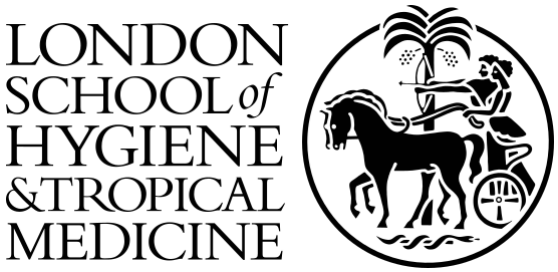

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Decolonising COVID-19: delaying external debt repayments

In response to the timely editorial by *The Lancet Global Health*[1] reflecting on the ongoing colonisation of medicine, economics, and politics, we highlight an important mechanism through which the COVID-19 pandemic is allowing external agencies to gain more control over the health-care financing in low-income countries. There is currently unprecedented political momentum for low-income countries to achieve essential reforms by investing 1–2% of their gross domestic product from 2021 to 2023 towards building universal, publicly financed health systems that cover their entire populations.[2] However, external debt repayments that are currently being negotiated are threatening this opportunity to realise universal health coverage (UHC), and will weaken the health systems in many countries.

On April 15, 2020, G20 finance ministers announced a debt service suspension initiative (DSSI) in response to the COVID-19 pandemic,[3] which applies to 77 countries that are either part of the World Bank International Development Association programme, or the least developed countries as defined by the UN. Governments in the majority of these countries have already struggled to increase investments in health; 45 countries spent more on external debt payments than on health care in 2019, with percentage of government revenue spent on debt repayment exceeding health-care expenditure by 20–36% in 8 countries (figure).[4]

To free up financial resources to address COVID-19, these countries can apply for the postponement of their principal debt and interest payments from May 1 to Dec 31, 2020. However, their debt will not be cancelled and will become due between 2022 and 2024.[5] In fact, deferred payments will be adjusted to ensure creditors face no losses at the time of repayment; therefore, countries will have to repay more at the end of the suspension. This means that countries that take up the offer of postponed repayments now—in order to invest in COVID-19 control measures that will ultimately protect all countries—will be penalised through larger debt repayments at a crucial time for investing in health systems. Furthermore, low-income countries that enter into the DSSI will be subject to conditionalities on their budget allocation decisions from external agencies, and there is clear evidence from previous debt relief initiatives that conditionalities impede progress towards UHC.[6]

There is a strong movement to decolonise global health. We must not let debt repayments become a mechanism through which the COVID-19 crisis strengthens the influence of external forces on low-income countries.

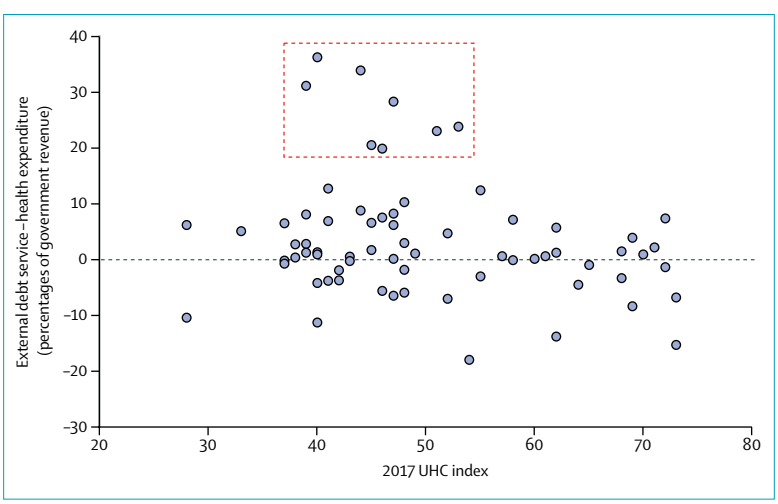

***Figure*: Government spend on external debt repayments relative to health care in 2019 and progress towards UHC in G20 eligible countries**
Data from the Jubilee Debt Campaign, International Monetary Fund, World Bank, and WHO. Red box highlights 8 countries (Angola, The Gambia, Republic of the Congo, Ghana, Zambia, Laos, Pakistan, Cameroon) where debt repayments exceeded health-care expenditure by 20–36%. UHC=universal health coverage.

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