



AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE
DE DÉVELOPPEMENT

COVID-19 IN AFRICA: SITUATION AND IMPACT

October 2020

COVID-19 SITUATION IN AFRICA- OUTLINE OF PRESENTATION

- **I. Introduction**
- **II. Demographic and Health Context**
- **III. COVID-19 Situation in Africa**
 - Health Impact
 - Economic Impact
 - Social impact
- **IV. African Development Bank (AfDB) Response to the Pandemic**
 - Business Continuity
 - Crisis Response Facility (CRF)
 - Complementary Actions
- **V. Emerging Lessons & Key Issues**
 - Building Back Better
 - Addressing Debt Vulnerability and Sustainability Challenges
- **VI. Conclusion**

COVID-19 SITUATION IN AFRICA

Introduction

- Covid-19 - An unprecedented health pandemic that triggered multi-faceted serious economic repercussions.
- Strain on public finances and international reserves provided limited buffers to mitigate exogenous shocks from the pandemic.
- National and Regional Response Plans initially prioritized border closures, lockdowns, public awareness and mobilization campaigns for health and safety, including social distancing and setting up isolation centers; social safety nets to support vulnerable groups; and some relief measures for businesses.
- **Huge Informal sector** and **infrastructure deficits** e.g. population with access to water and living in informal settlements.
- Weak pandemic preparedness

DEMOGRAPHIC AND HEALTH CONTEXT

Demography

- **67%** of Africa's estimated 1.3 billion population in 2020 are **below the age of 30**.
- average current health sector expenditure as a share of GDP stood at **5.6%** in 2017

Access to Social Services

- Access to potable water was estimated at **66.3%** in 2017
- Access to sanitation services @ **40.3 %** (2017)

DEMOGRAPHIC & HEALTH CONTEXT

Health Infrastructure

- **Hospital beds** per 1,000 people in Africa largely remained **below 2** (2015).
- Average **number of physicians** per 10,000 people around 3.34.
- **less than 2 physicians per 10,000 people** in half of the African countries.
- **Immunization:** DPT rate among children aged between 12-23 months at 78% (2018), BCG immunization coverage among 1-year-olds at 81% and Measles (MCV) immunization coverage among 1-year-olds at 76%.

