

# 2020

## 5<sup>TH</sup> ANNUAL HEALTH FINANCING FORUM

Health Financing Resilience

## Impact of COVID-19 on Financing for Health

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July 7-23, 2020

Co-hosted by:



WORLD BANK GROUP

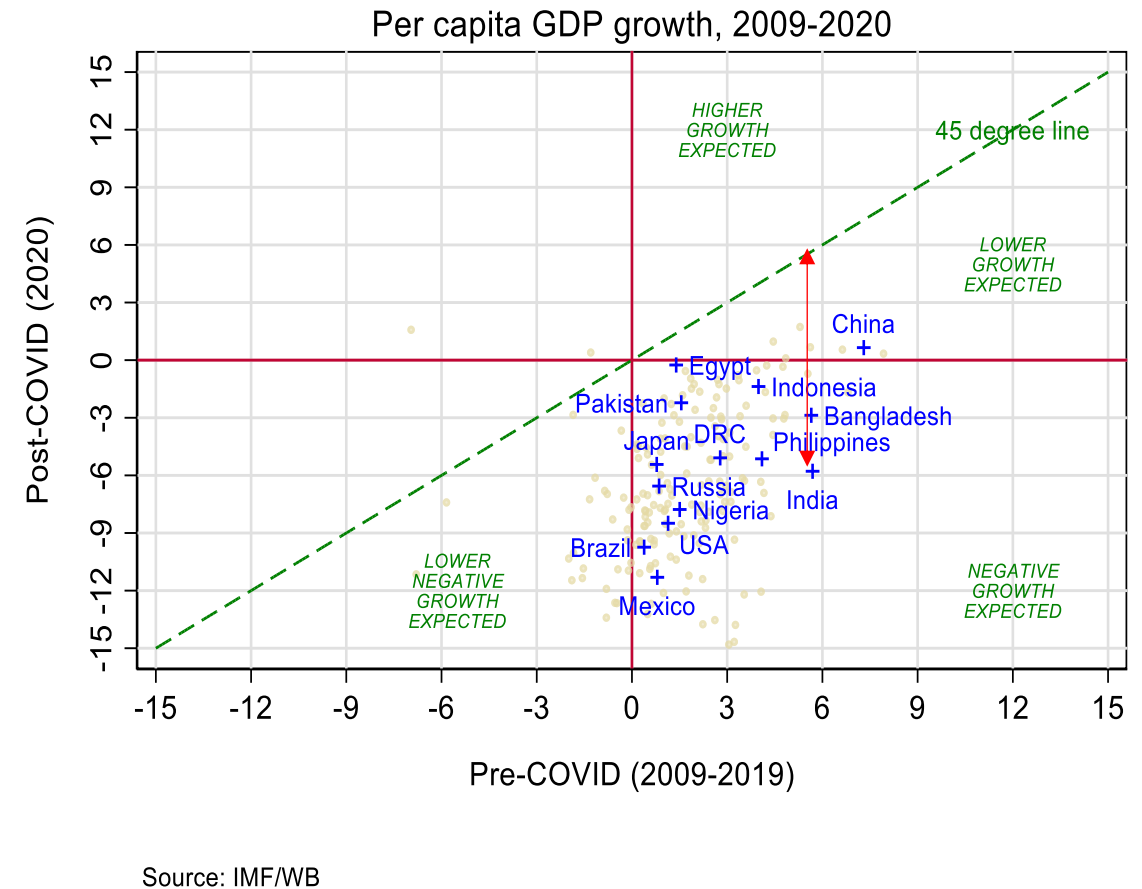
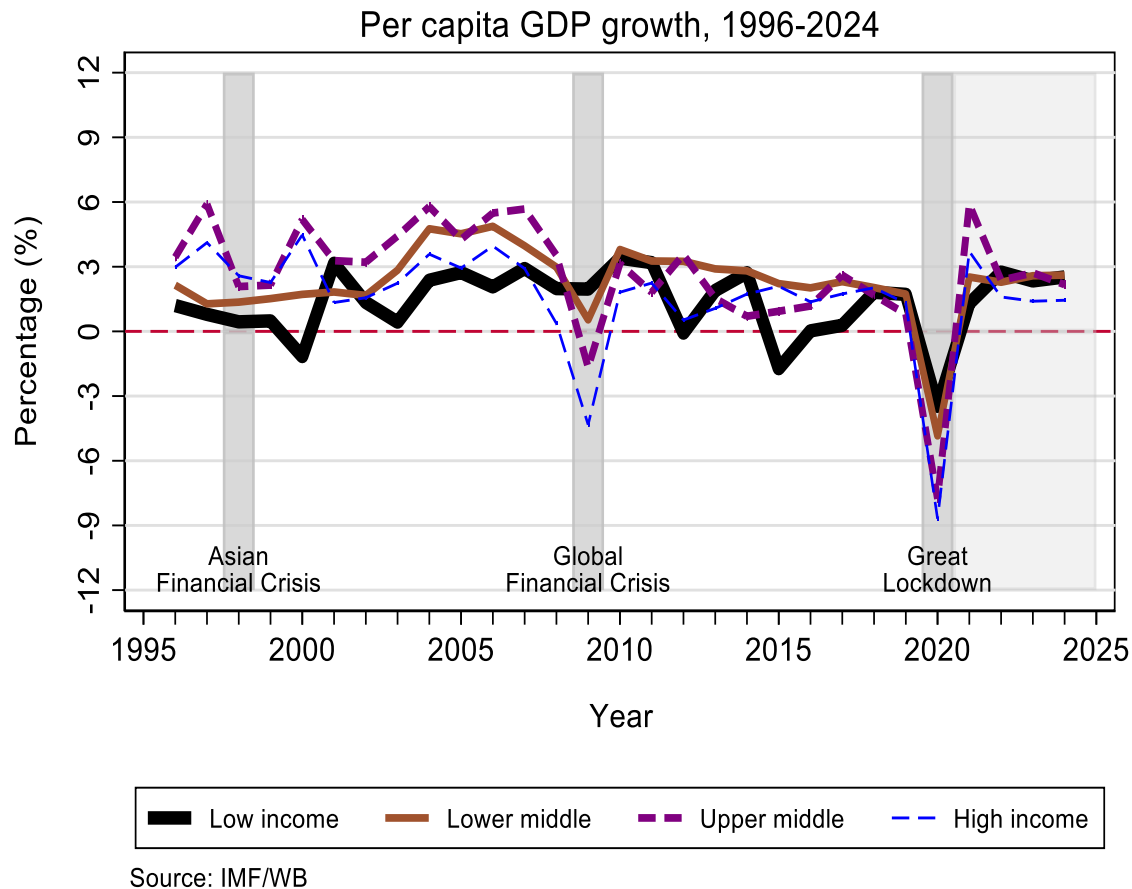


