

Wednesday June 22nd
10:30 am - 12:00 am CET

SOCIAL INVESTMENT AS A KEY LEVER FOR INCLUSIVE GROWTH

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Lessons learned from the COVID 19 crisis

COVID 19, the latest warning on future health crises linked to planetary challenges

- **17 million deaths**
- **Global recession (6% global GDP)**
- **Disruption of global supply and production chains**

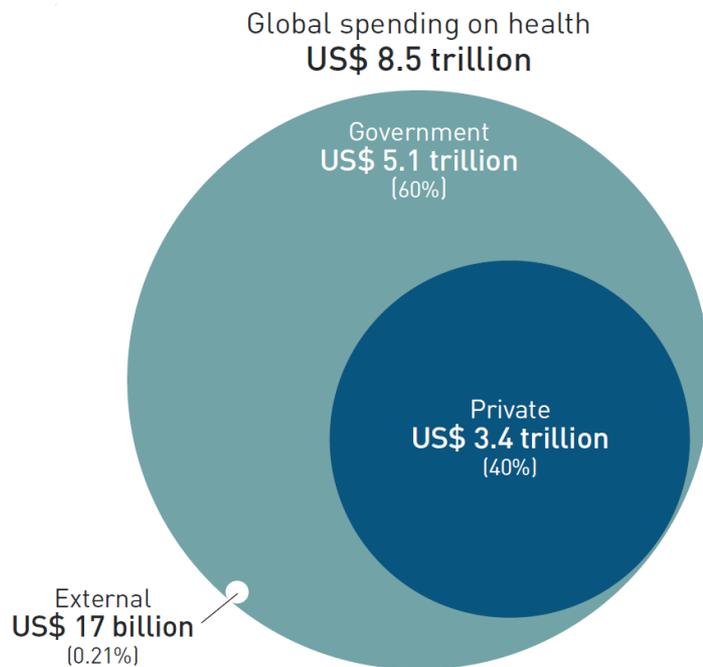
The COVID 19 crisis lessons learned

Insufficient investments in health and social protection systems

- **Little to no improvements in health systems between 2000 and 2019**
- **Decrease of public funding in LICs and LMCs and increase of household spending**
- **Fungibility/ crowding out of global health funding undermining the formation of UHC**
- **Disconnect between global and local agendas**

- Global spending on health

Global Spending on Health ?

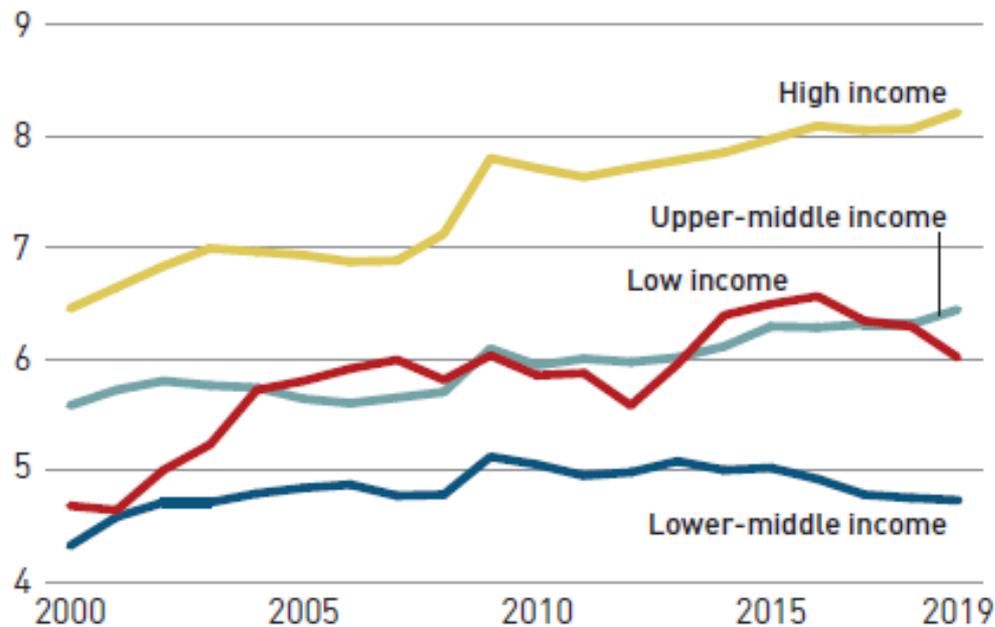


- Global spending on health reached US\$ 8.5 trillion in 2019
- It represented 9.8% of global GDP.
- 60% of came from government sources