III. COVID-19 SITUATION IN AFRICA

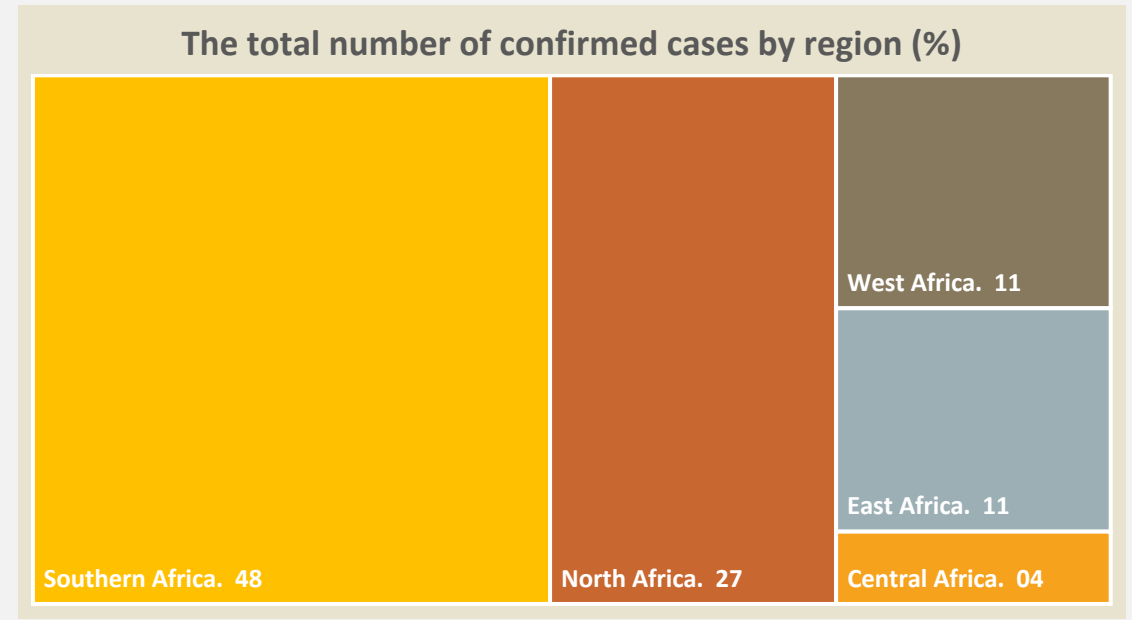
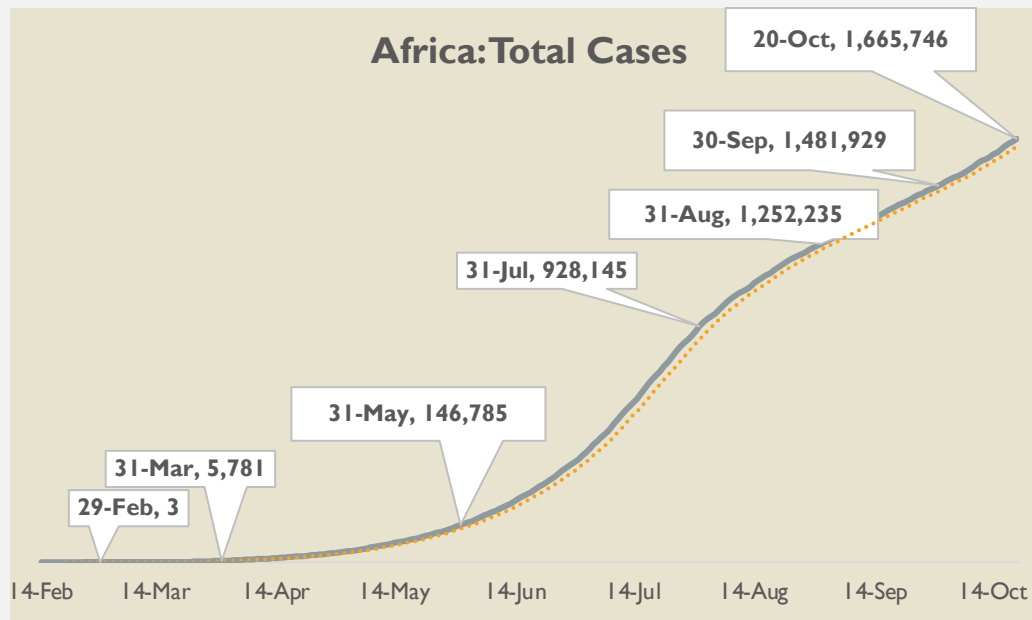
Testing

- **As of October 20, 2020**, more than **17.3 million people** tested for COVID-19 in Africa
- **66.5% of tests were conducted in 7 countries:** South Africa (26.5%), Morocco (17.8%), Ethiopia (8.2%), Egypt (3.9%), Kenya (3.6%), Nigeria (3.4%) and Rwanda (3.1%).
- Tests per Million People stands at **12,925**
 - Mauritius leads with 205,205, followed by Cabo Verde (158,768), Botswana (113,758), Gabon (95,806), Djibouti (83,744), Morocco (83,568) and South Africa (77,246).

