent political commitment in the 2023 Political Declaration on UHC failed to outline more ambitious and specific targets for health spending, and instead reiterates a call to increase health spending by 1% of GDP, an amount that is insufficient to make meaningful progress on UHC in most countries.[19]

As governments look towards implementing UHC, the GFD2 has an opportunity to emphasize that health-related investments can deliver better overall health outcomes by implementing smarter and more targeted national development planning and investments for UHC that include high-burden conditions such as NCD/MH. NCD/MH should be seen as an investment that supports other health agendas like UHC, PPPR, and health systems strengthening, and this should be explicitly linked in discussions at the GFD2.

None of the above, however, can occur without the commitment and political will of Heads of State/Government, Ministries of Health, Ministries of Finance, and national legislatures who hold the power to shape and implement the national NCD/MH agenda.

## ii) Implementing fiscal measures

To support the increased GGE and health-in-all-sectors budgeting described above, there are various ways that governments can generate domestic revenues. Implementing fiscal measures that generate revenue and have public health benefits, **like adequate taxation of unhealthy commodities** such as tobacco, alcohol, and unhealthy foods are considered a **win-win-win**. These taxes save lives and prevent disease while advancing health equity, reducing costs to health systems and the economy, and mobilising revenue for the general government budget. The Philippines is one country that is successfully demonstrating that fiscal measures drive up revenue and reduce the use of health-harming products,[20] and that these financial resources can be used to fund UHC initiatives that address the national disease burden and expand healthcare access for vulnerable groups.

Phasing out current subsidies for health harming industries, such as fossil fuels for example, would yield even greater returns and potentially expand the fiscal space for health. A recent analysis estimated that "scrapping explicit and implicit fossil-fuel subsidies would prevent 1.6 million premature deaths annually, raise government revenues by $4.4 trillion, and put emissions on track toward reaching global warming targets."[21] An interesting coincidence, universal health coverage has an annual funding gap that is approximately equal to this figure.[22,23]

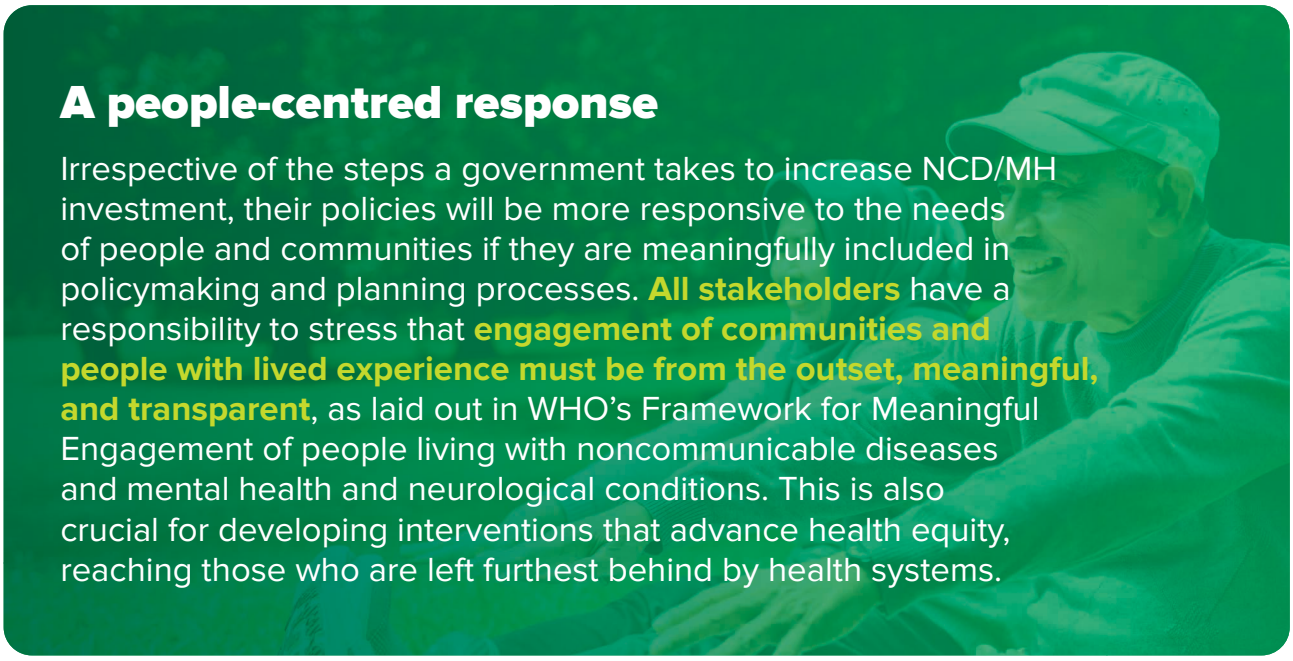
Consideration of the public health impact of these fiscal measures and safeguarding the policy-making processes from undue industry interference should be factored into the GFD2 discussions.