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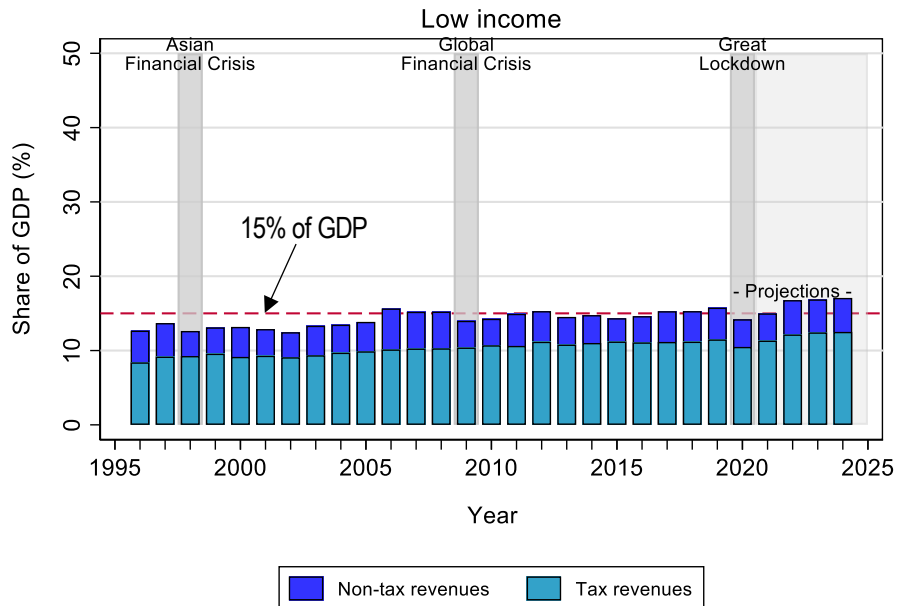
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FACILITY

# Deep Global Economic Contraction is Occurring

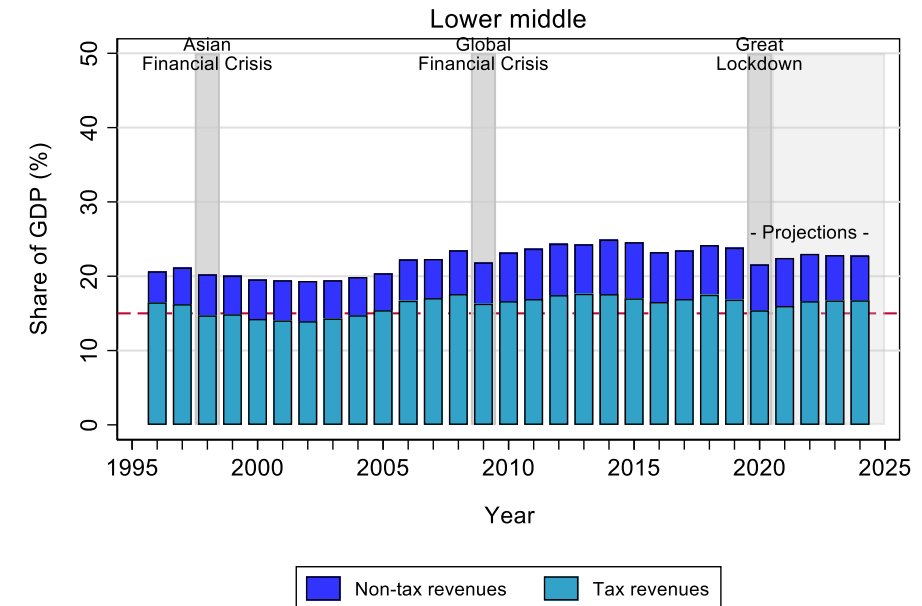


Unemployment and poverty rates expected to rise; sectors such as tourism, hospitality, trade may continue to be affected longer; adverse effect on household income, public revenues; income inequality expected to increase...non-COVID health service utilization declining.

