

## Recommendations for Canada's engagement in the G20

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Results Canada is fully committed to equitable pandemic prevention, preparedness and response (PPR), especially with COVID-19 highlighting the urgent need for collective action and increased investments in this space.

We have had a once-in-a-generation opportunity to realize the cost of a pandemic and now we must transform the way the world deals with future pandemics, for the benefit of all. It is only through setting the right level of global ambition we can ensure we do not repeat the mistakes we made during COVID-19 and succeed in designing a global system of PPPR that is fit for purpose and benefits the entire world. The G20 meeting should reflect the level of global ambition, commitment and whole-of-government action required to tackle concurrent crises of poverty, climate change, conflicts and environmental breakdown, and better prepare for increasing pandemic threats.

As a key donor in the global health space, Canada is positioned to make recommendations to prepare for and prevent future pandemics by building on and strengthening systems and people already in place to address current infectious threats. The G20 is an opportunity to make firm commitments to build the political and financial superstructure for mutual global health security and to protect communities most at risk. Therefore, we present the following recommendations:

### 1. Proposed Language on Tuberculosis in G20 Health Ministers' Communiqué

Tuberculosis (TB) is the world's deadliest infectious disease and a driver of poverty globally. Its importance led to the G20 Call to Action on Financing for TB Response and prompted the UN system to organize a High-Level Meeting on it.

Addressing the threat of TB also contributes to furthering a broader health agenda. As an airborne respiratory pathogen, TB programs can form the backbone for future pandemic preparedness, as they did for the COVID-19 response. A program to address TB strengthens laboratory networks and front-line health care workers in a way that builds up primary health care systems and adds building blocks to the attainment of universal health care (UHC).

This year's G20 host, India, has been a leader in the fight against TB, setting a bold future vision and investing new resources to tackle this disease. To reach the Sustainable Development Goal to

end TB by 2030 will require addressing drug resistant TB. This, in turn, will support the achievements of the **global targets** around AMR. Below is recommended language for the Health Ministers' Communiqué, outlining the opportunity and need to recommit to the fight against TB globally.

**Recommendation:**

We reaffirm our commitment to ending the epidemics of AIDS, tuberculosis and malaria, and we welcome the record pledges made at the 7th Replenishment of the Global Fund to Fight AIDS, Tuberculosis and Malaria, and see its essential role in better equipping the world against future threats. Following the Call to Action on Financing for Tuberculosis Response as part of the Indonesia G20, we note the particular need to invest in bold, equitable national strategies to end this deadly scourge as a key part of pandemic preparedness and primary health care. As the world's biggest infectious killer, we support the urgent need to scale up access to the highest-quality diagnosis, treatment, prevention and care for all affected by tuberculosis. We support accelerating development and equitable availability of new TB vaccines, diagnostics and drugs, utilizing digital health and real-time data surveillance, community-led strategies for service delivery and TB-free communities, and supporting TB programs as platforms for airborne infectious disease response.

**2. Strengthening and funding primary healthcare systems and fighting existing pandemics**

The **External Evaluation** of ACT-A notes that the moment to strengthen health systems is in between pandemics, not during a pandemic. The COVID-19 and Ebola experiences have shown that it was the same primary healthcare (PHC) systems that supported the fight against TB, polio and malnutrition that became the backbone of the fight against these outbreaks. Thus, interventions at the community level emerged as the pandemic shield for all. The WHO also **recommends** reorienting health systems using a PHC approach to build back better and achieve Universal Health Coverage (UHC), a key target of the Sustainable Development Goals.

In a similar vein, interventions that support a competent cadre of community-health workers – a majority of whom are women – and the fight against child malnutrition and key communicable diseases (AIDS, TB, Malaria and polio) also build resilient health systems that are “always on”, strengthening our ability to deploy vaccines at scale and ensuring equitable responses during health emergencies. Paragraph 19 of the 2022 G20 Leaders' Declaration also mentions UHC and this theme must be developed in this year's Communiqué, alongside the related need to fight existing infectious diseases.