## iii) Streamlining service delivery

Especially for health budgets that are already stretched thin, as in most LMICs, it is crucial to optimize efficiency in health systems and care delivery. **Multisector partnerships** (MSPs) can advance this aim and help governments to **unlock domestic financial and technical resources for** NCD/MH. These collaborations, however, must be supportive of national NCD/MH plans, and strengthened through policy and regulatory environments that facilitate and encourage the successful implementation and coordination of this work. Good governance of MSPs requires overall financial transparency of partners, clarity regarding their differing roles and responsibilities, their contributions to the project, and the benefits they may receive. It also encompasses the careful management of conflicts of interest.

In collaborating with civil society organizations, philanthropies, and the private sector, governments can unlock skills and tools, such as research support, risk mitigation, and technical expertise. These combined resources can expand the fiscal space for NCD/MH across the continuum of care and at different levels of the health system.

**Strategic purchasing** can also maximize existing resources for NCD/MH initiatives and can be facilitated through some MSPs. Developing locally appropriate essential medicines lists, guidelines, price appropriate diagnostic packages, strengthening the health technology assessment capacities of local institutions across NCD/MH and their care continuum, and creating a cross-sectoral purchasing regulatory framework to avoid the duplication of investments are all ways to improve financial efficiency and simultaneously ensure that people and health centers are getting essential medicines and diagnostics when and where they are needed. To do this, however, governments must also improve data collection, transparency, and accountability to make informed decisions.



## A people-centred response

Irrespective of the steps a government takes to increase NCD/MH investment, their policies will be more responsive to the needs of people and communities if they are meaningfully included in policymaking and planning processes. **All stakeholders** have a responsibility to stress that **engagement of communities and people with lived experience must be from the outset, meaningful, and transparent**, as laid out in WHO's Framework for Meaningful Engagement of people living with noncommunicable diseases and mental health and neurological conditions. This is also crucial for developing interventions that advance health equity, reaching those who are left furthest behind by health systems.

## Our asks for outcomes and recommendations from the GFD2:

• Governments should develop national investment cases and **costed national NCD/MH strategies** and plans, in consultation with civil society and people living with NCD/MH, ensuring coherent policies across all government departments.

• **Increase and optimize budgetary allocations** by considering national health burdens, the effectiveness of possible interventions, and the return on investment of these interventions to address public health needs and realize UHC.

• Commit to **strengthening social and financial protection** schemes to achieve UHC and **minimizing out-of-pocket expenditures**, facilitated through the implementation of the Best Buys and other recommended interventions.

• Adequately implement fiscal measures for health including **implementing excise taxes on unhealthy commodities** such as tobacco, alcohol, and unhealthy food in line with best practices as well as **phasing out subsidies for unhealthy commodities including fossil fuels** as part of a comprehensive approach.

• Improve **data collection, transparency, and accountability** for NCD/MH financing in national health accounts and development indicators.

• Recommit to engaging in and encouraging **multisectoral partnerships** and appropriate **innovative financing** mechanisms.

• Promote **strategic purchasing** in national health service financing, delivery, and decision-making.

• Seek out sustainable, long-term solutions that leverage financing for other health priorities for **improving NCD/MH outcomes** and strengthening integrated approaches to drive cost-effective solutions and health systems.

• **Engage** civil society and people living with NCD/MH in developing investment cases, policymaking and budgetary processes, and financial accountability mechanisms.

## Development Financing and International Cooperation

In the spirit of **international collaboration and global solidarity**, governments and philanthropies alike **can and should support investments that are sustainable, nationally owned, and in line with domestic priorities**, so that in the long run overall dependence on aid is decreased. Particularly for low-income countries that allocate less than 5% of their GDP to health, progress on NCD/MH is not feasible without catalytic funding and ODA support that complements national efforts for NCD/MH responses.

Effective use of ODA by international development actors, as outlined in the Busan Partnership and reaffirmed in the **Addis Ababa Action Agenda**, and even more recently by the Lusaka Agenda, should align with the needs of the recipient country's development priorities. And yet, to date ODA has remained an untapped source for NCD/MH financing for LMICS, despite the increasing disease burden and rates of comorbidities.

These contributions should encourage **sustainable domestic resource mobilization** (see section above) by building national capacity to develop and implement effective prevention policies (including many of the Best Buys), enhancing the capacity of the health workforce in LMICs, providing technical support, and addressing program and resource bottlenecks within health systems.

Further work should be carried out by WHO in collaboration with the World Bank, to create recommendations and provide technical guidance on **budget impact analysis and pricing models for NCD/MH, making sustainable investments, and creating internal NCD/MH program policies** for development agencies, investment banks, and philanthropies that could consider NCD/MH within existing health programs. The creation of a tool to facilitate the integration of NCD/MH in health and development programs would also promote smarter investments.