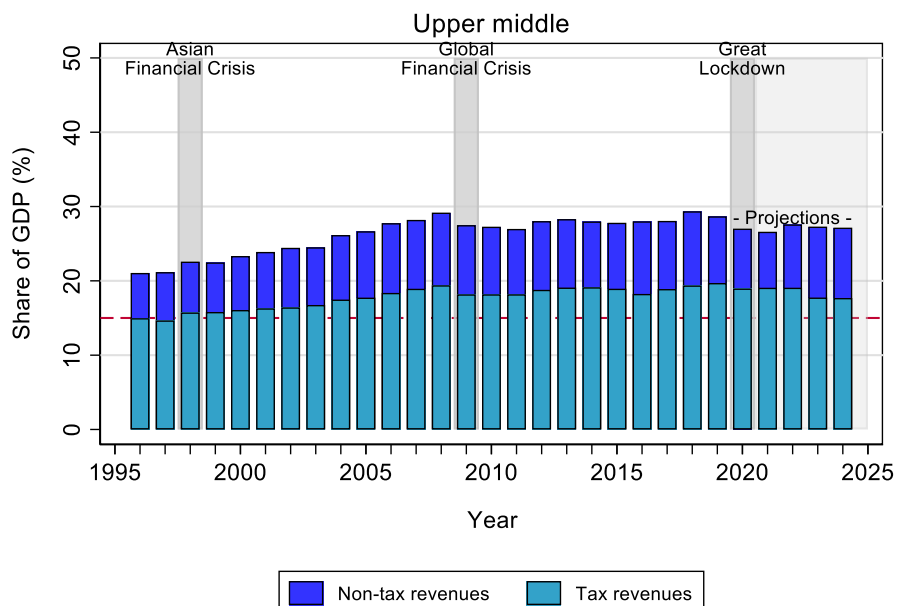
# Revenues Expected to Decline



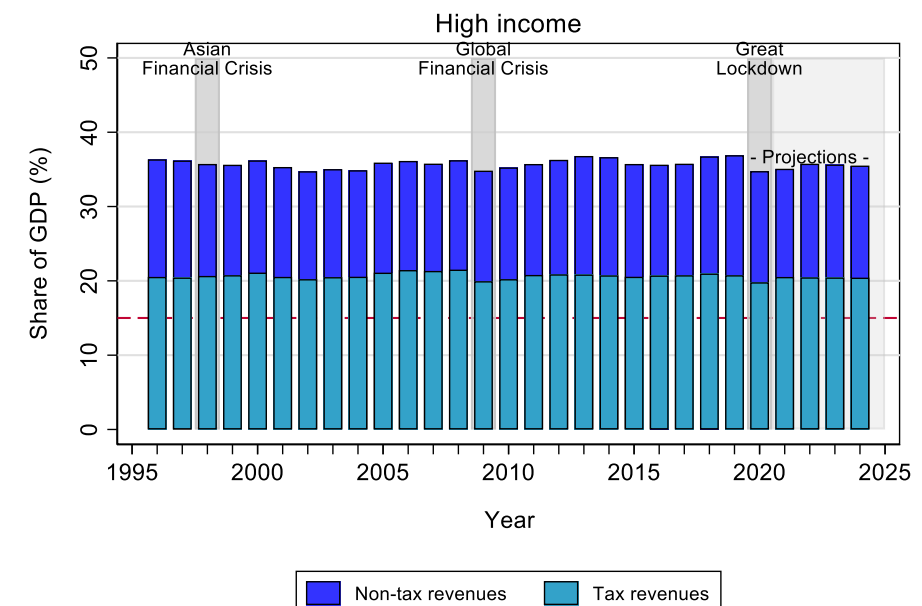
Source: IMF/WB



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