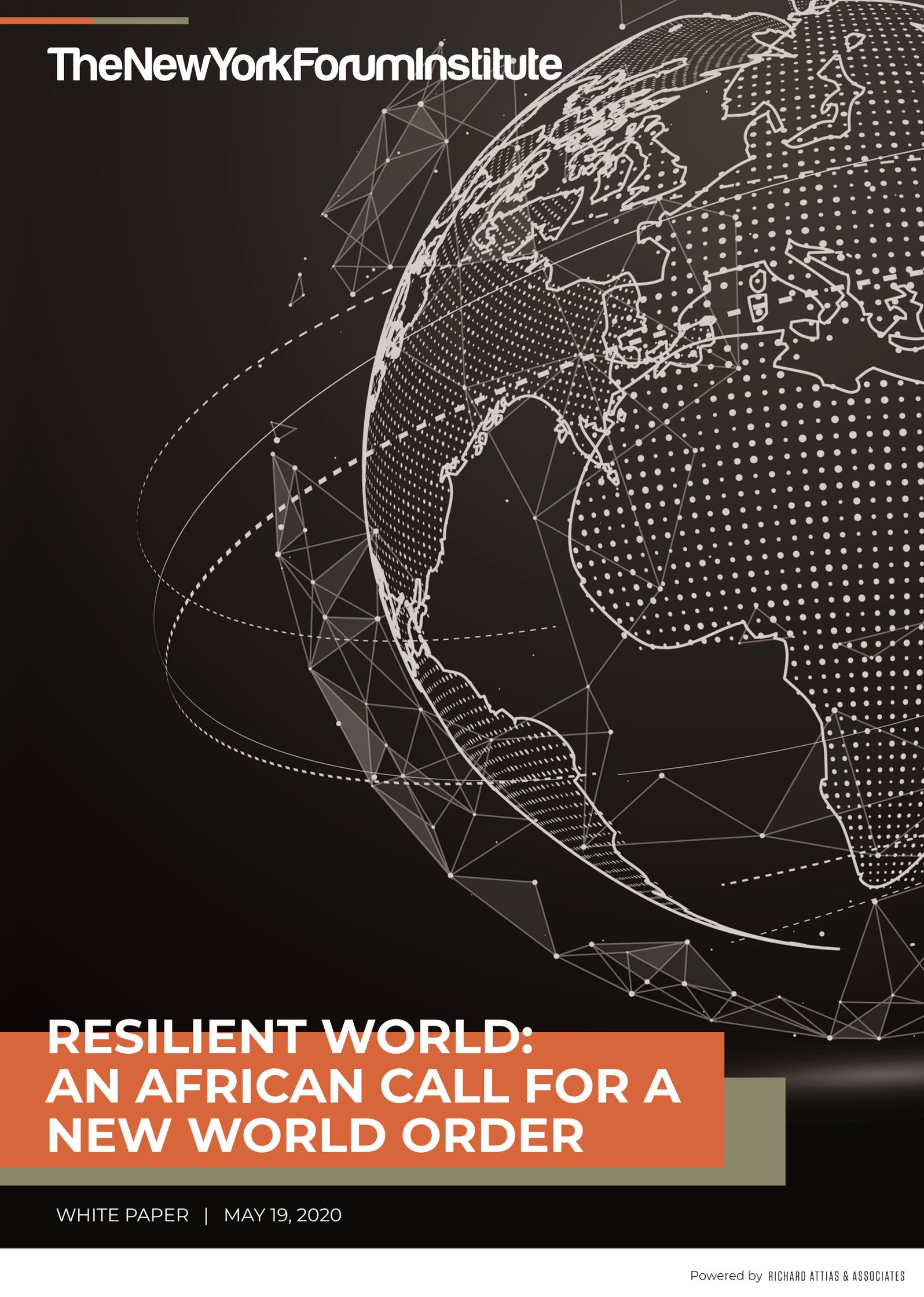


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RESILIENT WORLD: AN AFRICAN CALL FOR A NEW WORLD ORDER

WHITE PAPER | MAY 19, 2020

Powered by RICHARD ATTIAS & ASSOCIATES

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The New York Forum Institute (NYF-Institute) is a not-for-profit foundation based in New York City founded by Richard and Cecilia Attias. Richard Attias is also the Founder and Executive Chairman of Richard Attias & Associates. The focus of the NYF-Institute is on **concrete and innovative solutions** for economic growth, creating alliances and fostering relationships, and encouraging young talent and entrepreneurs in challenging times. Since 2010, the NYF-Institute has acted as a **catalyst to implement these solutions** in emerging markets, such as the “Train My Generation” initiative in Africa.

The one certainty for leaders in this century will be change, and the **NYF-Institute will be a fundamental platform to help leaders navigate that change.**

Interviews led by Richard Attias

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FOREWORD

RICHARD ATTIAS

**Founder, The New York Forum Institute and
Executive Chairman, Richard Attias and
Associates**

Africa alone cannot provide a solution to the fight against COVID-19, it is on the African soil that the world's destiny facing the coronavirus will be written.

Despite the fact that Africa is the continent least equipped in terms of infrastructure and medical equipment, it is undoubtedly the part of the world best trained to withstand this health crisis.

In the course of its history, indeed, the continent has had to overcome a long series of political, social, economic, and health crises. But Africa has constantly learned valuable lessons from the doubts and uncertainties that have paved its evolution. Despite the terrible tragedies and profound upheavals, Africa has never denied its specificities. It has always been able to cope by reinventing itself and making resilience one of its greatest assets. As soon as the virus appeared in January, African decision-makers immediately became aware of the potential consequences of the pandemic and urgently adopted essential measures (border closures, barrier gestures, containment). The continent has acted collectively by deploying simultaneously in several countries the responses adapted to the specific economic, social, and health characteristics of Africa. In addition to raising a strong pan-African voice, the leaders have initiated a cooperative dialogue with the rest of the world. To date, Africa is, without question, the continent most favorable to international collaboration.

For my part, I firmly believe that it is by drawing inspiration from the African example that we will be able to build the contours of a better world. Africa does not represent only a continent of questions. It is a continent of answers, ready to share its knowledge, experience, solutions, vision, and values.

