

Opening Remarks by Prof. Tanaka, President of JICA for Program of Seminars on  
'GLOBAL HEALTH', October 11, 2012

Dept. in charge : Human Development Dept.

Panelists, distinguished delegates, ladies and gentlemen, welcome to Tokyo. I am Akihiko Tanaka, President of the Japan International Cooperation Agency, JICA. It is my great honor to extend the opening remarks today in the Program of Seminar on Global Health.

Twenty years after the release of the World Development Report on Investing in Health, there is a growing consensus that health is not merely an "expense" but an "investment" that pays out a substantial dividend.

Investing in health clearly increases the wealth and stability of a household. Healthy children study better. Healthier adults work better and can earn more. Investment in maternal health prevents loss of mothers and its consequences on the families and children.

We know that unexpected medical expenses are one of the biggest down-side risks for the poor and vulnerable. Health investment has the potential to save a hundred million people from the destitution caused by medical costs. It ensures human security, offering people the chance to lead healthy, stable and productive lives, which is key to a country's sustainable economic growth and national development.

Recently, we have witnessed a dramatic increase in funds for global health. Indeed, Professor Christopher Murray, one of our distinguished panelists, has shown that development assistance for health has increased almost five-fold between 1990 and 2011.

Achievements have been remarkable: in addition to increased bilateral aid, we now have international funding mechanisms like the Global Fund and GAVI. The availability of free or low-priced drugs offered by pharmaceutical companies also holds promise. We have with us today Mr. Haruo Naito. His company, Eisai, partners with the WHO by donating free drugs against neglected tropical disease.

Japan has always understood the importance of investing in health. Its most recent commitment to global health allocated five billion dollars over five years starting in 2011. For JICA, that meant a doubling of its annual resources for health over the previous year.

Increased resources have contributed to more essential health services and health impact. We are observing substantial improvement in maternal and child health and control of infectious diseases, even in some of the poorest countries.

Yet, most countries still face tough challenges in achieving the health-related MDGs, and additional funding is critically needed. The lack of health care facilities and workers in remote areas and the high cost of care for the poorest have caused a widening in the gap between rich and poor, and the city and country dweller.

Public funds, particularly from governments, are essential for securing access to basic health services for underserved populations. Recently, we see more developing countries consider social health insurance as an alternative financial source. Among frontrunners like Thailand and Ghana, we notice however that social health insurance that relies solely on

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premiums poses a challenge. Even here funding from tax revenue is a key bolster.

Guaranteeing access to essential health services while avoiding the fiscal risk remains universal challenge for all financial planners and national leaders. Opportunities and lessons for Universal Health Coverage is the agenda of the second session, and I expect an active discussion under the facilitation by Professor Takemi.

Obviously, improving efficiency needs to be concomitant with increasing investment. The WDR *Investing in Health* pointed the way in 1993, calling for concentrating investment in cost-effective interventions.

Technical innovation and international cooperation play a role here. The cost of annual Anti-Retroviral Treatment is now \$100 or less per person today, while it was \$15,000 fifteen years ago. I would like to see more global collaboration which involves private partners and manages the interests of various stakeholders. Such collaboration will guarantee more people in the developing world benefit from technical innovation at affordable prices.

Furthermore, with increased investment should come transparency, accountability and greater efficiency. We also need to train more health workers, improve health facilities and how they are managed.

Today, we are here to discuss these important and fundamental questions in the context of a harsh fiscal environment for many countries.

How can we increase the financial resources to provide more essential health services? Is there a better way of avoiding financial risks while doing so? What should be done to improve the efficiency and transparency of health investments? What are the roles of government, private sector, civil society and global partners in achieving all these goals?

I look forward to an animated discussion drawing on the expertise of the distinguished panelists and participants. I also hope that today's seminar will provide an opportunity for world leaders to focus on the importance of investing in health, again!

Thank you very much for your kind attention.