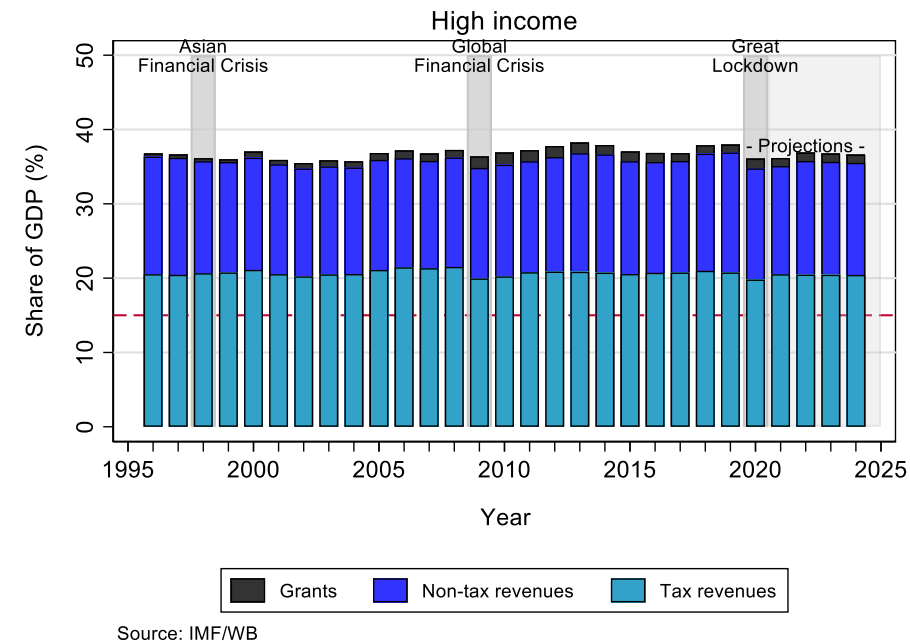
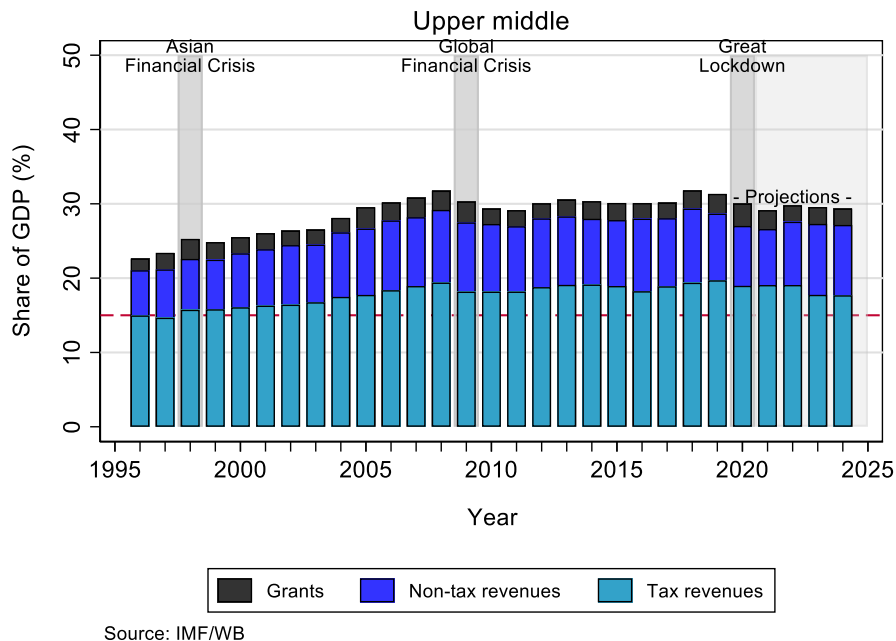
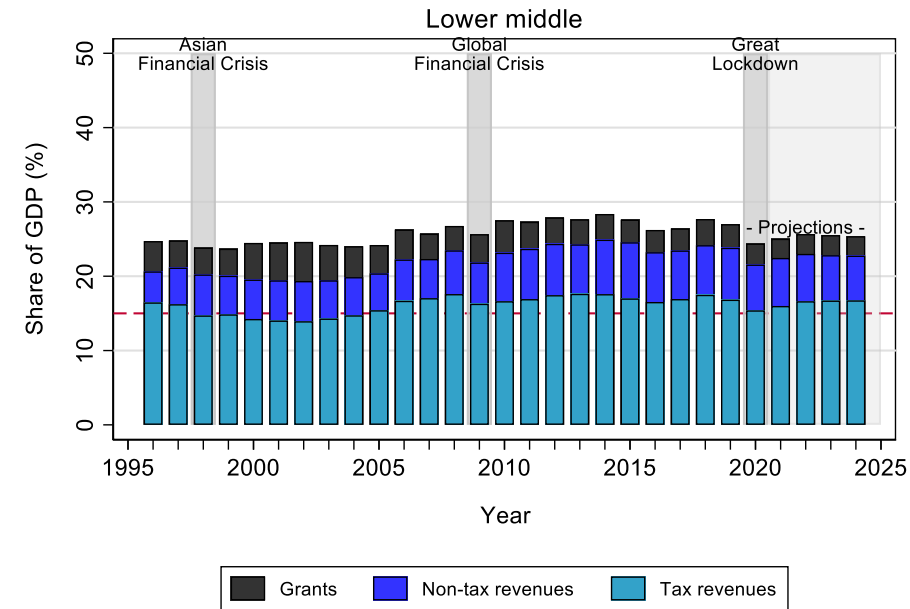
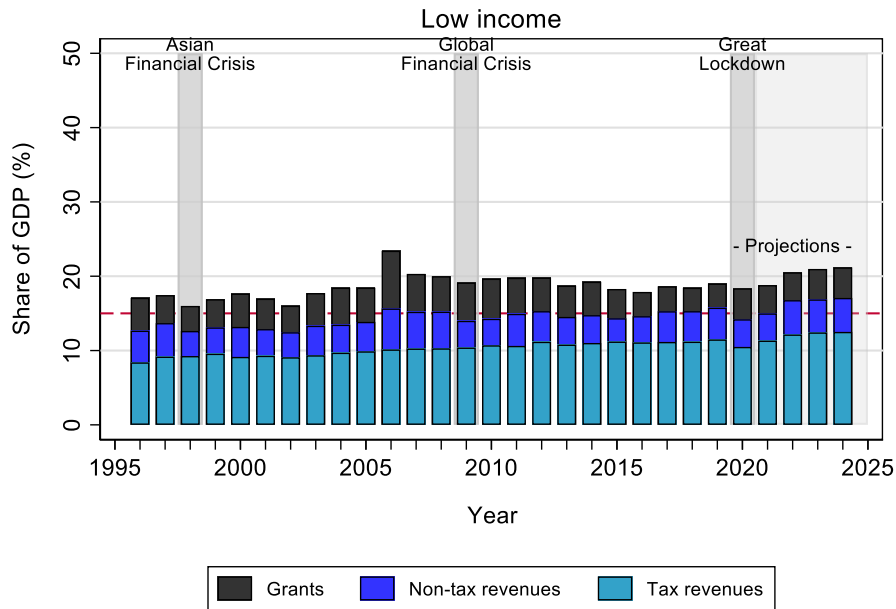