In 2010, in the wake of the financial crisis and the global economic downturn, I created the New York Forum Institute. A not-for-profit foundation that brings together leaders from the public and private sectors to work



together to find lasting solutions to the challenges of today and tomorrow. By working together, we aim to generate concrete and innovative solutions for economic growth, creating alliances and fostering relationships, and encouraging young talents and entrepreneurs in challenging times. Since 2010, the NYF-Institute has acted as a catalyst to implement these solutions in emerging markets, such as the "Train My Generation" initiative in Africa.

Ten years later, to define and prepare our future at a time of uncertainty linked to the global COVID-19 pandemic, I am convinced that it is more necessary than ever to share Africa's call for new global governance. Africa must make its voice heard, share its solutions and its values.

On May 19th, through the expertise of the NYF-Institute, we will have the opportunity, during our first virtual event devoted to Africa, to discuss and feed into the roadmap for the next G20 to be held in Riyadh in November.

As a citizen of the world, born on the African continent, I believe in collective intelligence, in the genius of youth, and in frugal innovation as a lever for transformations, but also in the fact that the African world view is an integral part of the global response.

Together, we can chart new paths. More than ever, Africa must make its voice heard and promote its vision for a resilient world and a better future. Together, we must create the conditions for following generations.

From New York, in lockdown, May 18th, 2020

I. AFRICA AND THE GLOBAL PANDEMIC

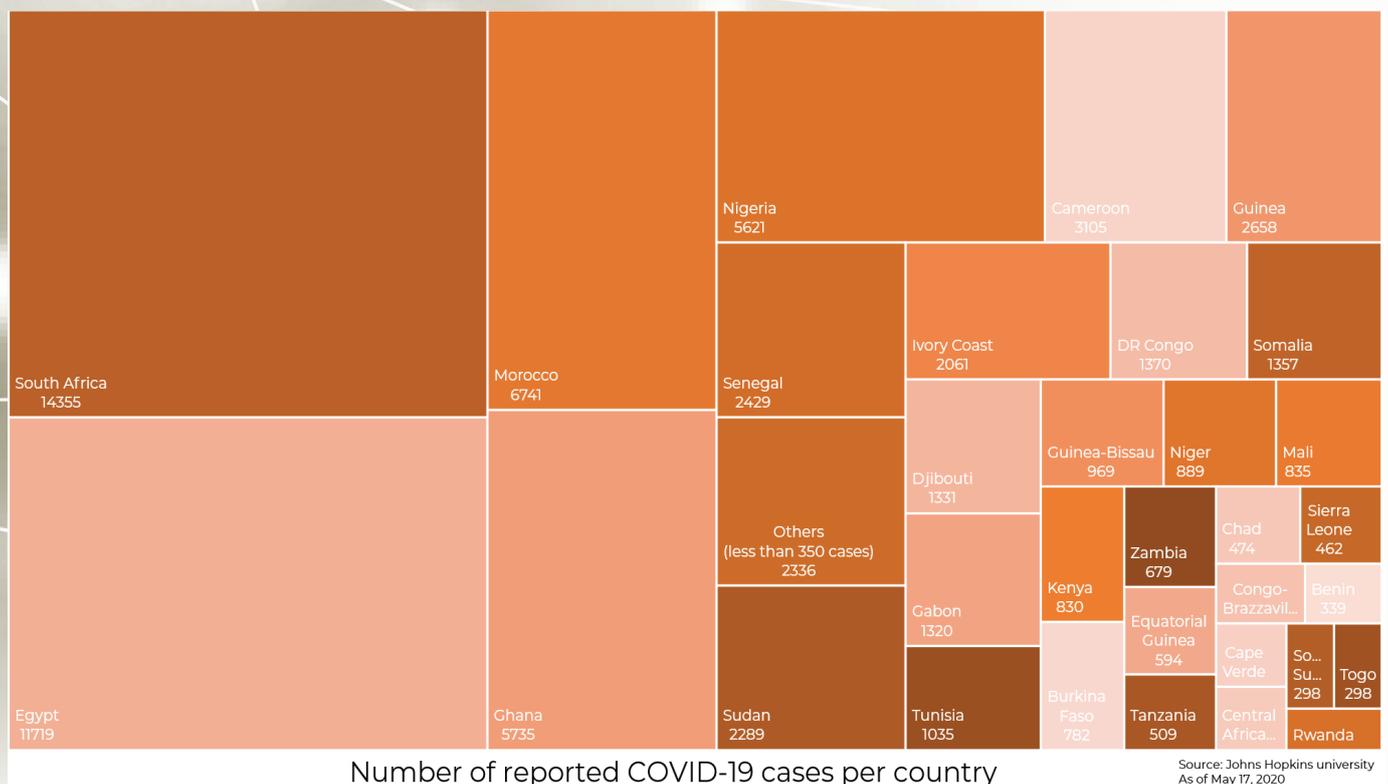
The COVID-19 virus was confirmed to have spread to Africa on February 14, 2020 when a first case was detected in Egypt. Since then, hypotheses and questions around the pandemic's fate on the continent and on its potential repercussions have multiplied. Will Africa witness a health disaster? Is it only just starting? Is this the calm before the storm? What if late spreading in Africa results in a prolonged socioeconomic crisis elsewhere?

While many of those questions remain unanswered, one thing is certain: the current situation in Africa is far less bleak than what many had predicted.

1. Spread of COVID-19 in Africa

Pessimistic predictions for Africa are not surprising as the continent lacks the necessary health infrastructure and supplies to effectively overcome a global pandemic. Indeed, in a country such as Senegal, there are 0.3 hospital beds per 1,000 people. Needless to say, this is a cause for worry especially since some of today's most affected countries, such as, France and Germany benefit from 6.5 and 8.3 beds per 1,000 people respectively. Sierra Leone has one ventilator for its 7.5 million people¹. Additionally, the status of medical supplies in Africa is worrisome as the continent is highly dependent on imports with 94% of total supplies coming from countries that have been strongly affected by the pandemic and that are now limiting exports to prioritize domestic provision².

Despite these conditions, the reality is that Africa has seen the fewest number of cases in the world. So far, the continent has reported around 70,000 cases and 2,407 deaths, out of more than 4 million cases and 290,000 deaths worldwide³. Additionally, the most externally oriented economies, such as, South Africa, Egypt, Morocco, and Algeria account for almost 50% of the total COVID-19 cases in Africa (33,928 as of May 13th). Last but not least, with more than 12,000 recovered patients already, Africa has proven to be more resistant to the coronavirus than other parts of the world.