Health spending

Growth, but not converging

Health spending (% of GDP)

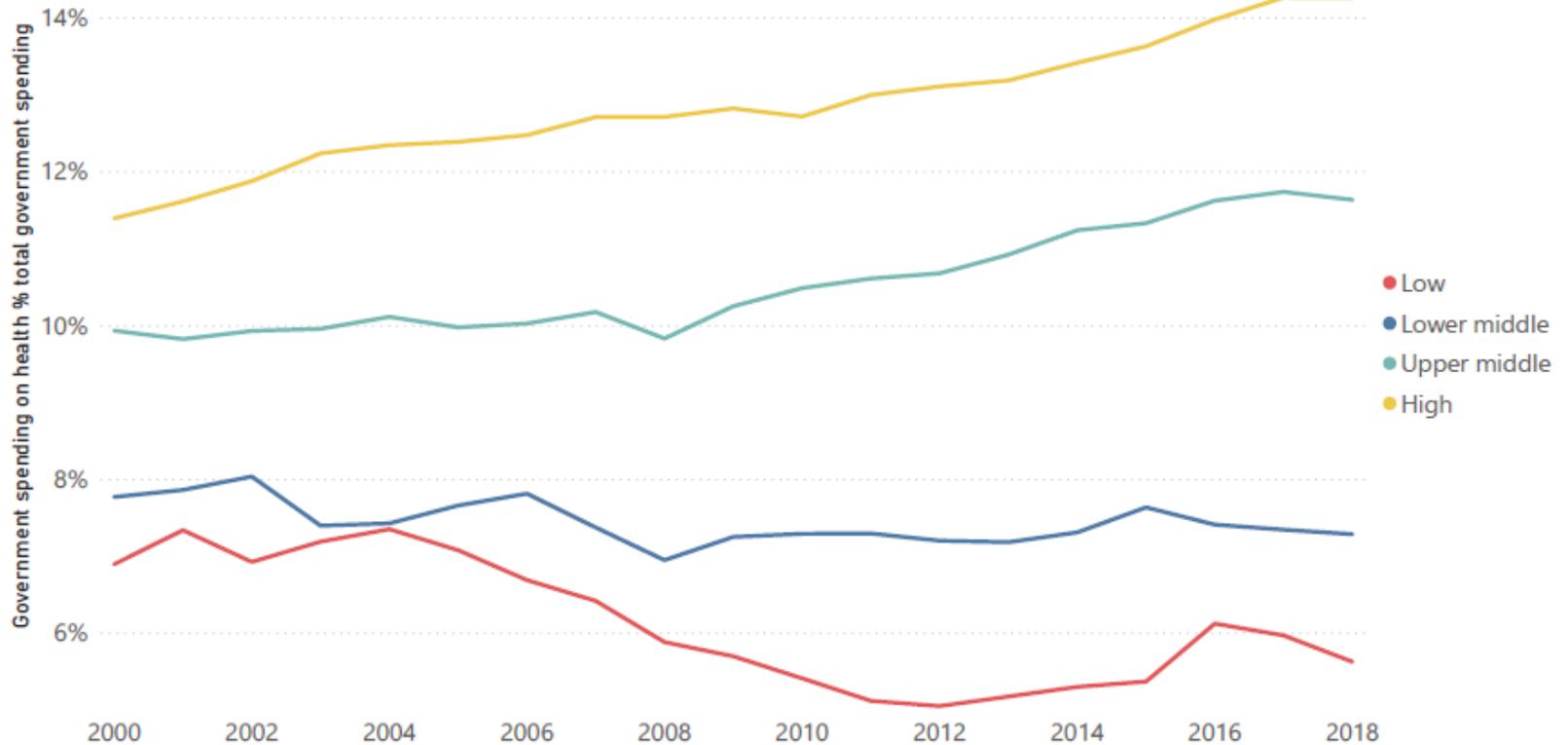


Data source: WHO Global Health Expenditure Database, 2021.

