

# **A CALL FOR CANADA TO ACT NOW TO END COVID-19 EVERYWHERE**

Submission for the House of Commons Standing Committee on  
Industry, Science and Technology: Canadian Response to the  
COVID-19 Pandemic

June 2020



## Executive Summary: We Must Act Together

The COVID-19 pandemic presents an unprecedented global emergency as countries around the world grapple with how to protect their citizens while avoiding economic ruin, preventing tens of millions from falling back into poverty<sup>1</sup>, and managing the devastating secondary impacts of the crisis. Those include disruptions to supply chains and food systems, mass school closures, other potential disease outbreaks, and a concerning spike in gender-based violence. The stakes are high, the needs are significant, and we're all in this together.

This global emergency demands collective action. In Canada and many other countries, there are a number of R&D initiatives currently underway to develop effective testing, treatments and vaccines — all as fast as possible. Every country needs these critical tools if we are to overcome this pandemic. But without international coordination and resources being pooled and allocated efficiently, production and supply will be sporadic and we won't get the most promising medical technologies to everyone who needs them. **In particular, we need to anticipate and account for manufacturing costs, capacity and logistics, and cooperate to ensure that the tools people need are not ultimately hoarded by rich countries.** Lack of coordination would leave poorer countries to suffer, the global economy stalled, and all of us at risk to a virus that's not bound by borders.<sup>2</sup>

Fortunately, international partners are mobilizing to address this challenge. On April 24, 2020, the ACT Accelerator was announced, composed of global health actors, the private sector and other key stakeholders. The ACT Accelerator's goal is to develop and provide equitable global access to “innovative COVID-19 diagnostics, therapeutics and vaccines ... in record time and at record scale and access — to save millions of lives and countless trillions of dollars.” The group has also called for the urgent strengthening of health systems so these tools can be delivered to those who need them and to mitigate the secondary impacts of other diseases.<sup>3</sup>

On 4 May, Canada highlighted CA\$850 million of previously announced, largely domestic R&D funding, which, if aligned effectively with international partners, is a good starting point. But despite the strong principles articulated and positive first steps announced that day, **an estimated total of at least US\$47.6 billion is needed to provide access to COVID-19 tests, treatments and vaccines to everyone who needs them in developing countries. This figure could nearly double depending on manufacturing and procurement costs.** While very significant, these costs will be modest compared to the trillions the global economy is projected to lose due to the pandemic without a coordinated and effective global response.<sup>4</sup>

Emergency humanitarian needs in the developing world due to COVID-19 are also growing. In early May 2020, the UN increased its humanitarian funding appeal for COVID-19 response to US\$6.7 billion, highlighting the urgency of addressing food security and nutrition impacts, the disruption of education for millions of children, and the particular vulnerabilities of refugees.

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<sup>1</sup> [Oxfam](#) estimates 500 million people risk falling back into extreme poverty due to the pandemic, and the [World Bank](#) has warned that the virus could push between 40-60 million people into extreme poverty this year alone, with sub-Saharan Africa and South Asia hardest hit.

<sup>2</sup> *White Paper on COVID-19 Product Needs and Response: Vaccines, Diagnostics, and Therapeutics*, The Bill and Melinda Gates Foundation (12 May 2020).

<sup>3</sup> [Access To COVID-19 Tools \(Act\) Accelerator. A Global Collaboration to Accelerate the Development, Production and Equitable Access to New COVID-19 diagnostics, therapeutics and vaccines](#), World Health Organization (24 April 2020).

<sup>4</sup> *White Paper on COVID-19 Product Needs and Response: Vaccines, Diagnostics, and Therapeutics*, The Bill and Melinda Gates Foundation (12 May 2020).

NGOs that conduct humanitarian programming also deliver essential services that address these and other urgent needs, particularly at a local level, so we must step up funding to them as well.

Below are three calls to action for Canada to help lead the Coronavirus Global Response.

## 1. Invest and Leverage

**Canada should commit at least 1% of its COVID-19 response (CA\$1.5 billion) towards an emergency global response, addressing the humanitarian crisis (CA\$300 million) and supporting the ACT Accelerator (CA\$1.2 billion).** For the ACT Accelerator, funding should go to partners with a proven track record/commitment to transparency, accountability, prioritization of the public good, and impact, such as the Coalition for Epidemic Preparedness Innovations (CEPI); the Foundation for Innovative New Diagnostics (FIND); Gavi, the Vaccine Alliance; the Global Fund to Fight AIDS, TB and Malaria; the Therapeutics Accelerator, and the World Health Organization (WHO). **This investment should be new and additional Official Development Assistance (ODA), over and above the existing international assistance budget (CA\$6.4 billion in 2019) and domestic R&D investments, as well as time bound.**

On top of the aforementioned urgent needs, our rationale is:

