Public health emergencies have profound economic and fiscal impact. Emergencies simultaneously reduce government revenue while increasing expenses and exposure to risk. While specifics vary, the economic impacts are invariably "far more expensive – in lives and money – than investing in preparedness." In many public finance management and regulatory systems, laws can allocate guaranteed year-round funding for the anticipated expenses of agencies, institutions and officials that prepare for, detect, and respond to such crises. Other financial mechanisms can be established through law to provide additional funds when extreme or unanticipated events strike. In an emergency, the frontline needs immediate access to funds, so unnecessary administrative barriers should be eliminated while maintaining accountability.

**KEY ELEMENTS**

4. **Fund adequately:** Many emergency-related expenses are predictable. These predictable costs may include ministry divisions, like surveillance and laboratories, public health institutes and/or emergency operations centers and their permanent staff, coordination committees or task forces, technology systems and equipment stockpiles, strategic planning, trainings and simulations exercises, among other traditional expenses. Government budget allocations should guarantee these normal operating expenses for the agencies, institutions and officials responsible for emergency response at the national and subnational levels.

**Accelerates disbursement to frontline:** Emergencies require an expedited disbursement mechanism, especially to the frontline, where delays can be deadly. For example, funding the immediate deployment of teams to investigate potential hazards and issuing hazard pay. The law should fast-track authorization and payment to meet spending needs, authorize advance appropriation, and simplify the procurement process.

**Establishes additional emergency funding sources:** If a worst-case scenario materializes, the government should have fiscal procedures to redirect money as necessary, such as supplementary budgets, virements or transfers that reprioritize between line items or within budgetary programs, and emergency decrees or temporary suspension of fiscal rules. Endowing an emergency contingency fund can reserve funds for sudden shocks.

**Fosters accountability systems:** Emergency funds hand significant power to the executive and limit the legislature’s ability to approve budgets and appropriate funds elsewhere. The law must provide clear rules on the triggers for use of funds, allocations of money and transparent reporting. These rules should include effective expenditure tracking mechanisms to detect and prevent misappropriation of resources.

**ASSESSMENT QUESTIONS**

*Does your legal framework:*

- Guarantee year-round funding for emergency preparedness?
- Create or identify additional funding sources that can be redirected quickly to emergency response?
- Offer clear guidelines for when such reserve funds can be used?
- Delineate special procedures to accelerate disbursement to the frontline?
- Outline streamlined accountability systems to ensure funds are spent appropriately?

**ADDITIONAL RESOURCES**