



m] on l th

ej is di with uncertainty, loss of employment, economic d

ne: is st an expect a rise in mental illness. People may sta

o be, bu: d drinking may also increase. So does the consumption

oc is cr: ard on the heels of a significant rise in food costs. This

th: -50: lren suffered cognitive disabilities and/or physical injur

as aver: ult c: isis alone. If the crisis leads to social unrest, we hav

le, we: ind: ist of direct effects. Many of the direct effects are long

ng, beh: that have health consequences way into the future.

st: ia: food

ve are exp: h care costs increase and incomes tend to fall. For many

m: near: lth insurance cover for anyone who loses their job, it

le, ev: . Inevitably, health care suffers, remembering that 90%

ca: still: rectly by individuals. Treatment is deferred, or some,

pu: t all: We know that remittances are often used to meet health

-ta: i for: nesses or even funeral expenses. Their decline is not

n: s of: ealth, but a loss of remittance income contributes

es: the

as: mes: urn to public sector services at the very time that

en: nue: hem are under the greatest pressure. Unless extra effort

o s: n fu: blic services - without increasing barriers to access, by

m: qua: ability will fall. Worse still, vulnerable groups such as

ch: gin: he poor, migrants and others - risk being excluded from

er: the

s: the

a: this: s happened before, and previous downturns were more

et: thar: facing now. It is also clear that these three levels of

e: rela: ally reinforcing. We risk a real vicious cycle.

2. What do

It is still difficult to achieve accuracy. In systematic

- In low and middle income countries, health systems are already struggling to provide essential services. The impact of the crisis is being felt through reduced foreign exchange, often coexisting with health budget cuts. In Africa, we know that at least seven countries have already notified that they are cutting health budgets. Other countries are anxiously awaiting the results.

- When health systems are already struggling, the impact of the crisis is being felt through reduced foreign exchange, often coexisting with health budget cuts. In Africa, we know that at least seven countries have already notified that they are cutting health budgets. Other countries are anxiously awaiting the results.

what is happening on the ground?

The effects of this multidimensional crisis are being felt through reduced foreign exchange, often coexisting with health budget cuts. In Africa, we know that at least seven countries have already notified that they are cutting health budgets. Other countries are anxiously awaiting the results.

In low and middle income countries, health systems are already struggling to provide essential services. The impact of the crisis is being felt through reduced foreign exchange, often coexisting with health budget cuts. In Africa, we know that at least seven countries have already notified that they are cutting health budgets. Other countries are anxiously awaiting the results.

When health systems are already struggling, the impact of the crisis is being felt through reduced foreign exchange, often coexisting with health budget cuts. In Africa, we know that at least seven countries have already notified that they are cutting health budgets. Other countries are anxiously awaiting the results.

any real
re

It through
to capital loss
employment to
where they
ern Europe we
cuts to
at least seven
n notified that
ies anxiously

Essential life saving
all us of
-ray film
crises - and we
a but in Europe
drug
and family
people living
not
impact of the
-resistant
B.
yond national

- We are concerned here with the achievement of the MDGs. But the crisis of health is *global*. Many *high-income countries* with ageing populations have been preparing themselves for anticipated increases in spending on pensions. Several are in the process of undertaking complex and politically challenging reforms. We must be concerned when we see evidence that they set aside resources and create the fiscal space to address the future health needs of the elderly, only to see these being shelved as the crisis deepens. It would indeed be ironic if the spiralling costs of health in the global north became yet another reason for reducing aid spending in the south.
- In past discussions *aid has often cut* precisely at the time when it is needed most. Total aid for health, has sometimes bucked this trend, but it tends to be technical cooperation that is sustained while the real value of programmable aid to countries falls. Colleagues in Africa have seen very limited evidence so far of reductions, but already three countries have been notified, each by more than one donor, that reductions are likely to come.
- In Europe and the US, the health sector is one part of the economy that has not shed jobs. In fact they are still being created, acting as something of an economic stabilizer. As yet there are no available data on migration of health personnel and whether this has been affected by the crisis. Clearly, though, it is yet another area where we must be thinking about how best to monitor impact - if only to be sure that intra-national migration does not further destabilise already weak health systems in some countries.

In the midst of all the bad news it is important to also *highlight some positive news*. Several countries have signalled their intention to *increase* public funding for health and increase coverage for vulnerable groups. Some developing countries are in a better fiscal position than in previous crises and have the capacity to engage in deficit financing for safety net programmes. Many donors have committed to maintain levels of aid (although progress towards Gleneagles targets is already lagging well behind what was envisaged).