COVID-19 SITUATION IN AFRICA

Confirmed Cases

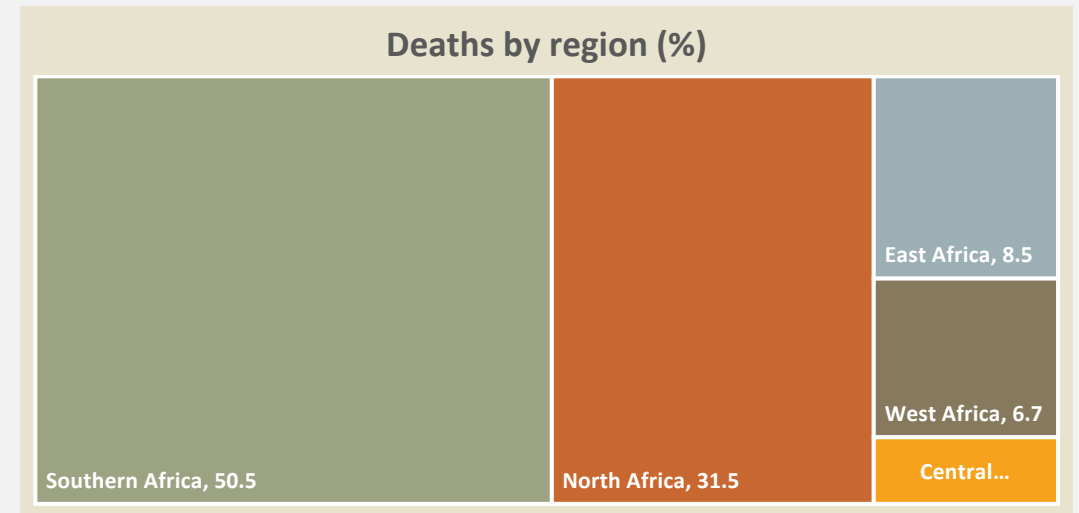
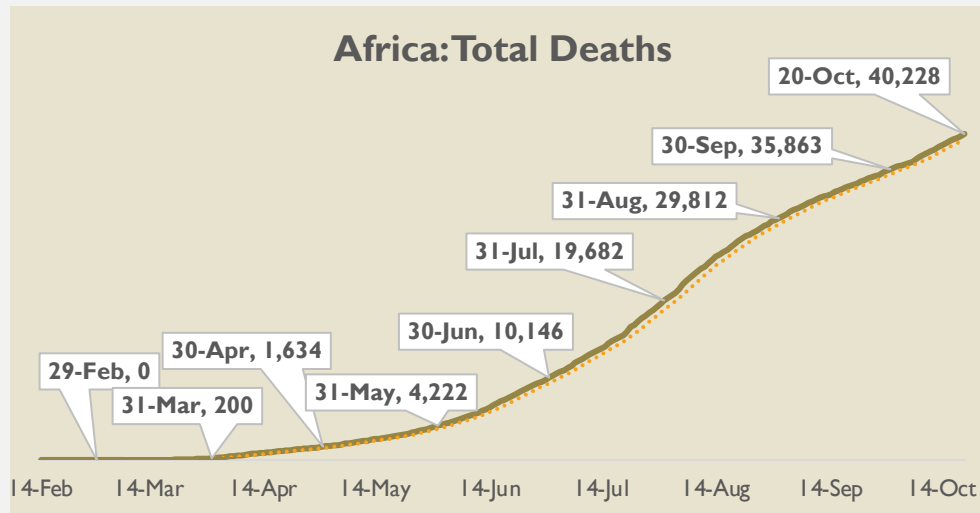
- Total confirmed cases reached **1,665,746** (4.1% of the global cases).
- 10 Countries (South Africa, Morocco, Egypt, Ethiopia, Nigeria, Algeria, Libya, Ghana, Kenya and Tunisia) together account for **83.2%** of the cases in Africa.