- What factors drive the growth and
- What factors drive the disparity?

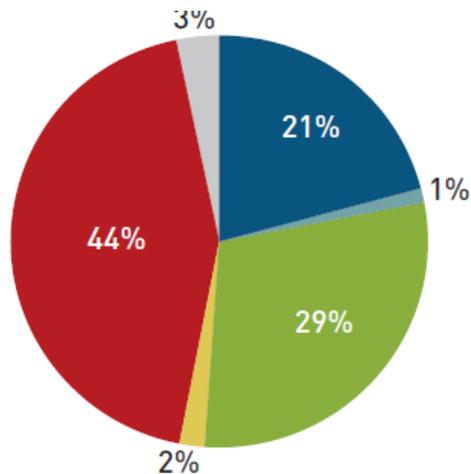
Government priority to health increased in richer countries, declines in poorer

Government health spending as a share of total government spending, by country income group, 2000–2018

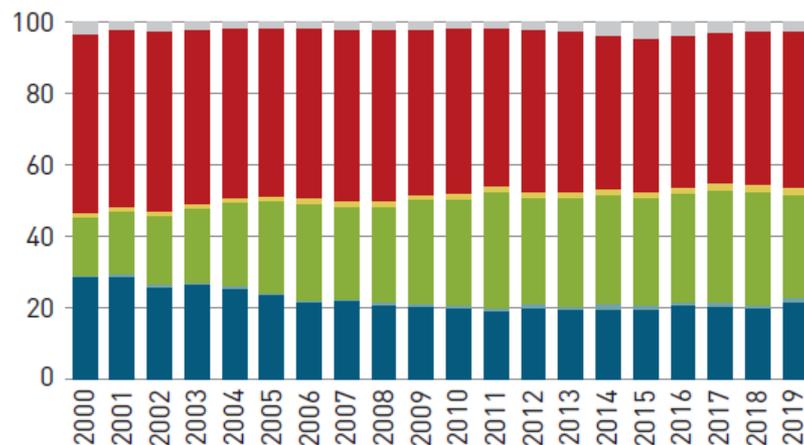


