



VACCINATING South Asia

MARCH 3-4 AM EST
VIRTUAL CONFERENCE

6:00- 9:00 AM (DC) | 3:30-6:30 PM (AFG) | 4:00-7:00 PM (PK, MDV)
4:30-7:30 PM (IN, SL) | 5:00-8:00 PM (BGD, BTN)

SOUTH ASIA
Epidemiology & Global Health

Session 1: Vaccine Finance and Fiscal Aspects of Vaccination

Discussion by Christopher Snyder (Dartmouth College)



**Vaccinating South Asia against COVID-19:
Health System and Health Financing Considerations**

Andersen, Andrews, Cain, and Tandon (World Bank)

Fiscal Implications of Vaccinating Sri Lanka Against COVID-19

Weerasekera and Hewage (Institute of Policy Studies of Sri Lanka)

**Macroeconomic Policy Response to Coronavirus Pandemic in Bangladesh:
An Analysis**

Munshi and Haque (Brac University)



- **Rich repository of data**

- Rich data on COVID infections, deaths, testing, age, comorbidities, GDP, government spending, health spending, economic harm from COVID
- On average and for each of the eight SA countries
- 34 figure panels and 16 tables
- Could become the go-to reference for external parties thinking about COVID-19 vaccination policy and countries themselves

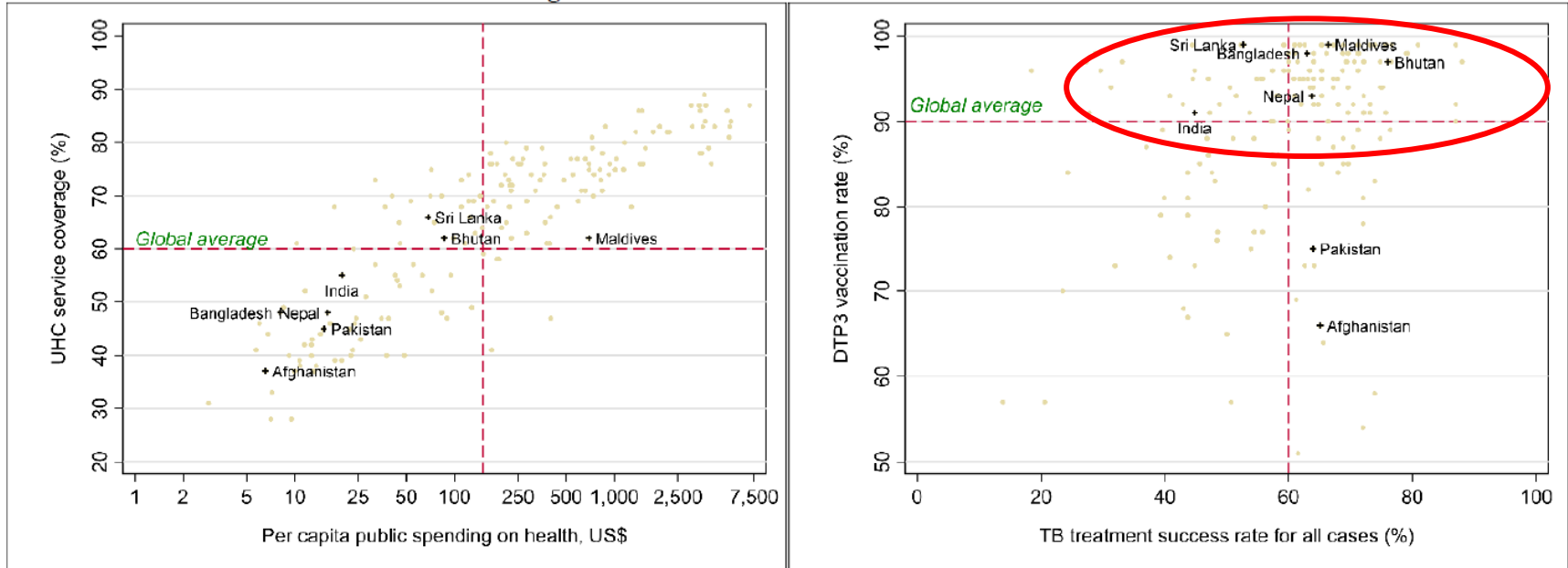
- **Heart of analysis are three vaccine scenarios**

- Target 70% coverage (herd immunity threshold)
- 20% COVAX, 10% self financed in 2021, 40% self-financed in 2022
- Scenarios vary by price can negotiate for vaccine deals, economize on distribution



Distribution constraints

Figure 14. UHC indicators for countries in SAR



Funding constraints

Scenario	Share budget		Share GDP	
	2021	2022	2021	2022
I. Pessimistic	0.7%	2.0%	0.18%	0.50%
II. Likely	0.6%	1.4%	0.14%	0.35%
III. Optimistic	0.5%	1.1%	0.12%	0.28%



- **Glass half full perspective**

- Distribution constraints

- ✓ Low UHC may not be an indication of inability to rollout vaccine
- ✓ High DPT rates in many SA countries shows promise

- Financial constraints

- ✓ Required expenditures may not exceed debt carrying capacity
- ✓ Some revenue return if speed re-opening of economy, GDP growth
- ✓ Even if not revenue neutral, good investment case
- ✓ HICs fully funding COVAX will help



- **Holding back the flood**

- Sri Lanka kept COVID at bay with tough restrictions
- COVID cases surged in fall 2020
- Economic harm from restrictions and surge
- Vaccine benefits

- **Vaccine financing**

- 20% donated, 60% self-financed (80% threshold)
- Buy Astra-Zeneca
- Suggest this is a good investment
- \$100m self-investment generates \$112m GDP gain
- To say nothing of health benefits
- Suggest financing through sin taxes
- Optimistic about case for vaccines

- **Additional concerns**

- Has Astra-Zeneca overpromise capacity?
- Will the doses be there when Sri Lanka ready?
- Secure doses now? Dose in May 2021 worth more than dose in May 2022
- If sin taxes not enough, debt-carrying capacity? WB loans?





- **Bangladesh experience**
 - Hard to socially distance in crowded country
 - Informal sector, lack of social safety net means lockdown impossible or terribly painful
 - That said, has done relatively well.
 - Young population limits death rate; GDP grew 5% in Dec. 2020
 - Argue for macro stimulus
 - Argue for vaccine purchases
- **Macro stimulus**
 - Low global demand, hard to make up with domestic government spending
 - Domestically, output reductions due to social distancing, restrictive measures
 - Purpose is to reduce activity, not really a usual Keynesian recession
 - Rescue rather than stimulus packages
- **Vaccine purchases**
 - “With the availability of vaccines...economic activities will return to normal.”
 - Rather this be in early than late 2022.
 - 30bn GDP difference.
 - Sure capacity is there? Have suppliers overpromised?
 - Contract ASAP. Try to expand capacity rather than getting place at end of queue.