COVID-19 SITUATION IN AFRICA

Deaths

- Deaths reported in Africa totaled 40,228 (**3.6% of Global deaths**)
- The **Case Fatality Rate (CFR)** stands at **2.4%**, lower than the global average of **2.8%**
- By Region, West Africa has lowest CFR (1.5%), followed by Central Africa (1.9%), East Africa (1.9%), North Africa (2.9%) and Southern Africa (2.5%)



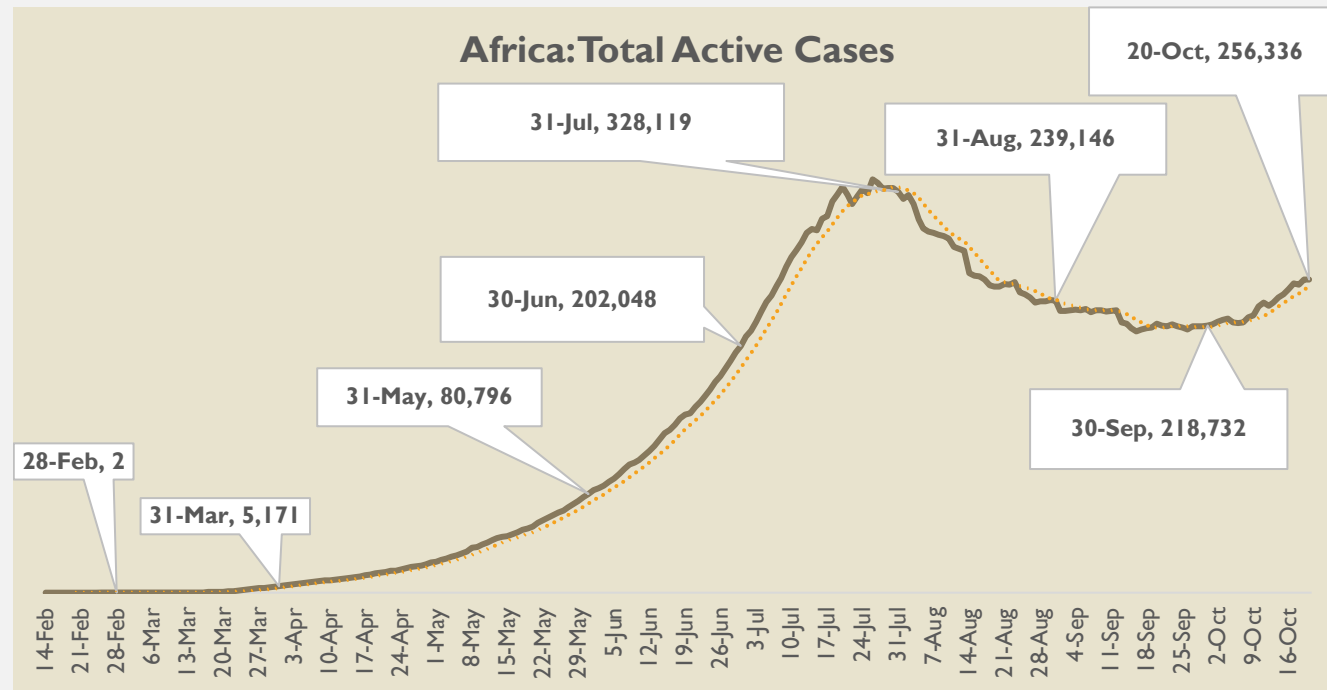
COVID-19 SITUATION IN AFRICA

Recovered cases

- Recoveries reached 1,369,182 – (82.2% of total confirmed cases and 4.9% of global recovered cases)