- This would be a signature initiative to cement Canada's commitment to multilateralism and the global good and immediately position Canada as leading on an urgent matter of international concern.
- As of mid-May, per the Parliamentary Budget Office, Canada had allocated approximately CA\$146 billion towards COVID-19 response. CA\$1.5 billion is only 1% of that total and would have an outsized impact in protecting Canada and the world from COVID-19.<sup>5</sup>
- It's essential that this investment be new and additional ODA so that the existing international assistance budget can continue to tackle the severe secondary impacts of the pandemic and existing vulnerabilities in developing countries. These include an estimated 265 million people facing acute hunger this year, rising rates of gender based violence, an estimated 1.2 billion learners being out of school, 785 million people who lack access to basic water services, and at least 80 million children set to miss their routine vaccinations to prevent other disease outbreaks.<sup>6</sup> COVID-19 is a new threat we could not have budgeted for and it would be a failure if funding is withdrawn from other life-saving programs in the course of addressing it.
- Progress and needs are continually being reassessed so we must be prepared to make additional investments as needed. It should also be seen as a step on the road to increasing Canada's ODA and commitment to international cooperation.

<sup>5</sup> CA\$1.2 billion is 1.8% (near Canada's share of world GNI) of the minimum US\$47.6 billion estimated need for COVID-19 tools in LMICs — and CA\$300 million is 3.4% (Canada's share of OECD-DAC GNI) of the US\$6.7 billion UN Global Humanitarian Response Plan. This is just meant as a benchmark. It is important for Canada to balance support to multilateral humanitarian agencies with that for NGOs to ensure local needs are addressed effectively

<sup>6</sup> See: [World Food Programme](#) (21 April 2020), [UN Women](#) (27 May 2020), [Global Education Coalition](#), [WaterAid](#) (10 April 2020), [World Health Organization with Gavi and UNICEF](#) (22 May 2020)

Canada's investments in this process go hand in hand with its domestic response; they should not be viewed separately.

Canada has a respected voice and demonstrated track record of leadership in addressing global health challenges. **By making this commitment, Canada can leverage other donors to step up, taking its investments even further, and give grounds for Canada to help lead and shape the ACT Accelerator and the broader global COVID-19 response.** This includes speaking for civil society's inclusion in the governance and work of the ACT Accelerator, which will increase its capacity, effectiveness and credibility to respond to this crisis.

Canada is also well placed to leverage its leadership on gender equality. The pandemic has exacerbated gender inequities and addressing the specific needs of women and girls is essential for an effective global response. Canada has been instrumental in ensuring that global health mechanisms have strong gender strategies and should do the same for the ACT Accelerator.

## 2. Align (Domestic R&D with the ACT Accelerator)

Since the onset of the COVID-19 crisis, Canada has announced close to CA\$1.3 billion in funding for Canadian R&D initiatives to address COVID-19. On May 4, the Prime Minister highlighted CA\$850 million, a combination of previously announced funds largely from that domestic package in addition to smaller international contributions to CEPI, the WHO, and bilateral aid to developing countries.<sup>7</sup> Some questions remain, however, about which funding is part of this package, and if and how the domestic investments are aligned with the Coronavirus Global Response and ACT Accelerator. It is important to ensure transparency and accountability on these announcements to Canadians and international partners.

**The vision of the ACT Accelerator is for countries to coordinate their R&D efforts, pool resources, find the best tools, produce them at scale at a never-before-seen speed, ensure they can be procured affordably, and distribute them widely and equitably around the world.** This aligns with the WHA resolution on COVID-19, which Canada helped craft and endorsed, including on equitable access, international trade and intellectual property agreements, and open innovation.<sup>8</sup>

Canada should align its domestic investments with these aims in the following ways:

- **Condition public funding for domestic R&D into COVID-19 medical countermeasures on open sharing of knowledge and data.** Canadian research/academic institutions and biotech firms, such as those funded through the Strategic Innovation Fund, should share their data, technologies and results in real time and equitably with international partners so that ultimately low-income countries can access them and work is complementary to international efforts as coordinated by the ACT Accelerator. **This funding should also include enforceable requirements that the final products be affordable, accessible and available for everyone who needs them — whether in Canada or around the world.**

<sup>7</sup> [Canada and international partners launch the Coronavirus Global Response](#), PMO (4 May 2020).

<sup>8</sup> [A73/CONF/1 Rev.1, Seventy-third World Health Assembly](#), see: PP10, PP13, OP4, OP5, OP6, OP7.5, OP7.11, OP7.12, OP8.2 (18 May 2020).