Public spending has decreased in low income countries where aid was substantial

Low income, 2019



Low income, 2000-2019

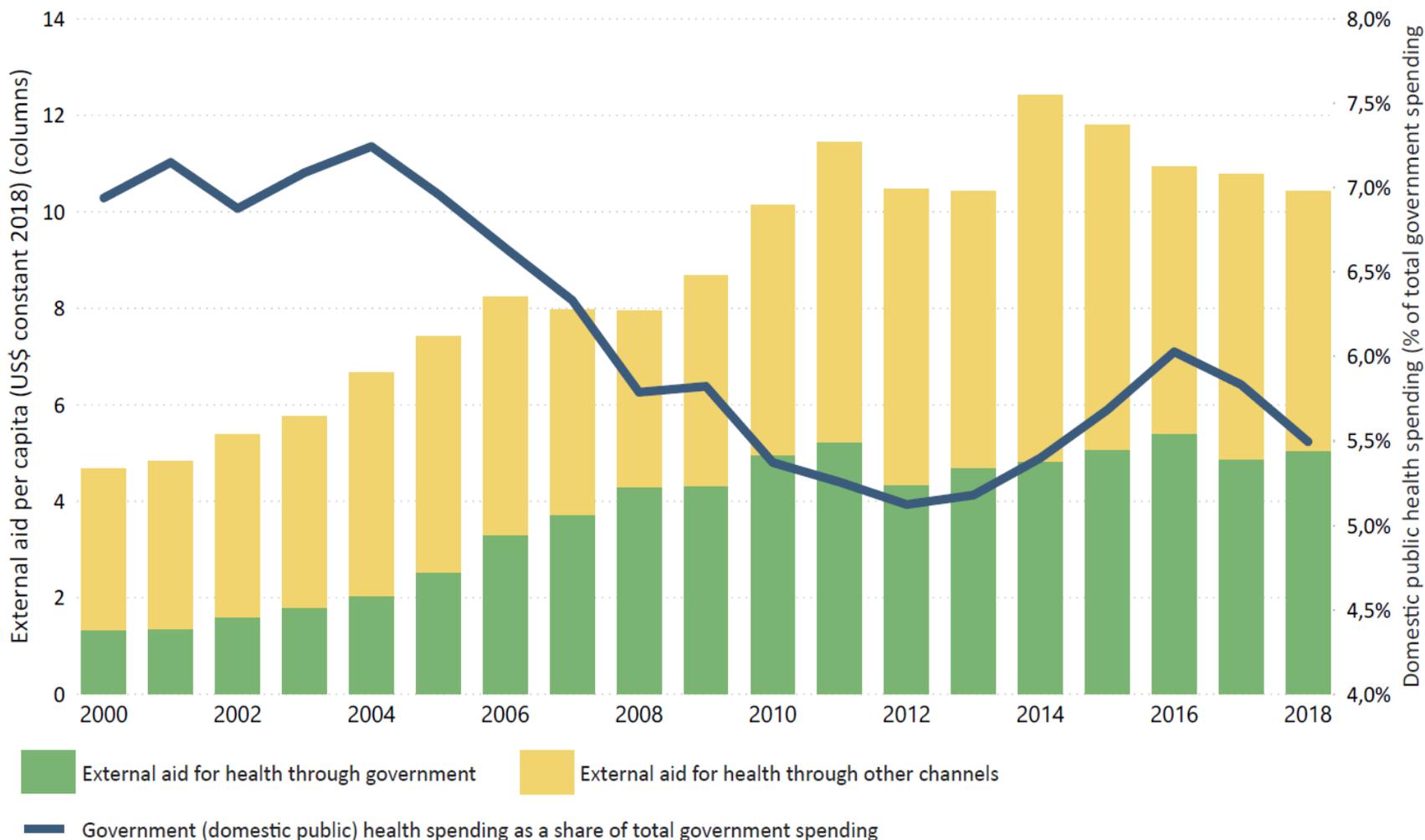


■ Government transfers ■ Social health insurance contributions ■ External aid
■ Voluntary health insurance contributions ■ Out-of-pocket spending ■ Other

