



### REPORT OVERVIEW

As the world approaches the 2015 deadline for achieving the Millennium Development Goals and the international community negotiates the next global framework, massive health disparities still exist across countries. The vast majority of people who die from preventable deaths caused by infectious diseases or maternal and child health conditions live in low- and lower-middle income countries.

Global Health 2035 is an ambitious new investment framework to begin closing this health gap within a generation. Written by *The Lancet* Commission on Investing in Health, a group of 25 renowned economists and global health experts, Global Health 2035 provides a roadmap to achieving dramatic gains in global health through a grand convergence around infectious, child and maternal mortality; major reductions in the incidence and consequences of non-communicable diseases (NCDs) and injuries; and the promise of “pro-poor” universal health coverage.

#### A “grand convergence” in health is achievable within our lifetimes

A unique characteristic of this generation is that we have the financial and ever-improving technical capacity to begin closing the global health gap. History shows that even poor countries can achieve rapid declines in death rates by investing in health. Global Health 2035 points to the “4C countries”—Chile, China, Costa Rica and Cuba—which started off at similar levels of income and mortality as today’s low-income countries, but sharply reduced their preventable deaths by 2011. The 4C countries are now among the best-performing middle-income countries.

Global Health 2035 outlines a path for today’s low- and lower-middle-income countries to achieve similar rates of dramatic progress, reaching levels of mortality seen today in the 4C countries and averting about 10 million deaths in 2035. The 2035 convergence goals are summarised as “16-8-4”—reducing under-5 mortality to 16 per 1,000 livebirths (see figure 1), reducing annual AIDS deaths to 8 per 100,000 population and reducing annual tuberculosis (TB) deaths to 4 per 100,000 population.

Global Health 2035 lays out a detailed investment framework for national governments to achieve the “16-8-4” convergence goals by:

- aggressively scaling up new and existing tools to tackle HIV/AIDS, TB, malaria, neglected tropical diseases and maternal and child health conditions; and
- strengthening their health systems using a so-called “diagonal approach”—that is, building systems that specifically improve these countries’ ability to tackle the highest burden health challenges.

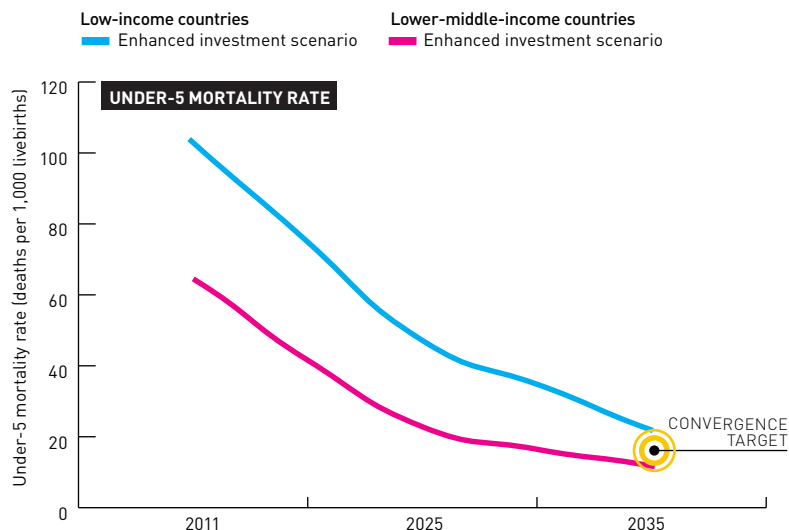
#### GLOBAL HEALTH 2035: Building on the 1993 Legacy

In 1993, the World Bank published the World Development Report (WDR 1993), *Investing in Health*, under the leadership of chief economist Lawrence Summers. One of the most widely cited publications in the Bank’s history, the report demonstrated that well-chosen, evidence-based health expenditures were an investment not only in health, but in economic prosperity. It also argued for additional resources to address high-burden diseases.

Prompted by the twentieth anniversary of WDR 1993, *The Lancet* Commission on Investing in Health was launched in December 2012. Chaired by Lawrence Summers, and co-chaired by Dean Jamison (lead author of WDR 1993), the Commission brought together 25 leading economists and global health experts to re-examine the case for investing in health and to propose an ambitious forward-looking health investment framework for low- and middle-income countries. The Global Health 2035 framework includes a bold plan to cut infectious, maternal, and child deaths; curb NCDs and injuries; and achieve pro-poor universal health coverage.

About two-thirds of child deaths, AIDS deaths and TB deaths now occur in middle-income rather than in low-income countries. Achieving convergence therefore demands action that goes beyond low-income countries to also focus on poor, rural sub-populations of middle-income countries.

The Commission estimates that the average incremental cost of convergence for 34 low-income countries will be about US \$23 billion annually from 2016-2025, rising to around US \$27 billion annually from 2026-2035. The incremental cost in lower-middle-income countries will be about US \$38 billion annually from 2016-2025, rising to around US \$53 billion annually from 2026-2035. The expected economic growth of middle-income countries will easily allow these countries to finance convergence entirely from domestic sources. While low-income countries will require some external assistance, they should be able to finance most of the incremental cost of achieving convergence themselves.