Number of reported COVID-19 cases per country

Source: Johns Hopkins university As of May 17, 2020

¹ "African health officials warn of chronic medical shortages." Financial Times, April 8, 2020.

² <https://www.ft.com/content/72ed316a-32fb-4ae2-aa91-8885e8bbcid0>

³ Annalisa Primi et al. "Accelerating the response to COVID-19: what does Africa need?" OECD Development Matters, May 1, 2020. <https://oecd-development-matters.org/2020/05/01/accelerating-the-response-to-covid-19-what-does-africa-need/amp/>.

³ "COVID-19 Coronavirus Pandemic." WorldoMeter, May 14, 2020. <https://www.worldometers.info/coronavirus/>

INTERVIEW

H.E. AMADOU HOTT

Ministre de l'Économie, du Plan, et de la
Coopération, République du Sénégal

Q: Quelles sont les conséquences économiques de la pandémie du COVID-19 pour le Sénégal et quelles sont les mesures prises par le gouvernement pour amortir le choc de la crise?

A: Au Sénégal, la cartographie des secteurs révèle que le tourisme et ses activités connexes (hôtellerie, agences de voyage, restauration, etc.), les transports terrestre, aérien et maritime, le commerce, la culture (événementiel, médias), la pêche, l'élevage (filiales avicole et laitière), l'artisanat et l'enseignement privé sont grandement affectés par la pandémie du COVID-19. Il en est de même des envois de fonds des migrants qui sont également durement touchés avec une baisse projetée de plus de 30%.

Globalement, la croissance économique du Sénégal, soutenue ces dernières années, a brutalement été ralentie. Le taux de croissance économique, initialement prévu à 6,8% dans la Loi de Finances initiale (LFI) 2020 a été revu à 2,8%, soit une baisse de 4%. Cette croissance de 2,8% sera essentiellement portée par le Programme de Résilience Économique et Social (PRES) du Gouvernement, sans lequel, la croissance prévisionnelle de 2020 serait de 1,3%.

En effet, face à l'impérieuse nécessité de prendre des mesures d'urgence afin d'atténuer les effets de la crise du Covid-19 sur l'économie du Sénégal, Son Excellence Macky Sall, Président de la République a mis en place le PRES, financé par le Fonds de Riposte contre les Effets de la COVID-19 dénommé « FORCE COVID-19 » doté de 1 000 milliards FCFA. Le PRES est décliné autour des quatre piliers ci-après : (1) Renforcement du système de santé, (2) Renforcement de la résilience sociale des populations, (3) Préservation de la stabilité macroéconomique et financière par le soutien au secteur privé et le maintien des emplois et (4) Approvisionnement régulier du pays en hydrocarbures, produits médicaux, pharmaceutiques, et en denrées de première nécessité. Aujourd'hui, le PRES est dans sa phase opérationnelle avec une exécution de toutes ses composantes.



Q: Les pays développés les plus touchés par la pandémie achètent pour 51 % des exportations du continent. Quelles mesures les pays africains peuvent-ils prendre afin de protéger et soutenir la compétitivité des secteurs d'exportations à fort potentiel?

A: Le continent africain, essentiellement exportateur de matières premières, issues notamment de l'agriculture, de la forêt, des mines et du pétrole, est certes moins touché en termes de cas confirmés et de décès, mais pâtirait beaucoup plus de la pandémie sur le plan socio-économique du fait des mesures de fermetures des frontières et de confinement. En effet, la baisse de l'activité économique mondiale, due à la pandémie, va entraîner une diminution des importations des pays développés, occasionnant ainsi une baisse des activités et des recettes des secteurs d'exportations africaines. Les enseignements tirés de cette crise devraient amener les pays à mettre l'accent sur la transformation de leurs matières premières issues notamment de l'agriculture, de la forêt, des mines et de la pêche afin de renforcer la compétitivité des secteurs d'exportations à fort potentiel. Cette politique pourrait être portée par la création de zones de transformation notamment agro-industrielles, qui offrent des opportunités de mutualiser certains facteurs de production comme l'électricité et d'obtenir d'autres incitations visant à renforcer la compétitivité des entreprises qui s'y installent. Le contexte d'entrée en vigueur de la Zone de Libre Echange Continentale Africaine (ZLECAF) doit également être mis à profit pour développer les échanges intra-communautaires afin de préparer nos entreprises à intégrer les chaînes de valeur mondiales.

Les zones de transformation ainsi créées peuvent aider à travers une stratégie bien élaborée à construire des champions nationaux aptes à saisir les opportunités de la ZLECAF pour intégrer les chaînes de valeur régionales, puis mondiales avec plus de savoir-faire et d'atouts en termes de compétitivité.

La mise en place d'un fonds de soutien aux secteurs d'exportations pour préserver l'outil de production et l'emploi ou d'instruments pour faciliter les conditions d'accès au financement serait un plus pour soutenir la compétitivité des secteurs d'exportations à fort potentiel et renforcer la diversification des produits d'exportations en misant sur ceux pour lesquels nos pays disposent d'avantages comparatifs.

Q: Dans plusieurs pays, la pandémie du COVID-19 a entraîné une baisse significative des transferts d'argent des diasporas. Or cela représente environ 10% du PIB du Sénégal. Quelles technologies et quel changement de paradigme adopter envers les transferts internationaux afin d'accélérer le rétablissement des flux financiers et assurer une meilleure intégration avec les diasporas?

A: Les transferts d'argent de la diaspora constituent la première source de financement pour l'Afrique devant l'aide publique au développement (APD) et les investissements directs étrangers (IDE) ; dans certains pays, ces envois de fonds peuvent même être plus importants. Avec un taux d'épargne intérieure faible en Afrique, les envois de fonds demeurent plus que jamais essentiels au renforcement de la demande globale et constituent à ce titre un véritable facteur de stabilité sociale.

Lors de la crise financière de 2009, les envois de fonds vers des pays comme le Sénégal n'avaient pas connu de baisse du fait de leur caractère incompressible lié à leur fonction de filets sociaux pour les ménages bénéficiaires qui les utilisent pour couvrir les besoins de base. Cependant, avec la crise de la COVID-19, ces transferts des migrants devraient connaître une forte baisse du fait surtout du confinement ayant fortement handicapé l'activité économique et les opérations.