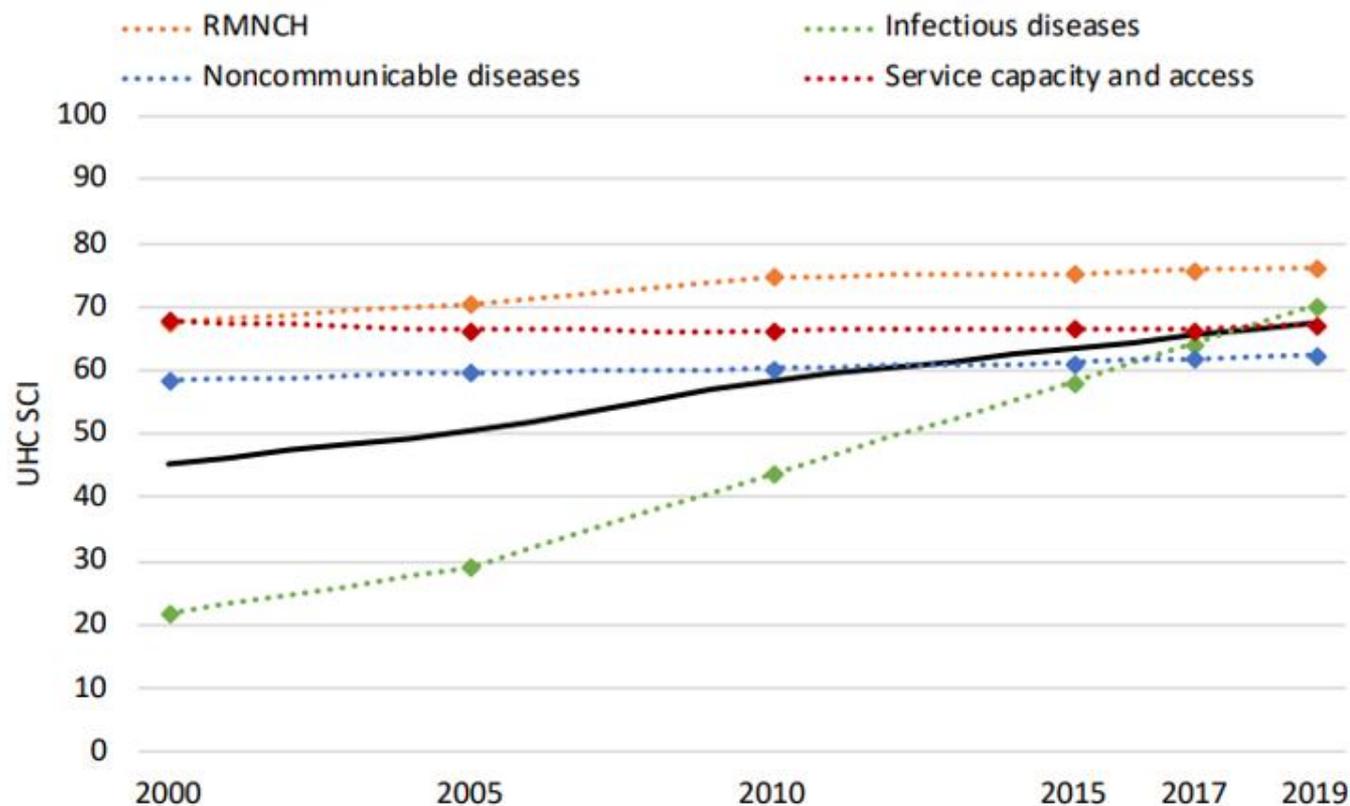
Data source: WHO Global Health Expenditure Database, 2021.

When external aid increased, health priority in domestic budget allocations declined

External aid for health per capita by channel and the priority for health in general government spending in lower income countries, 2000–2018