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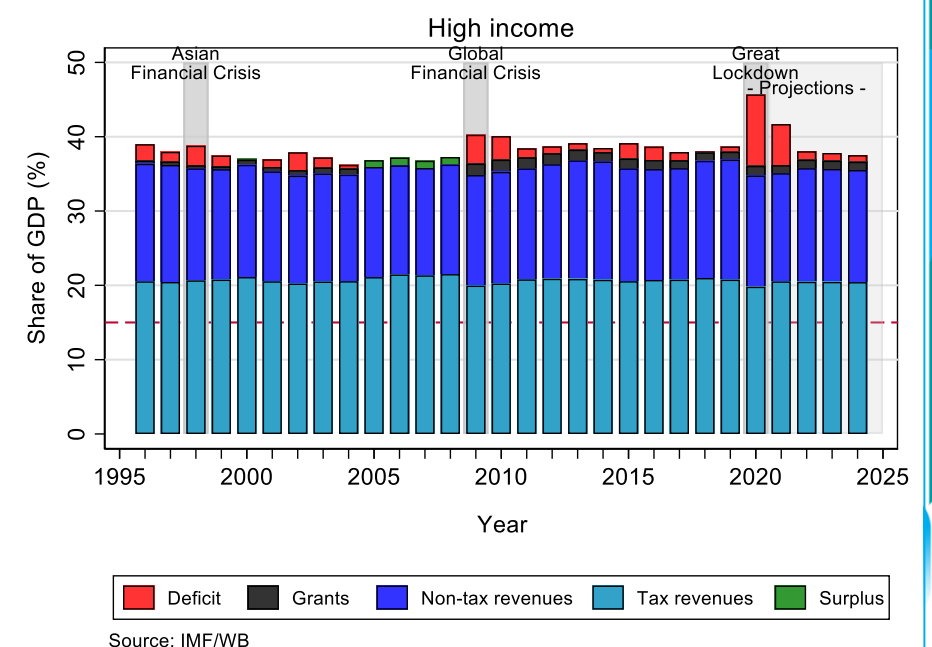