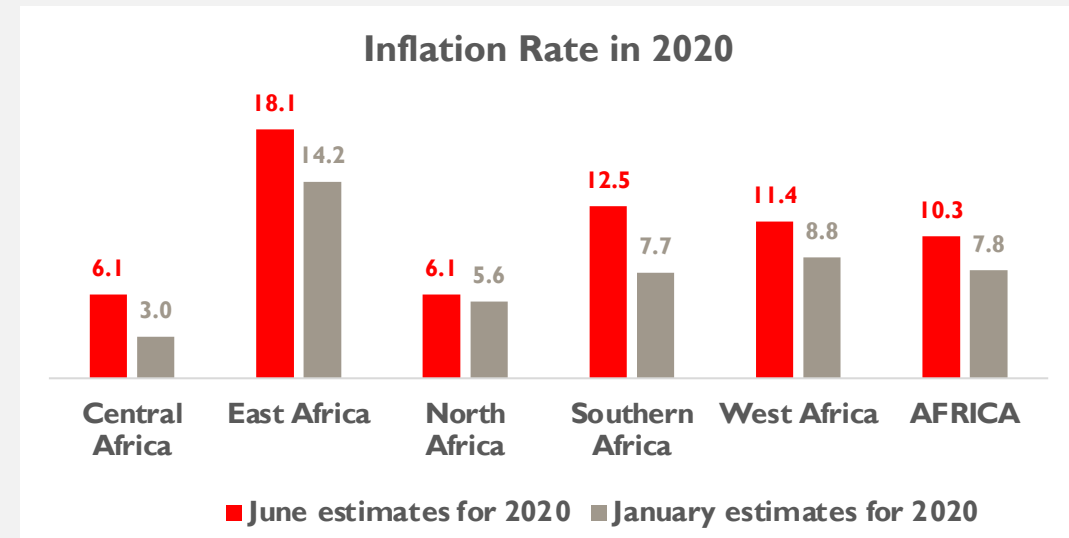
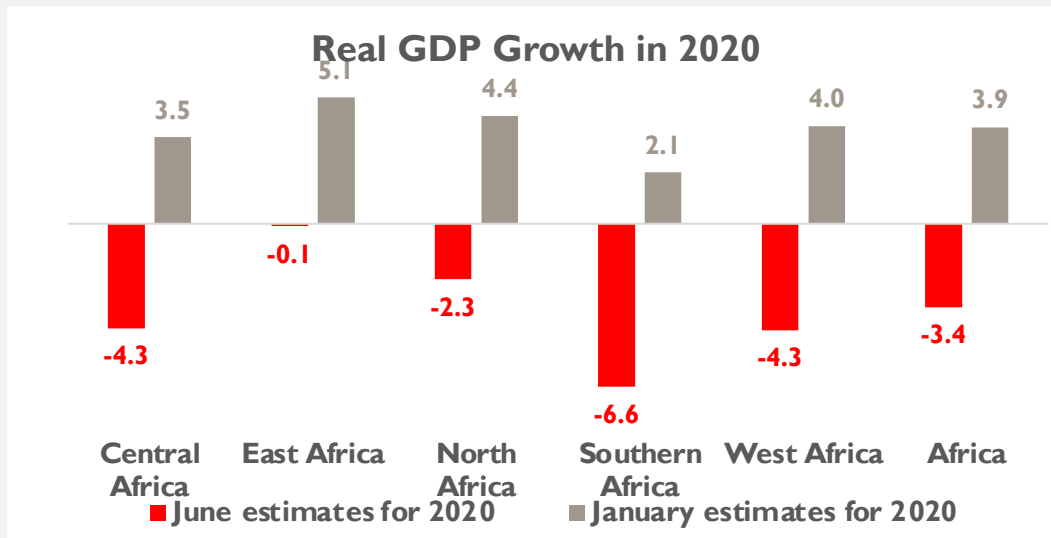
Active Cases

- number of active cases stands at 256,336 (2.2% of global active cases) - 1st peak in end July



COVID-19 : ECONOMIC IMPACT IN AFRICA

- **GDP:** estimated to contract by **3.4%** in 2020, compared to **3.2% growth** registered in 2019 and **7.3 %** drop from Jan. 2020 AEO projections.
- **Cumulative GDP loss btw \$173 billion and \$236 billion in 2020-2021**
- **Btw 28-49 million people in Africa could be pushed into extreme poverty and 30 mln job losses.**
- **Inflation:** highest inflation rate in the world at **10.3%** in 2020



- **Exports:** real exports estimated to decline by **10.5%**, partly due to fall in global prices of some commodities
- **Government Expenditure:** average fiscal deficit projected to reach **9% of GDP** in 2020, compare **4.7%** in 2019.