Finally, no discussion on international collaboration and cooperation today is complete without the integration of climate action. The climate crisis is also a health crisis, significantly impacting the incidence and outcomes of NCD/MH, and climate mitigation and adaptation policies can bring significant health co-benefits by also improving air quality, promoting active transportation, and making our food systems healthier, while contributing to achieving the Paris Agreement targets on greenhouse gas emissions and climate financing.[24]

Therefore, NCD/MH financing should be optimized for both health and climate action, acknowledging the improved physical and mental health outcomes and economic savings associated with **protecting people and our planet**[25]. Likewise, climate financing should aim to enhance its return on investment for health. With the GFD2 being co-hosted by the World Bank and WHO, there is a unique opportunity to call for the integration of NCD/MH into their respective health and climate programs, as well as urging Member States to commit to broader health and climate financing and addressing the environmental determinants of health.

## Our asks for outcomes and recommendations from the GFD2:

- Prioritize **ODA that supports sustainable DRM** by recipient countries through enhancing technical assistance and interventions that strengthen health systems to deliver on national NCD/MH priorities.

- Request that **WHO and the World Bank commit to developing recommendations and providing technical assistance** for establishing NCD/MH considerations, policies, and best practices to finance sustainable national NCD/MH investment.

- **Commit to protecting people and our planet** through optimizing both health and climate action in development programs by calling on WHO and World Bank to build Member State capacity to secure climate finance for health-related projects. This should be achieved in part through facilitating the sharing of good practice applications of climate funds for health projects.[26]

## Private Sector and Philanthropies

NCD/MH investment and overall attainment of the SDGs will require contributions from the private sector. The vast pool of private capital that exists can mobilize much-needed resources to address the NCD/MH funding gap. Multisector partnerships (MSP) and blended financing[27] initiatives could provide catalytic funding for NCD/MH; however, investment case studies for these initiatives are limited and under-promoted.

To support and encourage scaled engagement and investment from the private sector and philanthropies, WHO and the World Bank should **develop a framework** on how to utilize blended, innovative, and MSP financing **for catalytic capital and private sector contributions**. This guidance should be NCD/MH-specific to encourage private sector initiatives; it should also address how stakeholders can work with governments to address legal or regulatory requirements and limitations, thereby promoting environments that are conducive to impactful health investments.

There are other proven mechanisms, such as **pooled resources**, that also remain under-explored. One example is the NCD Multi-Partner Trust Fund (aka Health4Life Fund). Established in 2021 as a response to the 2018 Political Declaration, where Member States committed to "exploring voluntary and innovative financing mechanisms and partnerships" to accelerate the implementation of SDG 3.4, Health4Life is the sole UN fund dedicated to NCDs and mental health. The GFD2 is an opportunity to reaffirm the commitments and requests made by Member States in 2018 that emphasize the role and importance of pooled funding and other innovative initiatives to close the NCD/MH funding gap.

### Our asks for outcomes and recommendations from the GFD2:

- Request that WHO and the World Bank commit to developing **a framework on how to utilize catalytic capital and private sector contributions** that are independent of government partnerships;
- Continue to promote initiatives that will maximize impact, such as **pooled funding mechanisms** like the Health4Life Fund.

## Conceptualizing NCD/MH Financing Targets

As actors across all sectors accelerate and scale their investment in NCD/MH, accountability measures must also be implemented. Without data and tracking, spending that addresses NCD/MH may be hiding in plain sight as part of health systems strengthening and integrated health services initiatives, as many governments do not include a specific line for NCD/MH within their budgets, nor are the existing ODA indicators sufficient for tracking these flows.

Furthermore, NCD/MH - unlike other global health agendas such as HIV/AIDS or tuberculosis - do not have politically agreed specific and measurable financing targets (see Annex 2). Since the inception of the global AIDS response, there have been targets on the corresponding funding gap and the level of investment required both globally and in LMICs, which have been included within multiple UN political declarations. Similarly, tuberculosis has had global financing targets set and adopted by governments, most recently in the 2023 UN Political Declaration.

Targets can and have been impactful tools for accelerating action and strengthening data and accountability; it's clear that **what gets measured gets managed**. Improved NCD/MH data and tracking would allow for the additional analysis and advocacy needed to improve service delivery, monitor the effectiveness of interventions, and increase budgetary allocations to sufficient levels. On the other hand, without a clear understanding of the optimal funding and targets necessary for the financing of NCD/MH, investment will continue to stagnate or lag. The GFD2 should impress upon governments, development actors, and private funders the importance of **strengthening data collection and transparency measures** for NCD/MH spending by including this information in national health accounts, OECD indicators, and ODA budget lines.