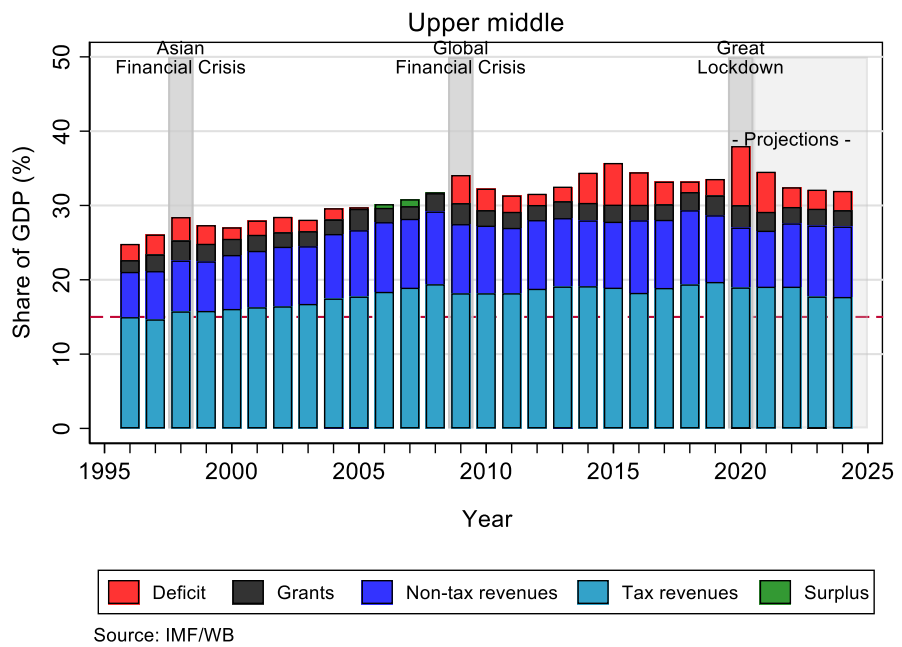
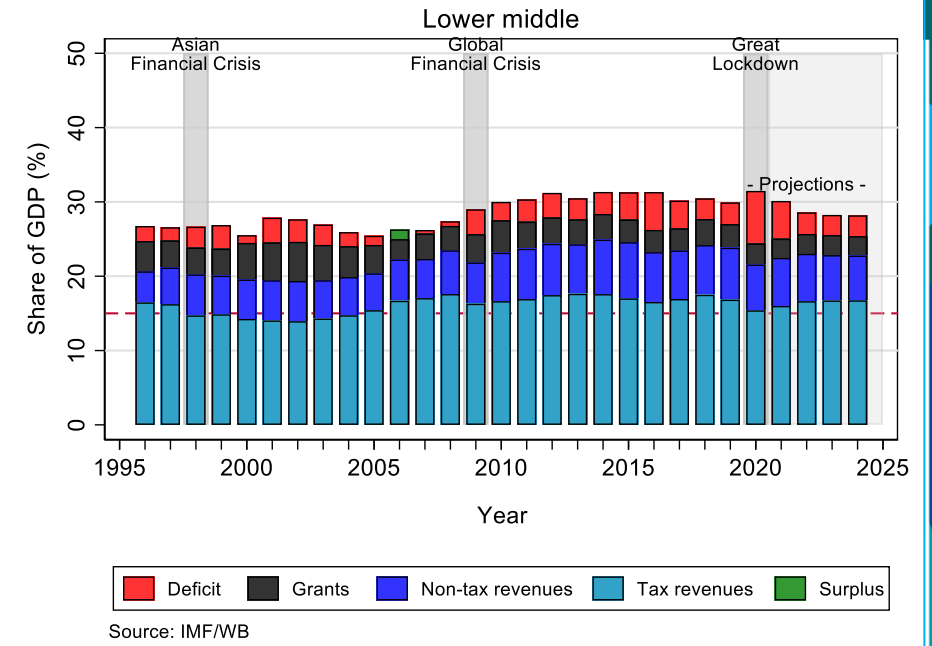
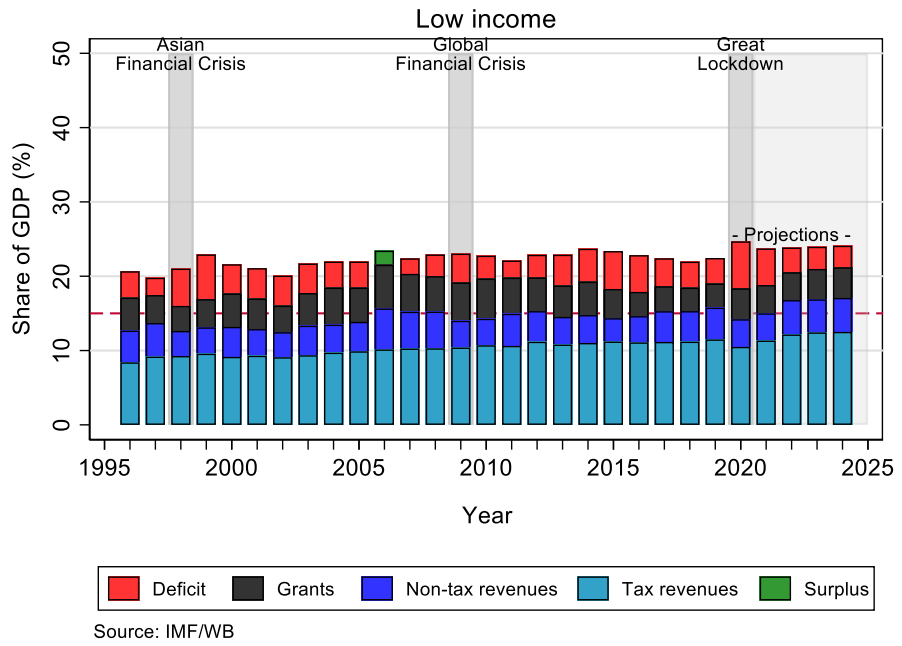