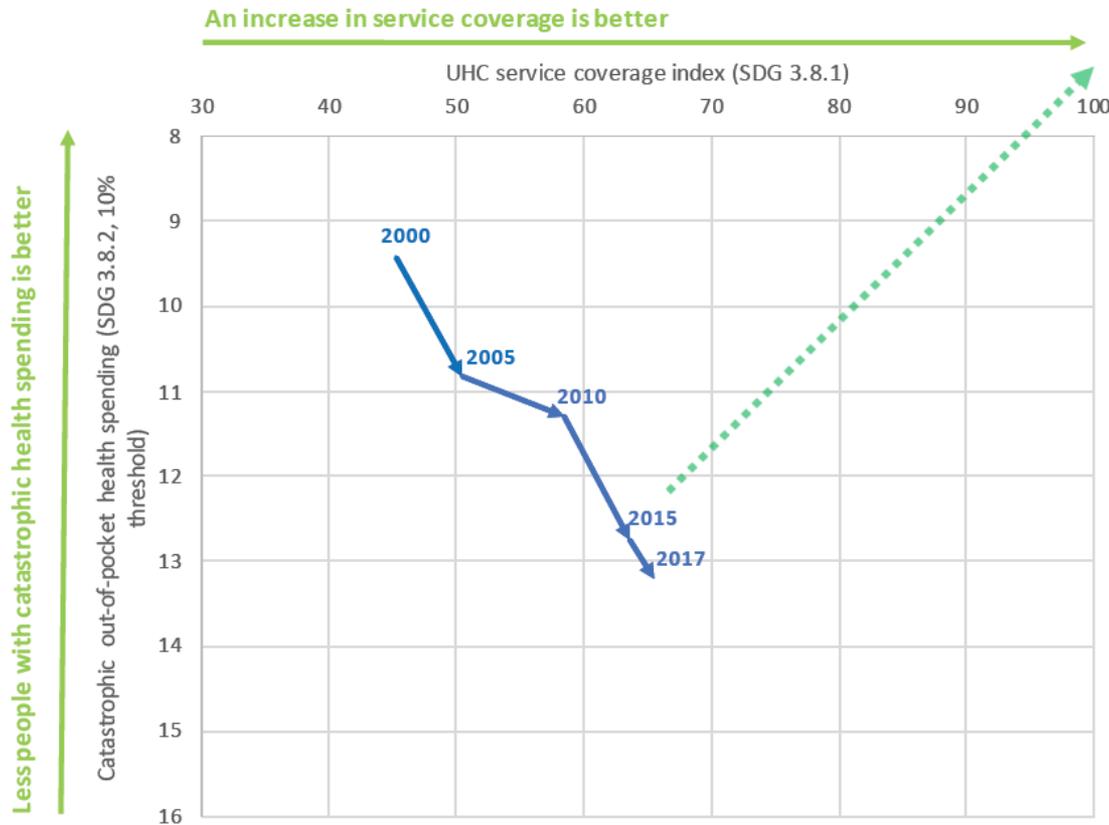


Progress in service coverage was mainly driven by improvements in the coverage of interventions tackling infectious diseases...



Globally service coverage increased but catastrophic spending due to accessing health services worsened over the past two decades

Figure ES.1 Progress in service coverage (SDG indicator 3.8.1) and catastrophic health spending (SDG indicator 3.8.2, 10% threshold), 2000–2017



1. Income is a driver.
2. People with more money spend more.
3. Public finance and public policy matters.

Understanding the past matters because it helps us identify priorities going forward in the pandemic era.

Post 2019 shifts

Health and Social Protection Systems: a new investment agenda

Commons, Human Resources, Financial Systems

- **Investment in the health commons:**

- Public Health Institutions
- One Health
- Core functions: Surveillance, Information, Coordination; Legislation, Coordination, taxes and subsidies
- Public health programs (animal health, environmental health, diseases control, etc)
- Collective action

- **Investments in Human Resources**

- Foundational training of frontline workers
- Rural pipelines
- Capacity building (hospital management, public health, ehealth etc)

- **Adaptative Social Protection**

- UHC financing institutions (pooling and strategic purchasing)
- Cash transfers

Development agenda in health: bending the curve or tectonic shift ?

Foundations, Institutions, Transformation

- **Back to Foundations**

- Shift from disease programs to systemic programs
- Support to infrastructure and human resources
- Shift to sovereign constituencies

- **Building Institutions**

- Support to national, regional and continental institutions
- Shift of global financing to LICs and Africa
- Networks of regional institutions (eg EU AU)
- Team Europe

- **Transformation ?**

- UHC financing institutions (pooling and strategic purchasing)
- Cash transfers
- Adaptive systems (environmental crisis)

What could this mean for national financing

- **Construction of health financing institutions**

- Pooling institutions (national health insurance)
- Strategic purchasing
- Health taxes

- **Tap in the private sector**

- Limiting global funding and global mechanisms to global commons
- Matching global funding to domestic funding (WB FIF)

- **Health is multisectoral**

- **Health services is an economic sector**

- Private sector is essential: a majority of countries developed their service delivery through the private sector with the state funding it

What could this mean for global financing

- **Financing the global commons**

- Limiting global funding and global mechanisms to global commons
- Matching global funding to domestic funding (WB FIF)

- **Global Health Institutions Reforms**

- End of multilateral institutions as we know them in the early 21th century.
- We are moving to a federation of regional institutions

- **Financing Equity of access**

- Shifting ODA to Africa institutions
- Reducing dependency for basic services

**We need to anticipate the next
wave of health crisis**

**Let us build a joint investment
agenda**



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