SOCIAL IMPACT

Job Losses and Social Safety Nets

- Average unemployment rate for Africa is estimated at **7.1%** in 2020, a slight increase from 6.9% 2019. e.g. RSA official unemployment @ nearly 40%.
- **Employment to population ratio for the youth** (15 -24 years of age) stands at **40.2 %** in 2020 (43.3 percent for male and 36.7 percent for female).
- Weak social protection and safety nets.
- Recent Surveys indicate rising incidence of Gender Based Violence, school drop out, declines in nutritional intake and child labor practices.

IV. AFDB RESPONSE TO THE PANDEMIC

I. Assuring Business Continuity

- Working From Home, Leveraging IT investments and Decentralization
- New Management Structures and Streamlined Processes – e-signatures, CRF Review and thresholds
- Support for Staff & Family Health and Safety

II. COVID-19 Crisis Response Facility (CRF)

- **Objectives:** (i) Provide fast disbursing support for Regional Member Countries (RMCS) to mitigate health and socio-economic impacts of the pandemic; (ii) Ensure Net Positive Resource Transfer to eligible RMCs
- **Scope: US\$ 10 billion** (\$ 5.5 bln earmarked for Sovereign Operations (ADB Countries); \$3.1 bln for Sovereign and Regional Operations (ADF Countries); \$1.35 bln for Private Sector Operations.
- Activities typically supported: strengthening surveillance at ports of entry; capacity building for public health institutions (epidemiological surveillance and case management); procurement of PPEs, testing kits etc; Social Protection Safety Nets; Coordination, Communications & Public awareness campaigns.
- **Status:** Total Approvals @ \$ 3.66 bln (to reach \$ 4 bln by Dec 2020); close to \$2 bln disbursed
- Coordinated Regional Responses e.g. Africa CDC Support, RECs

III. Complementary Actions – Fight Covid Social Bond, Knowledge Management (GCoP) & Technical Assistance

V. EMERGING LESSONS & KEY ISSUES

I. Building Back Better

- Protecting Lives & Livelihoods – Not Mutually Exclusive- The New Normal
- Ensuring Equitable Access to Vaccines
- Strengthening Policy & Regulatory Frameworks for Private Sector Investment, Resilience, Inclusive and Green Recovery;
- **Domestic Resource Mobilization** to finance Transformation- Infrastructure investments, Value Chains, Pharma industries;
- Prioritize Job Creation in Economic Recovery Strategies- Human Resources Development- Skills upgrading
- Digitalization

II. Addressing Debt Vulnerabilities and Sustainability Challenges

- **External Debt:** Average external debt to reach **42.9%** of GDP in 2020, compared to **40.7%** in 2019
- Worsening trends – Rating downgrades, Debt Service Ratios
- G20 Debt Service Suspension Initiative (DSSI) and recent calls on MDBs
- MDBs Coordination – Common Framework on debt treatment beyond DSSI
- Sustainable financing options to scale up support and deploy innovative instruments to mobilize private financing.

VI. CONCLUDING REMARKS

- I. Most countries are weathering the COVID-19 storm. However, there are significant cross-country and regional variations in the health and economic impacts in Africa.
- **II. Pandemic Preparedness:** Response to 2nd wave and future outbreaks; Strengthening regional approaches
- **III. Economic Recovery is the priority:** Building Resilience by enhancing public sector effectiveness; Jobs Agenda; expanding and scaling up social safety nets; prioritizing infrastructure development and governance.
- **IV. Seizing the opportunities:** jump-starting a green recovery from COVID-19 Crisis, **including digitalization** (e.g. e-visa systems and e-health); development of pharmaceutical industry & regional value chains to drive industrialization and accelerate regional integration through AfCFTA.

THANK YOU



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