**Recommendation:**

The G20 must recognize the importance of primary health care, including the fight against malnutrition and infectious diseases, in achieving universal health care. It must promote models of primary health care that prioritise reaching the poorest, most vulnerable and marginalised

groups, especially women and children in these groups, and ensure that all national health policy frameworks operationalize this focus on equity. The Health Ministers' Communiqué and the Leaders' Declaration should underscore that building primary health care systems and workforce, including Community Health Workers, ought to be considered an investment in pandemic preparedness and readiness, and as such, not only an investment in human capital, but also an insurance policy against future economic losses.

### 3. Equitable access to medical countermeasures

The glaring global inequities in access to vaccines during COVID-19 were a stark reminder that, in the face of health emergencies, inequalities of opportunities are magnified – this isn't just morally unacceptable but presents a risk to the whole planet. The inequity in access extends beyond vaccines to therapeutics and diagnostics. To begin addressing this, a minimum of two types of interventions, both recognized by the G20 leadership, need to take place.

First, a standing medical countermeasures platform must be set up in which countries most at risk of being left behind during the next health emergency are fully represented, both at the governmental and the civil society level. Second, as stated by G20 Leaders themselves in the [2022 declaration](#), G20 countries must recognize the need for strengthening local and regional health product manufacturing capacities and cooperation, especially in developing countries, and underscore the importance of voluntary licensing, technology transfer and knowledge sharing in the event of a pandemic. This must include explicit support for the 100-day mission to accelerate development of vaccines and diagnostics and the global laboratory and clinical trial ecosystem that must be sustained between health emergencies. Based on the above, we make the following recommendations.

#### **Recommendation:**

The G20 should support the development of a standing medical countermeasures platform to ensure equitable access to medical countermeasures during the next pandemic and make commitments to provide it with the appropriate political and financial support to enable its success. The Health and Finance Ministers' Communiqués and/or the Leaders' Declaration must explicitly support the Coalition for Epidemic Preparedness Innovations (CEPI) and FIND and their 100 Days Mission to accelerate development of vaccines and diagnostics. This support must include building the resilience of existing global laboratory, clinical trial, manufacturing networks for emergency response, maintaining their sustainability during non-emergency period, and committing sustainable financing to relevant international organizations which support this objective.

### 4. Financing for Pandemic Preparedness through the Resilience and Sustainability Trust

The IMF hosts the Resilience and Sustainability Trust (RST), which receives Special Drawing Rights (SDRs) from high-income countries that do not need them. The funds are then lent to low- and middle-income countries with balance of payments constraints (constraints that limit their ability to import) that keep them from implementing climate change or PPPR strategies. Article 33 of the 2022 G20 Declaration mentioned that the RST would help “low-income countries, small states and vulnerable middle-income countries address longer-term structural challenges that pose macroeconomic risks, including those stemming from pandemics and climate change.” More than USD 40 billion are available for lending in the RST at the lowest rates on the market. However, currently, out of 5 approved proposals, and 44 in the pipeline at the IMF, 100% are for climate action. This absence of proposals for PPPR is due, in part, to the absence of principles of collaboration with WHO, and to the absence of short-term benefits to implementing countries.

The principles of collaboration should emphasize measures with immediate benefits for the borrowing countries, which are related to their balance of payments constraints, such as purchasing laboratory equipment and fully stocking health posts and equipping community health workers with basic medical equipment and supplies, including drugs, RUTF, etc. Having such immediate benefits makes it more interesting for developing countries to borrow from the IMF.

**Recommendation:**

The Health and Finance Ministers’ Communiqués and/or the Leaders’ Declaration should welcome the first year of operation of the IMF’s Resilience and Sustainability Trust and, noting the absence of take-up for pandemic-related macro-economic programs, enjoin IMF staff, where appropriate, to raise the matter in their country dialogues, emphasizing balance of payments benefits relating to imports of goods, which not only further PPPR but also strengthen front-line health care.

The G20 should also task the IMF to publish a tracker showing all pledges, delivery of pledges and actual reallocation to countries in need and should call on the IMF to fast-track disbursements, including by lifting access limits to allow funds to flow to the poorest countries. At the same time, the G20 should set up an independent expert commission to develop more options to make best use of existing and future issuance of SDRs by both the IMF and MDBs, in the fight against climate change, for pandemic prevention and preparedness, and to address extreme poverty.