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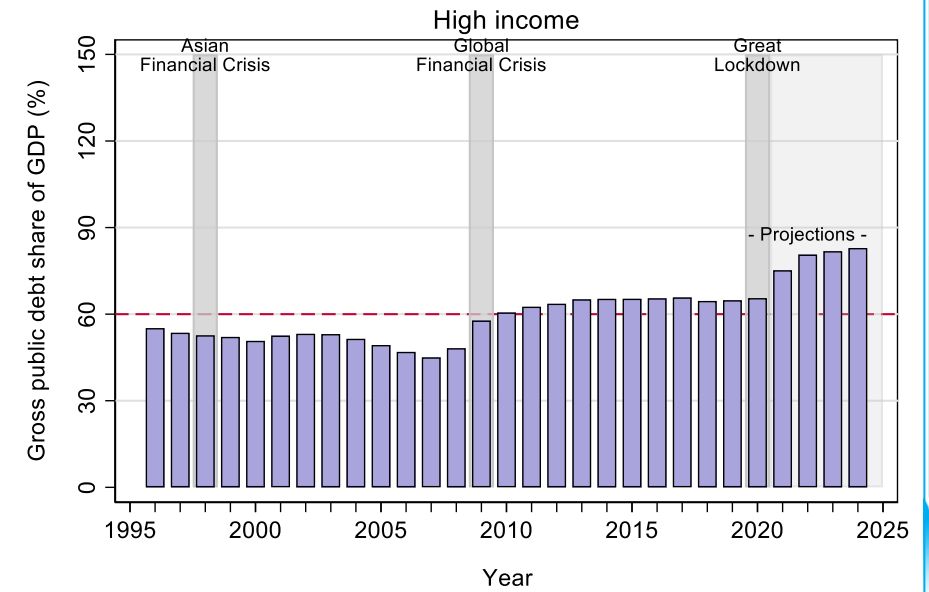
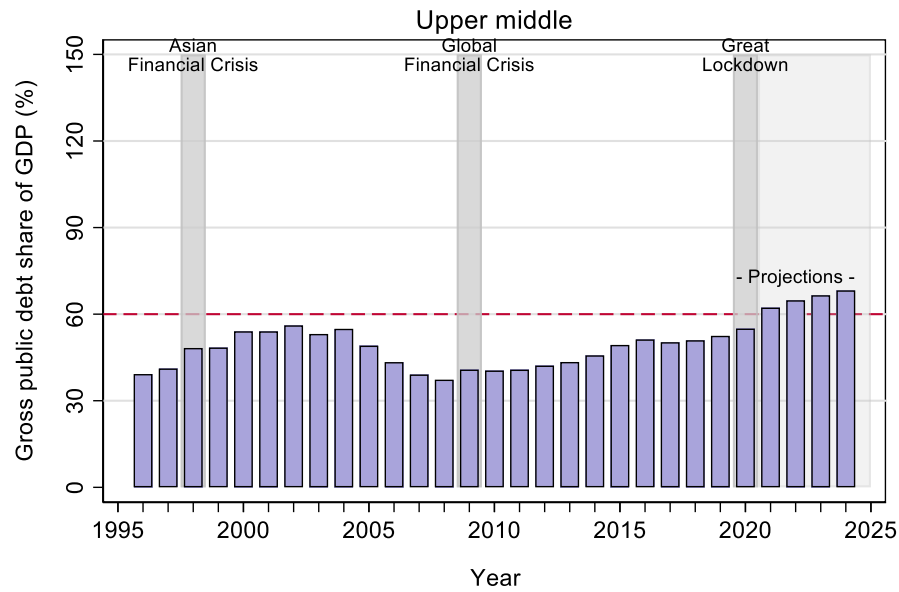
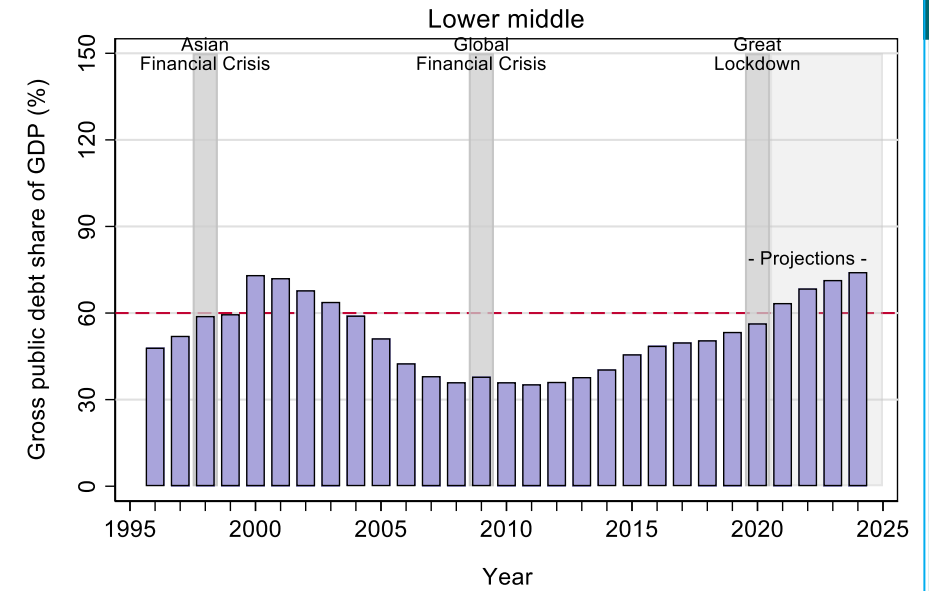
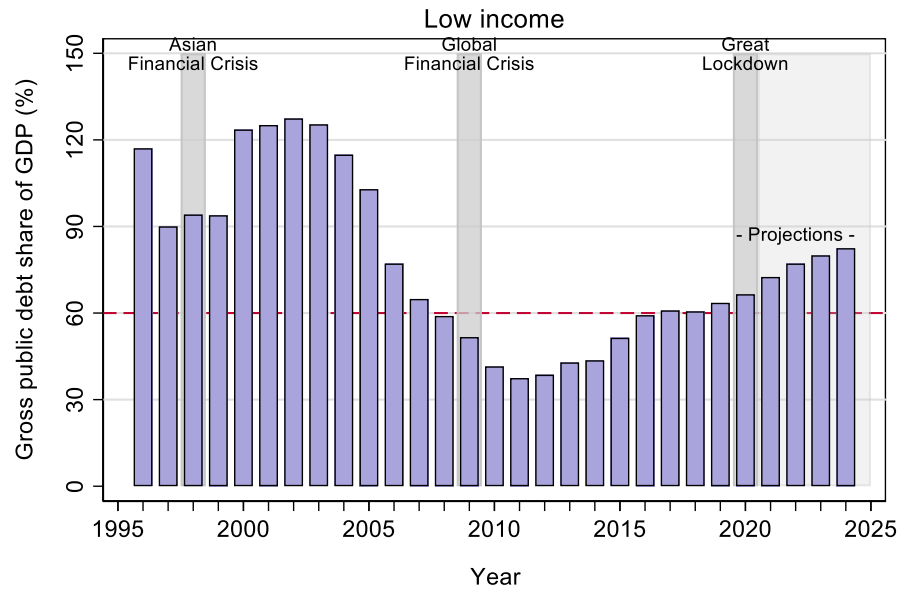
# Grant Financing Currently Projected to Remain Unchanged as Share of GDP