Pour éviter de telles situations, le recours aux nouvelles technologies pour démocratiser l'accès aux plateformes de transfert d'argent et aux porte-monnaie électroniques serait un atout considérable pour les émigrés. Il s'y ajoute la nécessité de renforcer l'éducation financière des ménages bénéficiaires afin de renforcer leur bancarisation en vue d'assurer une interopérabilité entre leurs comptes bancaires ou comptes en monnaie électronique avec les plateformes de transfert d'argent. Ces plateformes de transfert peuvent également avoir une fonction de porte-monnaie électronique permettant aux émigrés de constituer une petite épargne pouvant être mobilisée pour un transfert en cas de baisse d'activité.

En termes de changement de paradigme, les pays africains devraient travailler à établir un cadre incitatif permettant de réorienter davantage les transferts des migrants vers des activités productives internes beaucoup plus rentables, pouvant doter les travailleurs d'une capacité de résilience en pareille crise. Ceci passera par un renforcement de la culture financière des émigrés pour les encourager à souscrire à des titres publics ou privés, à des prises de participation dans des entreprises nationales et/ou celles cotées en bourse et à des souscriptions à des fonds communs de placement. Ils pourraient également, via un cadre concerté, assouplir les conditions de transfert des flux financiers intra africains et entre l'Afrique et le reste du monde. S'agissant de la migration entre pays africains, cette mesure passera nécessairement par le renforcement de l'intégration continentale.

Q: Le gouvernement sénégalais a mis en place une série de mesures pour atténuer le choc causé par la crise du COVID-19 sur le secteur privé. Vous travaillez également sur un projet de réforme des partenariats publics-privés (PPP). Quel rôle envisagez-vous pour le secteur privé dans la lutte contre la crise actuelle et pour favoriser des économies africaines plus résilientes?

A: Le secteur privé national a un rôle important à jouer dans le développement socio-économique du Sénégal. C'est pour cette raison que Monsieur le Président de la République lui accorde une grande importance en l'invitant à asseoir son leadership durant la deuxième phase de mise en œuvre du Plan Sénégal Emergent. A cet effet, mon département est en train de travailler sur

deux projets qui vont renforcer le secteur privé. Il s'agit de la stratégie nationale de développement du secteur privé et la révision de la loi sur les Partenariats Public-Privé (PPP).

Les enseignements tirés de la crise nous invitent à renforcer la souveraineté alimentaire, sanitaire et pharmaceutique. Pour y arriver, nous devons nous appuyer sur un secteur privé fort et impliqué.

La nouvelle loi devant régir les PPP au Sénégal en cours de finalisation permettra l'accélération de la mise en œuvre rapide des projets de PPP de qualité, avec une participation significative du secteur privé national, conformément aux orientations définies lors du séminaire gouvernemental du 13 mars 2020.

Nous allons identifier et soutenir les projets à fort potentiel pouvant être mis en œuvre sous forme de PPP pour accélérer la relance de l'activité économique durant la période post Covid-19. Dans le domaine de la santé devenue une priorité nationale, les PPP auront un rôle important dans la mise en œuvre du Plan d'investissements quinquennale de ce secteur avec un objectif de relèvement du plateau médical et une amélioration de la gestion hospitalière. Au-delà du secteur de la santé, le continent africain doit combler son retard infrastructurel. Face aux contraintes budgétaires et d'endettement, l'Afrique doit de plus en plus recourir aux financements innovants impliquant le secteur privé. A ce titre, des instruments comme les PPP ont un rôle majeur à jouer en assurant une mise en œuvre des projets d'investissements avec une parfaite maîtrise des risques budgétaires. Cela suppose que tous les projets fassent systématiquement l'objet d'une étude, d'une analyse et d'une évaluation ex ante. C'est pour cette raison que notre pays a toujours plaidé pour la mise en place d'un fonds de préparation des projets.

Il s'agira également, dans le cadre de la stratégie de développement du secteur privé, d'encourager les initiatives qui mettront en avant de nouvelles façons de produire et de consommer à petite et à grande échelle. Dans ce cadre, la question du contenu local est clé. Il faudrait en particulier donner l'opportunité aux entreprises du secteur privé national de

se positionner dans une approche de chaînes de valeur dans les secteurs productifs tout en bénéficiant des mesures d'accompagnement de l'Etat notamment dans l'exploitation de nos ressources locales. Afin d'y parvenir, il est crucial d'assurer la résilience des entreprises existantes dans cette période de pandémie. C'est pourquoi l'Etat a choisi de venir en appui aux entreprises par la mise en place d'un mécanisme de financement en partenariat avec les banques locales d'environ 330 millions de dollars leur permettant d'accéder à des lignes de crédits.

Le plan de relance de l'activité économique post-COVID-19 en cours d'élaboration s'avantagera des apports du secteur privé qui devrait favoriser la prise en compte de ses préoccupations et son implication dans la mise en œuvre de la relance.

Q: En Afrique, les solutions innovantes pour lutter contre le coronavirus se multiplient. Dans quelle mesure les jeunes et les entrepreneurs africains peuvent-ils renforcer la riposte au COVID-19 et jouer un rôle plus important au-delà de la crise actuelle ? Comment les gouvernements africains peuvent-ils les soutenir ?

A: La crise du COVID19 a fini de convaincre les plus sceptiques des énormes talents et potentialités de nos jeunes. En effet, cette crise a donné l'occasion aux jeunes et entrepreneurs africains de prouver une nouvelle fois leur capacité d'innovation pour répondre aux problématiques du continent. Au Sénégal, nous pouvons citer à titre d'exemple la conception d'un prototype de respirateur artificiel par des jeunes enseignants de l'Ecole Polytechnique de Thiès ainsi que la fabrication d'un robot multilingue délivrant du gel hydro-alcoolique de manière automatique, par des étudiants de l'Ecole Supérieure Polytechnique de Dakar. Dans le domaine du numérique, des privés ont également conçu une plateforme visant à faciliter l'identification des cas contacts. Bref, durant cette période de crise, nous avons assisté à l'éclosion d'idées, d'innovations et d'initiatives qui renseignent suffisamment sur le talent de jeunes entrepreneurs devant amener les pouvoirs publics à intégrer ces aspects dans les perspectives post-covid-19.