- **Canada should work with the international community to develop a comprehensive and coordinated manufacturing plan** to produce safe and effective COVID-19 vaccines, treatments and tests for everyone who needs them. The most promising R&D initiatives should be prioritized regardless of nationality. **The current vaccine marketplace is not set up to deliver a COVID-19 vaccine at the speed and scale required to produce the billions of doses that will be needed. Coordinated investments in capacity need to start now.**

### 3. Influence and Lead

As of this writing, we still have not yet seen the worst of the pandemic hit large parts of the Global South. But warnings abound and health systems in low-and middle-income countries are already under strain. Africa, for instance, averages less than one intensive care bed and one ventilator per 100,000 people compared to approximately 20-31 beds per 100,000 people in the US.<sup>9</sup> Countries also face acute personal protective equipment (PPE) shortages.

This is why civil society has called for debt relief and support from international financial institutions (IFIs). Before the crisis, 64 countries globally and 30 countries in Sub-Saharan Africa spent more on public debt servicing than public health.<sup>10</sup> In April, the G20 agreed to suspend debt payments for 2020, a welcomed decision that will hopefully be extended or even expanded to include debt cancellation so that debtor nations can invest urgently to strengthen their health systems and fund the testing, treatment and vaccine procurement that will be needed.

While Canada does not hold significant bilateral debt from the poorest countries, it can create catalytic impact for pandemic response through its diplomatic influence, membership in the G20, World Bank, IMF and multilateral development banks, and its leadership in the Group of Friends on SDG Financing. Beyond debt relief, Canada should use its influence to encourage the World Bank and other MDBs to prioritize investments that will enable countries to bolster their health systems, with a specific emphasis on primary health care.

**Canada should influence allies, the G20 and IFIs to provide further debt relief and additional financial aid, including bilateral debt suspension for the poorest countries through 2021, the issuance of US\$500 billion in IMF Special Drawing Rights, and investments in health systems strengthening. Canada should also be prepared to use its fund to backfill the World Bank and IMF in line with its voting shares in response to agreed debt relief measures.**

However, these discussions will largely play out behind the scenes when what's needed broadly is for Canadian leaders, led by the Prime Minister, to more publicly convey to Canadians the importance and urgency of investing in the Coronavirus Global Response.

There is no question that Canadians across the country are hurting. Thankfully we live in a country that has the capacity to provide financial relief, though the same cannot be said in poor

<sup>9</sup> [Virus exposes gaping holes in Africa's health systems](#), Reuters (7 May 2020).

<sup>10</sup> [COVID-19: Why the G20 must provide debt relief for the poorest countries](#), ONE (April 2020).

countries. **We therefore encourage Canadian leaders to continue to be bold in speaking out for the need for a global response to this pandemic**, as Canada did by convening the May 28 High-level event on Financing for Development in the Era of COVID-19 and Beyond. **We also count on the government to make sure that important expressions of solidarity are followed by concrete actions, including providing financing where needed. This is important to ensure transparency and accountability.** And alongside you, we remain committed to using our platforms to engage Canadians on why international investments are crucial for the well-being and prosperity of our country and our planet, especially in this moment.

## Recommendations:

The COVID-19 pandemic is a global crisis demanding a global emergency response — because no one will be safe until this disease is defeated everywhere. That is why world leaders are working to address immediate humanitarian needs and to mobilize a rapid, coordinated global response to ensure that tests, treatments and vaccines are developed and produced at record speed and distributed equitably around the world. **Canada should be at the forefront of this effort by heeding these calls to action:**

1. **INVEST** at least 1% of Canada's COVID-19 response (CA\$1.5 billion) in new and additional Official Development Assistance towards an emergency global response. This includes Access to COVID-19 Tools (ACT) Accelerator partners (CA\$1.2 billion) and global humanitarian needs (CA\$300 million). **Leverage** this to press other donors to step up; actively engage in ACT governance and ensure civil society has a voice at the table.
2. **ALIGN** Canada's domestic R&D investments with the goal of global and equitable access to testing, treatments and vaccines by making public funding conditional on open sharing of knowledge and data, and transparent commitments towards accessibility and affordability. Canada should also coordinate vaccine manufacturing with other countries to produce enough doses of the best candidates.
3. **INFLUENCE** to push for further multilateral and private debt relief for developing countries, especially for health systems strengthening, and be ready to commit funds to backfill the IMF and the World Bank. **Lead** by speaking out regularly on Canada's investments to address this crisis — locally and globally.

## Submitted in Collaboration with:

[Global Citizen](#) is a movement of engaged citizens who are using their collective voice to end extreme poverty by 2030. On our platform, Global Citizens learn about the systemic causes of extreme poverty, take action on those issues, and earn rewards for their actions — as part of a global community committed to lasting change.

[ONE](#) is a global movement campaigning to end extreme poverty and preventable disease by 2030, so that everyone, everywhere can lead a life of dignity and opportunity. We believe the fight against poverty isn't about charity, but about justice and equality.

[Results Canada](#) is a global movement of passionate everyday people committed to raising our voices for a world without extreme poverty. We leverage resources for programs and improved policies that give people living in extreme poverty the health, education and opportunity they need to thrive. We are a non-profit, non-governmental advocacy organization.



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