**Figure 1:** Impact of enhanced health investments on under-five mortality rates in low- and lower-middle-income countries

### The international community should unite around the vision of Global Health 2035 and support the innovation and technical assistance needed to achieve it

The international community can best support convergence by renewing its commitment to providing global public goods, particularly health research and development (R&D), and managing cross-border externalities, such as preparing for influenza pandemics. These core functions have been neglected in the last 20 years. Convergence cannot be achieved with today's health tools, many of which are decades old. The international community should double its current R&D spending from US \$3 billion (see figure 2) to US \$6 billion annually by 2020, with half of this additional amount coming from middle-income countries.

Some low-income and lower-middle-income countries will continue to require external financial assistance to scale up tools for achieving convergence. Eliminating malaria and combating drug-resistant TB and the threat of drug-resistant malaria will in some cases require assistance to middle-income countries.

LOW-INCOME COUNTRIES	LOWER MIDDLE-INCOME COUNTRIES
<b>Deaths averted in 2035</b>	
about 4.4 million	about 5.7 million
<b>Approximate incremental cost per year</b>	
First 10 years: US \$23 billion	US \$38 billion
Second 10 years: US \$27 billion	US \$53 billion
Per capita cost in 2035: US \$24	US \$20
<b>Proportion of incremental costs devoted to health systems improvements</b>	
First 10 years: 70%	40%
Second 10 years: 60%	30%
<b>Proportion of health gap closed from scale-up of existing tools</b>	
2/3	4/5
<b>Benefit to cost ratio of the enhanced investment scenario, using full income approach (2015-2035)</b>	
9	20

### The returns to investing in health are even greater than originally estimated

The costs of convergence are substantial, but the payoffs—in both health and economic terms—are much greater. Global Health 2035 proposes a more comprehensive approach to measuring the returns to investing health.

The impact of health on economic productivity has been well documented in recent years. Improved health has contributed importantly to income growth in low-income and middle-income countries, as measured using traditional national income accounting (based on GDP).

But while GDP captures the benefits that result from improved economic productivity (the so-called instrumental value of better health), it fails to capture the intrinsic value of better health—the value of health in and of itself. Global Health 2035 reports a more comprehensive understanding of the returns to investing in health by estimating this intrinsic value using a “full income” approach. This approach combines growth in national income (GDP) with the value people place on increased life expectancy—that is, the value of their additional life years (VLYs). Global Health 2035 estimates that 24% of the growth in full income in low- and middle-income countries between 2000 and 2011 resulted from health improvements. Figure 3 summarizes estimates of the contribution of health to growth in full income in 1990–2000 and in 2000–2011 for different regions of the world.

Using the full income approach to estimate the economic benefits of convergence in low-income and lower-middle-income countries from 2015–2035, the benefits exceed costs by a factor of 9–20, making the case for action even stronger.

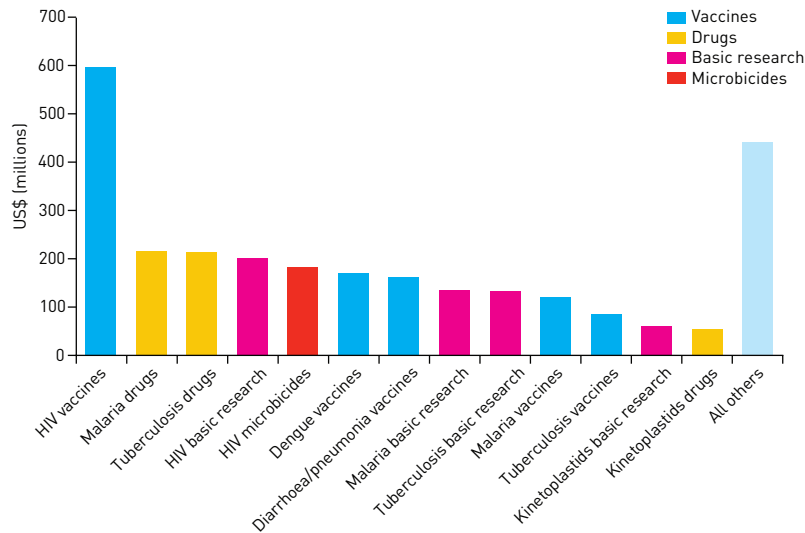
The full income approach provides finance ministries, donors and other decision-makers with a strong rationale for investing in health to put their countries on a path to rapid improvement in national welfare.