Ainsi, au-delà de la crise actuelle, les entrepreneurs devraient continuer à innover tout en mettant sur pied des entreprises pérennes, créatrices d'emplois. Il revient maintenant aux

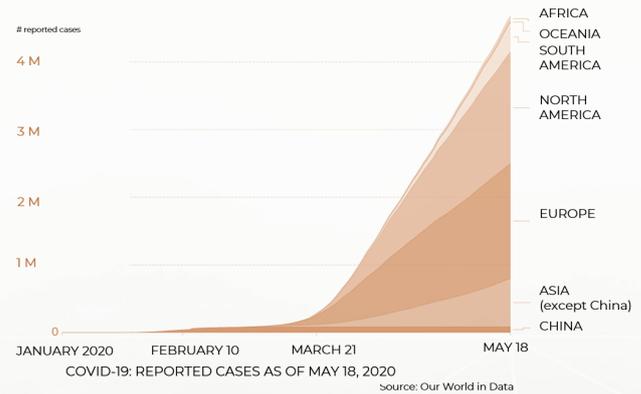
Etats d'encourager, d'orienter, d'organiser et d'accompagner ces initiatives durant la phase de maturation ; puis les orienter par la suite vers des centres d'incubation avec les appuis appropriés en termes d'accès au financement.

De manière générale, l'entrepreneuriat devrait être soutenu par les Etats africains grâce à des initiatives d'appui à l'auto emploi. Les politiques de soutien aux entrepreneurs initiées par les Gouvernements doivent favoriser l'innovation, l'accès au financement, la mise en œuvre de politiques fiscales, l'octroi de subventions à la recherche, la création de think tanks, la mise en place d'incubateurs et d'accélérateurs, dans des zones spéciales dédiées, permettant d'appliquer les résultats des recherches, etc.

Au Sénégal, nous avons mis en place il y a quelques années, la Délégation à l'Entrepreneuriat Rapide (DER) qui, en plus de permettre l'accès au financement, accompagne les entrepreneurs par le biais de formations et de mentorat. La DER développe également des incubateurs notamment dans le domaine du numérique. Ce genre d'initiatives offre une opportunité unique à nos jeunes, pour se lancer dans l'entrepreneuriat et créer de la richesse. Le Sénégal est également en train de mettre en place un Parc de Technologie Numérique (PTN) dans la nouvelle ville de Diamniadio qui va encourager cette dynamique et permettre aux jeunes talents d'éclorre. Pour accompagner cette dynamique au plan politique, notre pays a élaboré et promulgué une loi sur les startups.

2. Africa the Outlier

Several social factors could help explain why Africa, who harbors 17% of the total world population, only accounts for 1.1% of COVID-19 cases and 0.7% of COVID-19 related deaths at a global level⁴. It is worth noting that other factors such as genetic immunity or indirect immunity through other treatments are often cited as additional contributing factors that could explain the low infection rates in Africa.



Four factors seem particularly significant to justify a lower infection rate.

- **African Youth** With a median age of 19.7, versus 38.6 in North America and 42.5 in Europe, the African population appears to be less at risk than older continents.
- **Population Density** Africa has an average of 42.5 inhabitants per square kilometer, compared to 207 in Italy, one of the hardest hit countries in the world.
- **Less Travel** Limited mobility of African citizens compared to other parts of the world
- **Prompt reaction** The World Health Organization, the African Union and Africa Centres for Disease Control and Prevention held their first emergency meeting on February 22 to strengthen preparedness and responses to the COVID-19 outbreak. This incited most African countries to react quickly to the Coronavirus outbreak with many of them closing borders and advocating for social distancing⁵.

3. A Test for Regional Governance

Indeed, with intra-African borders closing, many are wondering whether the COVID-19 crisis is putting the African regional integration at risk. While the COVID-19 crisis has revealed the strong willingness and determination of African countries to cooperate and to champion regional integration, as reflected above, key further actions and commitments would need to be taken in order to build on this momentum and to continue advancing integration. These include avoiding domestic responses to COVID-19 that could hinder regional trade and committing public investments to address structural constraints⁶. Last but not least, increasing transregional collaboration – interactions between regional organizations – will be crucial to ensure a solid integration.

⁴ Olivier Marbot. "Coronavirus : décryptage des hypothèses qui expliqueraient la faible contamination en Afrique." Jeune Afrique, May 03, 2020. <https://www.jeuneafrique.com/937712/societe/coronavirus-decryptage-des-hypotheses-qui-expliqueraient-la-faible-contamination-en-afrique/>

⁵ Ibid

⁶ "Intra-African trade, the African Continental Free Trade Area (AfCFTA) and the COVID-19 pandemic." FAO, April 12, 2020. <http://www.fao.org/3/ca8633en/ca8633en.pdf>.

INTERVIEW

H.E. DR. RANIA A. AL MASHAT

Minister of International Cooperation, Arab Republic of Egypt

Q: Today, economies are on lockdown and borders are closing. In your capacity as Egypt's Minister of International Cooperation, how are you ensuring that the notion of multilateralism is put forward on a national, regional and global level to overcome the COVID-19 crisis? Could we see new forms of multilateral partnerships emerge from this unprecedented global context?

A: Yes, borders have closed, yet all of these solutions have been synchronized across countries. No country unilaterally closed its borders. It is a response to a global challenge, and it was done in a way to protect citizens from the spread of the virus. This does not mean that multilateralism is knocked out or substituted; on the contrary, more needs to be done in terms of discussions and effective cooperation, because a cure in one country is going to become available to someone else, creating a network of collectivism. This ensures the importance of multilateralism not just on the health front, but also on the economic implications of COVID-19. Today, vocabulary related to cooperation, solidarity and collaboration is more relevant than ever, and this is what we are trying to do in the Ministry of International Cooperation both on a regional and global level, with our multilateral and bilateral partners. The MOIC commenced a "Global Partnerships for Effective Development Cooperation" meeting early on to step up coordination efforts related not only to response efforts but also to recovery.

Q: Studies show that at current rates of financial inclusion, it will take the world more than 200 years to achieve gender parity. The COVID-19 crisis could potentially aggravate this problem as precautionary measures against COVID-19, coupled with the looming economic crisis, are putting those social issues at risk. How can African countries act to overcome COVID-19 while also protecting and empowering society's most vulnerable groups?