To help address the funding gap on NCD/MH and allocate resources to priority areas of investment, Member States should utilize the precedents outlined[28] and maximize the opportunity of the GFD2 to initiate a process that will develop **global NCD/MH financing targets** to be included in the Political Declaration of the 4th High-Level Meeting on NCDs in 2025.[29] To develop NCD/MH financing targets, the following points will need to be considered:

› **What the targets will ultimately measure**. Drawing upon the AIDS and tuberculosis precedents for establishing a **global funding gap to be addressed**, which can serve as a point of reference for the adoption of these targets within the current global contexts, there is an opportunity for WHO to undertake the necessary research to develop these ahead of the HLM. However, to set adequate targets, further exploration is needed to assess the level of investment required globally, and particularly in LMICs, to reach NCD/MH commitments by 2030. With the focus on UHC and integrated health systems, Member States should also consider additional targets for the **proportion of global health spending allocated to NCD/MH** and commit to establishing national targets for the percentage of health budgets that should be allocated to NCD/MH, reflecting national disease burdens and development priorities.

› **The scope and methodology behind the targets**. Clarity is needed on the specificity of tracking across the range of NCD/MH, and across the full care continuum, and considerations of NCD/MH-specific as opposed to NCD/MH-sensitive financing within UHC/PHC approaches. The GFD2 is an opportunity for key stakeholders, particularly domestic policymakers, to discuss what is most useful and applicable, taking into consideration the wide range of domestic contexts that will be represented at the meeting.

› **Data and baselines that underpin the targets**. As previously mentioned, baseline of the NCD/MH financing gap will need to be established, as this is currently lacking across most of the major NCDs, and particularly mental health conditions. A costing exercise for the mental health funding gap was undertaken by the Lancet Commission in 2018, estimating that LMICs and high-income countries should spend at least 5% and 10%, respectively, of their health budgets on mental health. Another study showed that a mental healthcare package would cost US$2-4 per person per year, providing a frame of reference for costing of mental health care, independent of the other four major NCDs. This can be a launching point from which NCD/MH costs could be modeled.

› **Monitoring and accountability of the targets**. Participants at the Dialogue should also discuss how the targets would be monitored, by whom, and what the accountability process would be. Key points for consideration include a discussion on whether the financing targets would be incorporated both into the updated WHO Global Monitoring Framework on NCDs, and included in the UN Political Declaration.

There is an urgent need to change the course of action on NCD/MH and scaling investment is the first step. Given the utility and impact of global financing targets in other health domains, we urge **WHO and the World Bank** to develop such targets, using a process that reflects the considerations above, to create an informed picture of the global funding gap for NCDs including mental health.[30,31] The process of researching and developing these targets should be prepared in time for their inclusion in the Secretary-General's progress report on NCDs and the Zero Draft of the Political Declaration.

## Our ask for outcomes and recommendations from the GFD2:

• Support increased **data collection, transparency, and accountability** for NCD/MH financing in development budgets and indicators.

• Request that WHO, in collaboration with the World Bank, **develop a set of global financing targets for NCD/MH** to encourage Member State commitment and investment to address NCD/MH as a health and development issue within the Political Declaration on NCDs in 2025.

[1] In line with the inclusion of mental health conditions in WHO's '5x5' approach to NCDs, we refer throughout this document to the need for financing of NCDs including mental health conditions as NCD/MH. However, given the recent focus and inclusion of mental health conditions, including neurological conditions and substance abuse disorders, in the global NCD response, mental health conditions are left out of many NCD-related statistics, findings, and budgets. Where mental health is not specifically mentioned, it should be assumed that it is not included in the corresponding text.

[2] NCD Alliance. Invest to Protect. April 2022. https://ncdalliance.org/resources/invest-to-protect-ncd-financing-as-the-foundation-for-healthy-societies-and-economies

[3] Haakenstad AM. Out-of-Pocket Payments for Noncommunicable Disease Care: A Threat and Opportunity for Universal Health Coverage [Internet]. Harvard T.H. Chan School of Public Health; 2019. Available from: https://dash. harvard.edu/handle/1/41594096. This study estimated an average cost of 1.8 times higher per inpatient or outpatient visit for NCDs than communicable diseases, however greater variability exists across OOP for NCD medicines.

[4] Tracking universal health coverage: 2017 global monitoring report (English. Washington, D.C. : World Bank Group. http://documents.worldbank.org/curated/en/640121513095868125/Tracking-universal-health-coverage-2017-global-monitoring-report

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[10] In A/RES/78/3, para 22. UN Member States agreed to text stating, "Stress the need for Member States to further strengthen national health systems to prevent non-communicable and communicable diseases and address their impact on mental health and well-being, through the provision of mental health and psychosocial support services for achieving universal health coverage, including in their response to and recovery from the COVID-19 pandemic, and to ensure adequate response to future health emergencies."

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