**5. Ensure IDA 20 and IDA 21 deliver on policy commitments supportive of PPPR**

The International Development Association (IDA) is the soft window of the World Bank – It is the largest source of development financing in the world and issues grants and concessional loans to low-income and vulnerable countries. During its 20<sup>th</sup> replenishment, IDA undertook to

reinforce primary health care, which will support the pandemic-readiness of IDA countries. In addition, IDA 20 contains two specific policy commitments to strengthen pandemic prevention and preparedness. IDA will present its mid-term review of IDA20 in Zanzibar in December 2023, where it will also launch its 21st replenishment. It will be important for G20 Ministers and Leaders to make sure appropriate attention is given to the actual funding approvals for PPPR in the first half of IDA 20 and that PPPR is prioritized in the IDA-21 replenishment discussions.

**Recommendation:**

The Health and Finance Ministers' Communiqués and/or the Leaders' Declaration should take note of the upcoming mid-term review of the IDA20 policy commitments, including those related to PPPR, and it should encourage IDA 21 to continue focusing on these priority topics.

**6. Use New Lending Capacity through Capital Adequacy Framework reviews at Multilateral Development Banks (MDBs) to provide more affordable lending for PPPR**

The G20 Leaders have endorsed a review of MDBs to determine how these institutions could best leverage their existing assets to provide additional lending to low- and middle-income countries, at the best rate markets can provide. At a minimum, this review will generate tens of billions of dollars in additional lending capacity over the next few years. PPPR should be prioritized for the additional lending capacity.

**Recommendation:**

In its remarks on Capital Adequacy Framework, the Health and Finance Ministers' Communiqués and/or the Leaders' Declaration should note that the additional loans should be directed toward priority challenges, such as PPPR.

## 7. Debt suspension clauses for pandemic and climate events

Borrowing countries who face an adverse event (flood, drought, disease outbreak) find it extremely challenging to continue to service their debt while funding the measures required to deal with the event. Debt suspension clauses could address this challenge by suspending debt servicing payments during adverse events. The Inter-American Development Bank has already begun to include such clauses in its lending, in particular to Barbados, who is championing this intervention. Most of the attention has focused on climate change but the definition of an adverse event could be broadened to include pandemics. The World Bank has agreed to pilot these clauses in the Caribbean, including pandemic provisions, and so has UK Export Finance. While this is no way a panacea, it would have freed up, by one estimate, one trillion dollars in financing had it been applied during the COVID 19 pandemic. Under this scheme, it is important to note that nobody has to bear the costs of the suspension, since interest amounts keep accruing and creditors will not lose money in the end.

### **Recommendation:**

The Health and Finance Ministers' Communiqués and/or Leaders' Declaration should suggest that, starting in 2025, all lending institutions – including multilateral and bilateral public lenders as well as private institutions – must agree to debt suspension clauses for low and lower-middle income countries that would apply in case of adverse events (climate or pandemic related).

## 8. Develop a mechanism for Surge Financing

There is consensus among G20 countries on the need for funding on day zero of the next pandemic, as specified in the ACT-A evaluation. Surge financing that is readily releasable, with transparent and pre-defined triggers, to immediately finance R&D and manufacturing on day zero of any pandemic-potential outbreaks is critical to respond faster and more equitably to the next pandemic.

### **Recommendation:**

The Health and Finance Ministers' Communiqués and/or Leaders' Declaration should make a reference to specific criteria for the operation of a surge fund, including clear triggers, and it should also commit to a deadline for establishing it and for mobilizing the funds to adequately endow it.

## Conclusion

The G20 will be a critical moment to recognize that in the face of multiple crises a step change is urgently needed. Canada, along with other G20 countries, must center the **needs of the most vulnerable and marginalized communities, by committing to improving the international**

**financial architecture, and championing equitable response and recovery to future pandemic threats, particularly through expanded access to primary health care.** We hope Canada will consider and advocate for these recommendations.