A: In the case of Egypt, swift action was taken to flatten the recession curve through monetary, fiscal and structural reforms. On the monetary and fiscal front, the Government of Egypt provided easier access to credit to help households smooth consumption and firms have liquidity to survive the disruption. Sectors affected by the pandemic have been provided stimulus, tax exemptions, deferred payments and preferential interest rates.

There is a silver lining in the COVID-19 cloud: dealing with the immediate socio-economic challenges mitigates impact on a disorganized organized labor force through employment protection legislation and unemployment benefits, transitioning from an informal to formal sector and expediting structural reforms to advance financial inclusion and digitalization. It has also scaled up the social protection and social safety agenda that prioritizes the protection of women. More importantly, Egypt continues to push forward gender parity and women's economic empowerment policies, to empower Egyptian women as key players in the process of sustainable development. Egypt is the first country to issue a policy paper

“ Egypt continues to push forward gender parity and women's economic empowerment policies, to empower Egyptian women as key players in the process of sustainable development.”

- H.E. Rania Al Mashat

on the impact of the crisis on women, titled “Egypt’s rapid response to women’s situation during the outbreak.” Egypt developed a Women Policy Tracker on responsive policies and programs developed to monitor all issued policies and measures, document them and support complementing those policies with solid programs and initiatives, which has been highlighted by UN Women.

Q: Egypt’s Ministry of International Cooperation under Your Excellency’s mandate recently revealed its Global Partnerships Narrative. How does Egypt aim to streamline efforts and mobilization to ensure the COVID-19 crisis does not hinder progress towards achieving the SDG agenda?

A: The Ministry of International Cooperation is very mindful and adamant that the COVID-19 outbreak does not derail us from achieving the Sustainable Development Goals, and in this decade of action, the efforts taken to deliver the goals will not be overlooked. With that, the notion of multilateralism has become even more important because common problems can only be solved through global solutions. Coordinating on achieving the SDGs’ monitoring and implementation is also going to be very important going forward, and this is the message that we keep on repeating. The Ministry of International Cooperation along with its multilateral and bilateral development partners is mobilizing and streamlining efforts to accelerate the SDG goals and identify needs and gaps for future collaboration.

The new Global Partnerships Narrative states that People & Projects & Purpose (P&P&P) are the drivers of progress. The narrative positions Egypt in the cooperation space with people at its core, providing multi-sectoral assistance to millions of beneficiaries through public-private partnerships, projects that constitute a well-diversified portfolio, which includes education, transportation, water desalination, renewable energy, entrepreneurship, and women’s empowerment, among others, and purpose as the driver to generate sustained and inclusive growth, stay agile in a rapidly changing world, and deepen ties with our stakeholders.

Q: In light of the COVID-19 pandemic, what are the critical socioeconomic challenges Africa is facing, and how can they impact the global economy? How can regional institutions support national governments to fight the pandemic and its impact?

A: Pre-COVID-19, Africa was a continent of promise and vast potential. Being the world’s second largest continent and home to 16.72% of the total world population, Africa had an opportunity to bridge economic cooperation and expand growth amongst its nations. Now, although this notion is put at risk, the idea is to ensure that this promise still exists. The richness of the continent, whether in natural resources, agricultural possibilities or infrastructure capabilities, is still there. We should not completely alienate that notion. On the contrary, we need to embrace it, and this has already happened through the UN call on Africa, pushing forward debt restructuring and sustainability, solving the liquidity crisis and facilitating fiscal space for recovery and SDG achievement. Coordination is now more important than ever: whether it is through the African Union or DFIs, that agenda to unlock Africa’s potential should continue. Collaboration with shared learnings and experiences between countries in Africa, and between Africa and other countries, is equally as important.

Q: What are the 3 key global actions needed to help foster resilient African economies amidst the COVID-19 crisis?

A: Increased coordinated action is key to boosting confidence and providing stability to the global, regional and local economy. The 3 actions required include supporting healthcare and building resilient health systems in the long term, increasing investment in technologically advanced and sustainable infrastructure to pave the way for an inclusive post-COVID economic recovery, and expediting debt relief initiatives.

“ Coordination is now more important than ever: whether it is through the African Union or DFIs, that agenda to unlock Africa’s potential should continue.”

- H.E. Rania Al Mashat

II. SUPPORTING THE MOST VULNERABLE

Today, one in three Africans— 422 million people—live below the global poverty line. They represent more than 70% of the world's poorest people⁷. Furthermore, Africa only has access to 3% of global healthcare workers and less than 1% of the world's financial resources⁸. The ability for governments to leverage financial stimulus tools to protect their people, preserve jobs and ensure their economic fabric remains active will be crucial to overcome the impact of the pandemic and its long-term consequences. Financing estimates vary: based on the UN Economic Commission for Africa's assessments, in consultation with African finance ministers, under the best-case scenario, \$44 billion would be needed for testing, personal protective equipment and treatment. The worst-case scenario would cost \$446 billion⁹.

1. A Looming Crisis

Considering both the aforementioned data as well African Ministers' of Finance call for funding, the African Union Special Envoys were nominated on April 12, 2020 to mobilize international support to help Africa deal with the economic impacts of COVID-19. They are advocating for the collection of \$100 billion from the international community. In a difficult global context, it is imperative that Africa's international partners, including donors, trade partners and private investors, step up to the challenge and address the continent's liquidity needs in order to avoid a major socio-economic disaster.

Sub-Saharan Africa is facing unprecedented health and economic crises, which threaten the significant development progress of recent years. According to the IMF, the health crisis has precipitated an economic crisis in the region reflecting three large shocks to economic activity¹⁰:

- **Demand reduction:** The strong containment and mitigation measures that countries have had to adopt to limit the spread of the COVID-19 outbreak disrupt production and reduce demand sharply;
- **Looming recession:** Plummeting global economic growth together with tighter global financial conditions are having large spillovers to the region; and
- **Lower commodity prices:** The sharp decline in commodity prices, especially oil, is set to compound these effects by exacerbating challenges in some of the region's largest resource-intensive economies. Sub-Saharan Africa's most populous country, Nigeria, has been particularly affected. In its 2020 budget, the government had planned for oil revenues to be 30% higher than what they currently are¹¹.