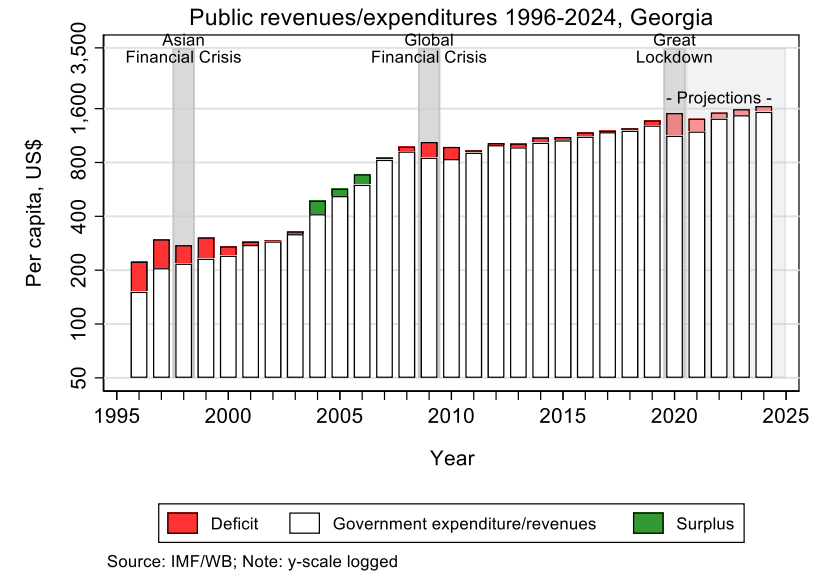
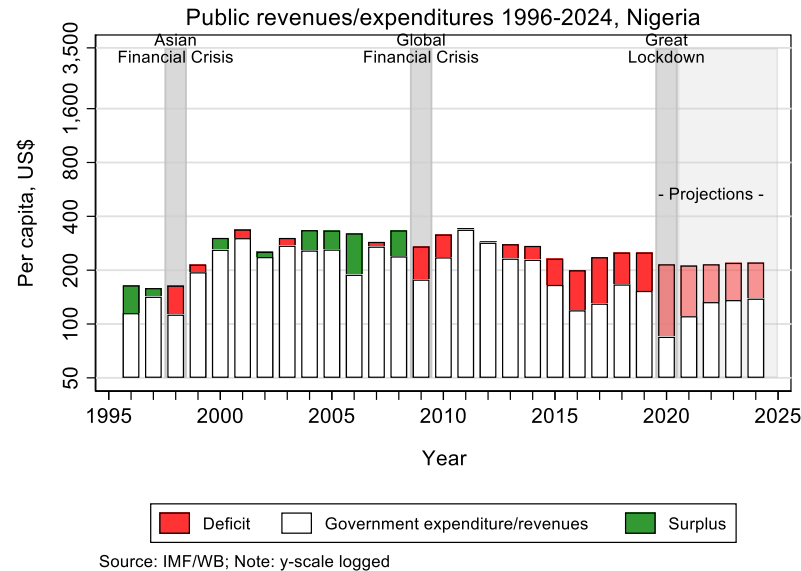
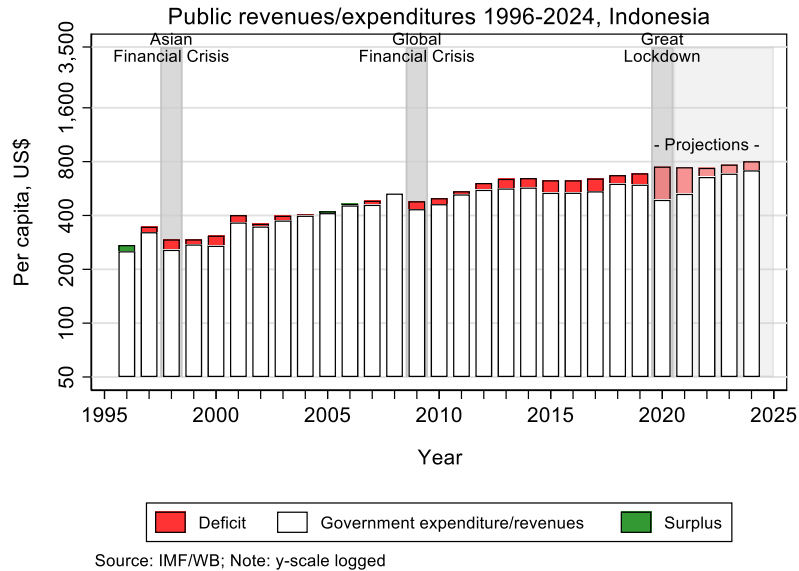
**Public Expenditure Share of GDP Projected to Increase Due to Borrowing**



# Public Debt Levels Projected to Rise Significantly



# Projected Impact on Per Capita Public Spending



# A Potential Crisis for Health Financing

A massive global economic contraction is occurring: causing a rise in unemployment, poverty, inequality as well as declining public revenues, remittances, and household incomes

Most countries have significantly increased borrowing to mitigate the effects of the crisis; this may mitigate immediate impact but rising debt levels will likely imply fiscal pressures for many years to come

Without pro-active reprioritization, public financing for health will stagnate/decline across many low- and middle-income countries, risking reversal of years of progress made towards UHC

Cutting unproductive spending, increasing public revenues (including via pro-health taxes), and debt relief measures will all be needed to be looked as possible options for fiscal space, including for health