**Fiscal policies can dramatically curb NCDs and injuries, as well as leverage significant new revenue for low-and middle-income countries**

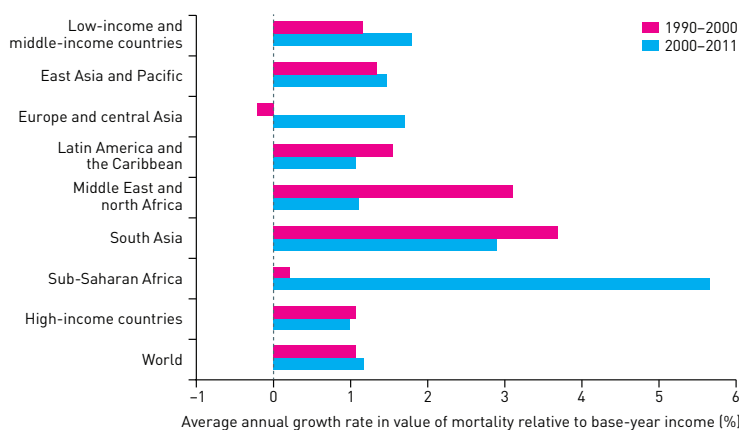
One paradox of success in global health is that when low- and middle-income countries successfully reduce deaths from infections and maternal and child conditions, they then accelerate the shift in their disease burden to NCDs and injuries in adults. Global Health 2035 lays out the steps that all low- and middle-income countries could take now to delay the onset of NCDs to as late as possible in life and thus reduce premature illness and death.

National governments can curb NCDs and raise significant revenue by heavily taxing tobacco and other harmful substances, such as alcohol. They can redirect finances toward NCD control by reducing subsidies on items such as fossil fuels, which produce air pollutants that cause NCDs.

A tobacco tax is the single most powerful lever for curbing NCDs. In the next 50 years, for example, a 50% tax on tobacco could prevent 20 million deaths in China and 4 million in India and generate US \$20 billion and US \$2 billion annually in each country, respectively.



**Figure 2:** Research and development expenditures for infectious diseases of particular concern to low-income and middle-income countries in 2011



**Figure 3:** Contribution of change in life expectancy to growth in full income, 1990-2000 and 2000-2011

Donors and UN agencies should focus on provision of technical assistance on tax and subsidy policies, regional cooperation on tobacco (e.g. to reduce smuggling), and funding of population, policy and implementation research on scaling-up of interventions for NCDs and injuries.

### Progressive universalism, a pro-poor pathway toward universal health coverage (UHC), is an efficient way to achieve health and financial protection

In order to protect the poor from impoverishing health costs, and to ensure that they benefit the most from the investments laid out in Global Health 2035, countries should adopt “pro-poor” pathways to insuring their citizens.

The Commission endorses two pathways to achieving UHC within a generation, which commit to covering the poor from the outset (“progressive universalism”). In the first, publicly financed insurance would cover essential health-care interventions to achieve convergence and tackle NCDs and injuries (figure 4). This pathway would directly benefit the poor, since they are disproportionately affected by these problems. The second pathway provides a larger benefit package, funded through a range of financing mechanisms (e.g. payroll taxes, insurance premiums, copayments), with poor people exempted from all payments.

Governments should approach UHC through progressive universalism—a commitment to reach the poor at the outset—to yield high health gains per dollar spent and ensure the poor benefit from health and financial protection.

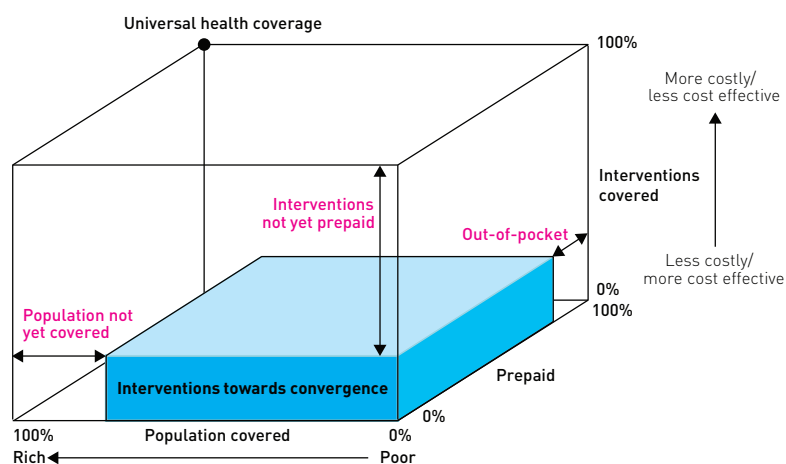


Figure 4: Pathways toward universal health

One immediate way that the international community can support countries in implementing progressive universal health coverage is by financing critical research, such as on the mechanics of designing and implementing evolutions in the benefits package as the resource envelope for public finance grows.

### Global Health 2035: A Call to Action

Global Health 2035 offers a new vision for profoundly transforming the global health landscape within a generation. Meeting its ambitious goals will require scaled up investments and innovations in global health technology, health systems and policies.

As an immediate first step toward realising this vision, global leaders—including low- and middle-income countries, donor nations, international agencies and civil society organisations—should unite around the goal of convergence and incorporate it into the post-2015 framework that is currently being negotiated.

By harnessing the financial and ever-improving technical capacity of our generation, we can avert 10 million deaths in 2035 and ensure healthy, productive lives for millions more people—a remarkable step toward closing the massive gap that has defined global health for the past three decades.

The full report was published in *The Lancet* on 3 December 2013 and can be found at [www.lancet.com](http://www.lancet.com).