
DIRECTOR'S REMARKS AT BLOOMBERG PHILANTHROPIES' WEBINAR "LEADING THROUGH CRISIS: REDUCING THE IMPACT OF COVID-19 IN LATIN AMERICA AND AFRICA"

AUGUST 13, 2020

Exactly six months ago, the World Health Organization declared COVID-19 a public health emergency of international concern. As we fast forward, the situation has rapidly evolved in the Region of the Americas!

As of today, the region of the Americas has reported 11.7 million COVID-19 cases, nearly half of them in Latin America; and nearly 400,000 deaths, 65% of them in Latin America. And transmission keeps accelerating throughout our countries with some 100,000 new cases and 2,000 new deaths reported in the last 24 hours.

At the same time, COVID-19 continues to ravage communities, cities and countries in Africa where now there are 900,000 cases, and 17,000 deaths have been reported.

It's no surprise that a pandemic of this magnitude has ushered a triple crisis globally as it challenges our health systems, fractures our social protection and destabilizes our economies.

Despite vigorous and early action from many countries, COVID-19 has cut thousands of lives short, and it has disproportionately impacted the poor, those with underlying health conditions, and those for whom health care is out of reach.

Unfortunately, the pandemic has disrupted many essential health services, including programs people depend on to manage conditions like chronic diseases, HIV, TB and malaria. And we're beginning to see that as a result of these disruptions, patients are dying from these treatable conditions at higher rates than normal. And vaccination services have been hit hard placing us at risk of an additional disease outbreak! Today, we are in danger of losing years of health gains, in a matter of months.

We face a challenge without precedent. One that requires strong and well-funded health systems to see us through this crisis and allow us to recover. There is no doubt that countries and cities need significant and sustained interventions across sectors to suppress COVID-19, to protect

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health gains and to tackle mounting poverty and inequalities. The health of our communities and the health of our economies depend on it.

The Pan American Health Organization recognized the evolving triple crisis of health, social protection and the economy early on during this pandemic. Realizing we needed a multi-faceted approach, we joined forces with the Economic Commission for Latin America and the Caribbean to provide guidance to our countries in managing these crises. On July 30, we launched the report: *'Health and the Economy: A Convergence Needed to Address COVID-19 and Retake the Path of Sustainable Development in Latin America and the Caribbean'*.

The report recognizes that the structural deficiencies we are witnessing in the health sector are the result of years of inadequate public investment. Over the past decades, public spending in health, while slowly increasing in the Americas, has been persistently low, and in many cases, inadequate, **averaging 3.7%**, far below PAHO's recommended 6% of GDP. And in Africa, public health expenditure, excluding external aid, is approximately 1.9% of GDP and only **7.4% of General Government Expenditure**, well below the **15% target set out in the Abuja Declaration of 2001**.

Now, **we face an almost impossible challenge: this pandemic is global, it is regional, it is national and it is local!** Global, national and local economies are strained, impacting investments in health and social services for the foreseeable future. **We are expecting a reduction in growth in the order of 9% in Latin America and the Caribbean this year, equivalent to a loss of 10 years of hard-earned gains in the Region.** Furthermore, the World Bank estimates that the pandemic has sparked **Africa's first recession in 25 years**, with economic growth projected to decline from 2.4% in 2019 to between -2.1 to -5.1% in 2020.

The problem is exacerbated by high levels of informality in economies in Africa and the Americas, which account for more than one third of the global informal economy workforce.

- 583 million informal workers in the Americas and Africa have been impacted by lockdowns and physical distancing measures, without adequate social protection.
- Households across the Americas cover more than a third of health care costs from their own pocket – and for nearly 95 million of us, these bills are catastrophic. In Africa, the total population impacted by catastrophic healthcare costs rises to 110 million!

Health outcomes in the region are intrinsically linked to our economies, the social determinants of health, and the safety nets that have been established to protect health and wellbeing.

Without **integrated health and social protection policies**, we cannot mitigate against the **terrible impact of COVID-19 on our economic livelihoods**. Health should address inequities and lift people from poverty, not the other way around.

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It's for this reason that universal health care remains a core tenet of health and development. Even in this time of crisis, where we must ensure that everyone, irrespective of income, ethnicity or gender, has access to quality care when they need it, without incurring financial hardship.

National and local leaders, including at the municipal level, must avoid thinking that they must make a choice between reopening economies and protecting the health and well-being of their people. **This, in fact, is a false choice.**

We have seen time and time again that full economic activity cannot resume unless we have the virus under control. And **to attempt otherwise places lives at risk and extends the uncertainty brought by the pandemic.**

We have developed policy recommendations to tackle the challenges across three different phases of recovery: **control, reactivation and rebuilding.** Although these are distinct phases for which we have specific guidance, the recommended actions should be grounded on a core set of principles to help countries, and you as mayors, to converge health action with economic policy:

- **Health and well-being must be seen as prerequisites for reactivating the economy** in the context of COVID-19. Health protection, including for our community health workers, is both an ethical imperative and a necessary condition for restoring productive capacity.
- **Reducing inequalities is a central linchpin for all phases of the recovery process. Social protection with a lens on addressing the needs of the most vulnerable,** is key both as a response to the immediate crisis and as we rebuild more inclusive, equitable societies.
- **Prioritizing health and strengthening health systems based on the primary health care approach, is at the foundation of our pathway towards recovery.** Stronger, resilient health systems require increased public investment in a highly resolute first level of care.
- We must **strengthen the interaction and agreements between government, civil society, and the private sector at the community level to formulate strategies** with multiple actors and support from broad sectors of society – this must be managed with transparency and favoring intersectoral collaborations.

And colleagues, **reactivating our national and local economies must be done gradually,** based on evolving data about the virus's spread and our health systems' capacity.

All of this will require **strong political leadership and significant investment to affect change.** You as Mayors have a key leadership responsibility in this regard. You know your cities, and you know you people.

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Recognizing the impact of this crisis, we urge you to continue to implement the necessary evidence-based policies and investments to address the health, social and economic crisis impacting the people of the Region, in the short and longer term.

We stand ready to work with you and support in these challenging times. Through our local country offices, and the PAHO Health Cities Network, we can provide the guidance you need in managing the pandemic and supporting your people.

Now more than ever we should work towards equity, ensuring that everyone across the Americas and Africa can have a healthier, longer life. Now more than ever we must create the necessary health and economic conditions so that we truly leave no one behind.