7 Kristofer Hamel, Baldwin Tong, Martin Hofer, "Poverty in Africa is now falling—but not fast enough," Brookings, March 28, 2020, <https://www.brookings.edu/blog/future-development/2019/03/28/poverty-in-africa-is-now-falling-but-not-fast-enough/>.

8 World Economic Forum, "Africa Cannot Afford To Lose Doctors To COVID-19," World Economic Forum, April 9, 2020, <https://www.weforum.org/agenda/2020/04/africa-cannot-lose-doctors-covid-19/>.

9 Cara Ana, "Coronavirus Deaths in Africa Could Reach 300,000 and Overwhelm Health Systems, Says Report," Time, April 17, 2020, <https://time.com/5823275/coronavirus-deaths-in-africa-could-reach-300000-and-overwhelm-health-systems-says-report/>.

10 "Regional Economic Outlook, April 2020, Sub-Saharan Africa," Regional Economic Outlook, Accessed May 5, 2020, <https://doi.org/10.5089/9781513536835.086>.

11 "Coronavirus en Afrique : quelles conséquences économiques?" TV5 Monde, March 24, 2020.

<https://information.tv5monde.com/afrique/coronavirus-en-afrique-queelles-consequences-economiques-352122>.

In addition, the World Bank projects that **global remittances' fall** will reach 20% by the end of 2020¹². This decline is expected to have a particularly significant impact in Africa, where migrant workers within the continent alone sent more than \$14 billion of remittances back to their native African countries every year. Already, the impact of lockdowns and downsizing job markets in more advanced economies is having a significant impact. For example, the Nigerian Central Bank gave a worrisome glimpse into the current situation: remittances usually comprise 6% of GDP, and they dropped by half in February alone¹³. In Somalia, a war-torn country where food security is already very vulnerable, remittances are usually worth a quarter of the country's GDP. The country has already announced it is now running out of cash. As a greater part of the world has gone into lockdown since this data was published, it is expected that remittances will keep falling sharply across Africa¹⁴.

Without the possibility to work around fiscal policy tools, African governments will face difficulties navigating this crisis and its aftermath. In the absence of significant fiscal stimulus – which few African countries can afford anyway – some projections are cutting the continent's GDP growth in 2020 by as much as eight percentage points¹⁵. Lack of liquidity, high debt and donor restrictions would cause serious issues and harm both African businesses and the continent's most vulnerable populations. This difficult context could also provide an opportunity to re-imagine fiscal collaboration with the African continent in mind.

¹² Akinyemi, Aaron, "Coronavirus: How Covid-19 is affecting remittances to Africa," BBC, April 29, 2020, <https://www.bbc.com/news/av/world-africa-52478588/coronavirus-how-covid-19-is-affecting-remittances-to-africa>.

¹³ "A cash cow dries up Covid stops many migrants sending money home," The Economist, April 16, 2020, <https://www.economist.com/middle-east-and-africa/2020/04/16/covid-stops-many-migrants-sending-money-home>.

¹⁴ Ibid.

¹⁵ Paul Polman, Myriam Sidibe, Siddharth Chatterjee, "Multilateralism Through Public-Private Partnerships Are Key to Flattening the COVID-19 Curve," IPS News, April 17, 2020, <https://www.ipsnews.net/2020/04/multilateralism-public-private-partnerships-key-flattening-covid-19-curve/>.

INTERVIEW

SAMBA BATHILY

Chairman, ADS Group, Mali

Q: As an African businessman, what is the most significant economic risk African businesses are facing in the wake of this global health crisis? How is your business adapting?

A: From a global perspective, the health crisis has triggered an economic crisis that has just begun and reveals the extent to which the economy is globalized and states are interdependent. The global distribution of activities is unfavorable to Africa: we are unfortunately still a continent that depends on other regions to receive funds and investments, as well as basic components for the few pieces of equipment and manufactured goods that we can produce, and a continent that remains mainly an exporter of raw materials. Look at the evolution of cotton prices, which have collapsed and can affect producing countries like Burkina Faso or Benin. The crisis is aggravating our weaknesses and the structural problem of the African economy, which accounts for only 1.6% of the world's manufactured added value - and is therefore not able to stand on its own feet. The risk is therefore both simple to understand - and potentially huge: we are talking about potential asphyxiation, from the moment when we can no longer sell our natural resources, when we have to put a halt to our embryonic industrial sector, and when we do not have the financial resilience to support our people and our businesses - mainly SMEs, whose activity is at a standstill or extremely reduced as a result of curfew or containment measures.

The worst is never certain, though: if the problem is understood, we can act. The solution lies in redirecting human resources and productive infrastructure to produce more consumer goods in Africa and be more self-reliant. Especially, in the immediate term, we can produce what is needed to fight against the pandemic - because there is also a market opportunity. This is what the ADS Group has done. We have a factory in Senegal, in Diamniadio, focused on the production of electric vehicles.



We have tried to intensify this production, because these vehicles are useful and strategic generally speaking, and at the same time, we have installed new production lines to produce protective masks using 100% African inputs. And we are replicating such approach in several countries, with the commitment of fashion designer Alphadi. In Guinea, this time under the aegis of the Foundation of African Volunteers (Fondation Volontaires d'Afrique), which I am honored to chair, we have for several years supported a sewing workshop in the district of Ratoma in Conakry, and provided 100 sewing machines, which today are also used to make protective masks against COVID-19. An order for 600,000 masks is currently being delivered, and the Guinean government is providing the fabrics. In practical terms, this is a re-prioritization and reorientation of production capacities, which also mobilizes local subcontractors and cotton producers. It brings evidence that it is possible to adapt and that large companies have a pivotal role and responsibility to support the smaller ones. Such an investment is profitable in the long term: it strengthens overall industrial skills and creates jobs, as part of a self-reliance approach.



We need a support that is truly strategic, i.e. that meets all needs.

We need to help all companies, large and small, and we need to think long-term."

- Samba Bathily

Q: How would you like governments to support the African private sector?

A: We need a support that is truly strategic, i.e. that meets all needs. We need to help all companies, large and small, and we need to think long-term.

For now, it is essential that small businesses receive financial support, in the form of deferrals or rescheduling of payments or, when possible, subsidies that can help maintain the activity or be used in a targeted way to encourage professional transitions, via the purchase of new equipment, tools, computers, etc.