It is also important to stress that the impact will vary. In the recent Regional COSOC Preparatory Meeting in Cebu, the large devaluation of the Rupiah against the US Dollar made Indonesia's rupee, on the other hand, has made Indian Rupee, making medicines imported from India a factor in the decreased costs faced by oil importers, and the impact country-by-country becomes very evident.

It is also important to take one example from Cebu: Indonesia has experienced making medicines much more affordable. If the rupee appreciated significantly against the US Dollar, medicines imported from India would be much more affordable. If the rupee depreciated significantly against the US Dollar, the importance of carefully assessing the impact of exchange rates on the cost of medicines becomes very evident.

And not every problem can now be attributed to the current financial crisis. The report we heard about stock outs of ARVs was due to poor planning and not lack of funds. And, of course, many countries have been facing a financial crisis in health care systems on \$20 per capita is massive. Running health systems on \$20 per capita is massive. The current situation is just making a chronically bad situation even more challenging.

And not every problem can now be attributed to the current financial crisis. The report we heard about stock outs of ARVs was due to poor planning and not lack of funds. And, of course, many countries have been facing a financial crisis in health care systems on \$20 per capita is massive. Running health systems on \$20 per capita is massive. The current situation is just making a chronically bad situation even more challenging.

3. What needs to be done to sustain progress?

I would like to highlight five areas for action.

- a) **Monitoring and analysis** is vital. We have to mention the impact and policy responses will also no point in just recording the damage, we need to look upstream – which countries and which people are going to be most badly affected? We need to agree on best indicators that will alert us to risk. Most of our current monitoring is based on routine reports. What we need now is real-time intelligence now to identify problem areas and system monitoring as the crisis unfolds. This too will require investment and change the way we work.

It is also important to know what is going on. As in every country by country. The importance of monitoring for changes in health care systems to look upstream – which countries and which people are going to be most badly affected? We need to agree on best indicators that will alert us to risk. Most of our current monitoring is based on routine reports. What we need now is real-time intelligence now to identify problem areas and system monitoring as the crisis unfolds. This too will require investment and change the way we work.

- b) **Protecting life and livelihoods is a priority.** Another crisis is not the time to reduce social protection. Instead, a package of social protection measures, combined with actions to guarantee the health of vulnerable households, is needed. Social services are critical to the well-being of people and the ultimate target of economic recovery. The concern is people's health, but health is dependent on many factors: shelter, nutrition, health insurance, or building health directly. Public spending as economic stimulus can be well planned. Private initiatives to rural roads and markets increase farmers' income, and help reduce maternal mortality and improve access to services.
- c) **Smart spending and social safety nets are essential.** Policy at a national level can even increase spending. Others have taken steps to widen benefits to vulnerable groups. Experience from past crises has shown that targeted interventions do not return to introduce need-based, more inclusive health systems. The challenge is to ensure that prescribing, reforming the health system, and universal coverage of benefits are paid for. In the event of a contraction of government services, this is particularly vulnerable. It comes to preserving rationing of services. This is a challenge for treatment and prevention in the event of an emergency. It is not just for treatment and not just for prevention, these are even harder and less likely to stick.
- d) **Aid for health is vital if we are in progress.** The aid can be made more effective, the quantity of aid can be reduced, and the quality of use can increase. In low-income countries, the reserves needed to spend their way out of this crisis are needed – innovative financing for development is very important. However, while the search for new resources and new donors should not

be used as
through v
term com

reason for reducing traditi
h they are provided are cr
ment and flexibility allow

l. In addition, the chan
times of cri is predicta
to budget effectively.

e) **Finally, I**
of health
necessary
solution,
problems
dependen
The need
ECOSOC
concerns.
emerge a
and more
show that

ership: a global crisis req
other social expenditure i
boost productivity. In oth
an add-on or an optional e
solved. The financial cris
nd the problems inherent
v is to show the opposite -
a play a critical role. Peop
u have focused on health
this crisis to a world with
itable than those that are
alth can play a leading role

al solidarity. Maintai
o protecti g lives and
it is an inte gral part of
e thought about when
own the do vnside of g
s driven p uly by fina
fits of glob ul co-opera
ir lives are at the cent
/ important time. As w
hat are str iger, more
r such seri us threat, y
ig this hap en.

Thank you.