In the longer term, African states need to consult with the private sector and civil society to define an ambitious economic policy that will enable us to become self-reliant. This policy should support both infrastructure development (health, but also transport, connectivity, energy) and industrial development. The funds that can be raised from international donors could partly finance this effort and this time enable the largest companies to set up local value chains with the smallest players. I gave the example of the textile industry, but there are many others - in simple terms, everything that concerns the basic needs of Africans, including manufacturing components for individual and collective vehicles, food processing, microcomputing and lighting solutions - and we are particularly familiar with these last two segments in which we at ADS have invested via our subsidiary Multi-Industries Group. The challenge is to make Africans understand that their continent can become their primary market: we must feed Africans, clothe them, educate them, and transport them - everything must be done here.

Are we currently supported by other regions of the world? Yes, for sure, financially speaking and through some strategic trade exchanges still in place, but obviously other countries must first manage the impact of the crisis at home. Therefore, Africans now have an opportunity to understand that they should rely on themselves to develop their continent. If the crisis helps to raise awareness on this issue, it will be a positive change.

Q: What can the African private sector do to support the crisis answer effort?

A: Economically speaking, as indicated, the African private sector can contribute by identifying new opportunities and segments to invest in. The digitalization of the economy is the main opportunity: telemedicine and remote diagnosis and treatment solutions can be developed, and they are the core offer of our healthcare subsidiary Equally Africa; the same goes for agriculture and agro-processing, where new technologies can allow for scaling up and improving yields. More generally, e-services are a priority: for the general public, we talk about payments, transfers, insurance and microcredit financial products, as well as e-commerce; for businesses and public authorities, we can think of remote inventory management services, traceability systems and connected logistics, data collection and analysis, and informed IT decision-making systems.

With regards to the health crisis, many countries have responded, and large companies are providing protective equipment, financial support, or food on the ground. This is what the teams of the Foundations Volunteers of Africa do: a large group of donations worth \$1 million was launched two weeks ago in Mali, targeting 11 other African countries. Yet I would like to highlight an important initiative launched under the aegis of the African Union and the Africa Centres for Disease Control and Prevention (Africa CDC) with the support of the AfroChampions Initiative, which I have been supporting over the last three years: the African COVID-19 Response Fund. The aim is to collect money to help the CDC purchase equipment, commodities, medicines, and respiratory equipment to help African countries in their fight against the pandemic. According to CDC's estimates, \$400 million should be collected, including \$150 million to cover immediate needs. This project is particularly important because it is a truly pan-African response to the crisis: all African countries, regardless of size or economic weight, will be able to benefit, and the private sector can make a useful contribution.

Q: What is the one lesson the world can learn from Africa in the handling of this pandemic?

A: Prevention is better than cure: Africa has perfectly followed this advice. We cannot "afford"

this disease: according to a recent article in Jeune Afrique, in February there were 150 intensive care beds in Kenya, 80 in Senegal, 50 in the Democratic Republic of Congo and only 40 in Mali, my country of birth - a shortage of critical equipment that is visible throughout the continent with the exception of a few countries in North Africa and South Africa itself. Temperature checks, sometimes neglected in other parts of the world, were put in place very early on at our airports; border closures, curfews and quarantine measures were introduced in certain cities; and WHO injunctions were followed by launching testing campaigns wherever technically and financially possible. The economic cost for the most vulnerable communities is certainly high, but by proceeding swiftly with this preventive approach, we have managed to contain the pandemic so far, even though the future remains uncertain, of course.

Q: The African Union recently postponed the implementation date of the Africa free trade zone - the world's largest free trade zone, initially planned to enter into force on July 1st. You have clearly expressed you would like the free zone agreement to be implemented, and that it would act as a stimulus package for Africa. Why and how so?

A: The AfCFTA is a historic opportunity that we must not miss, otherwise we may fail in our responsibilities vis-à-vis future generations of Africans. The Agreement was signed by 42 states in March 2018, and the others followed very quickly. The ratification of the agreement, which conditioned the operational implementation, was effective in July of 2019. This is evidence that all states have understood the spirit of this Treaty, which is to promote commercial, human and financial exchanges between countries on the same continent, countries that can find synergies and build together a harmonious development that would benefit every African. Not only have the biggest economies joined the AfCFTA, but also smaller ones, such as Rwanda and Gambia, as well as large countries that are developing their great potential, such as Niger, whose President H.E. Mahamadou Issoufou was the AfCFTA champion designated by the AU and to whom this Treaty owes so much. The adoption of the Treaty was a real political consensus.

The AfCFTA has a multifaceted impact:

-First of all, the Treaty includes rules that provide incentives to invest in "made in Africa" production: rules of origin, with a local content threshold set at 65% precisely to encourage Africans to move up-market, termination of tariff and non-tariff barriers to enable entrepreneurs to extend their market beyond their national borders, and rules to protect infant industries, in order to take into account the reality of our countries today and encourage investment in the industries of the future. I am thinking of agriculture: why not grow our own rice and stop importing? The breakdown for the price of a ton of rice is as follows: 50% for transport costs, 25% for stevedoring costs and 25% for customs duties. There is a real opportunity cost, as this money could be better invested elsewhere!

-In the near future, these rules can be used to support the healthcare sector, for the production of health equipment and medicines. COVID-19 is an opportunity to test the effectiveness of the AfCFTA.

-In addition, the AfCFTA sends a signal to the rest of the world. A free trade area is, in principle, an area with a peaceful political climate and an attractive business climate. The AfCFTA can help us bring the volume of investment that we need in Africa, whether by attracting international funds or repatriating more African money. And it is an area where big projects will be possible, because everything must be done. For example, we have launched major projects in the field of biometric identity with Idemia, one of the global leaders in this industry. We are partners in the Mali Solutions Numériques' joint venture for the issuance of biometric passports and latest-generation e-visas for Malian citizens, and our partnership provides for a sharing of responsibilities and revenues. A new building designed to host the fabrication of these documents has just been inaugurated in

“ The AfCFTA is a historic opportunity that we must not miss, otherwise we may fail in our responsibilities vis-à-vis future generations of Africans.”

- Samba Bathily

Bamako and will be the property of the Malian State at the end of the concession. We are also moving forward together in other countries in the West African region. Thanks to the AfCFTA, many similar projects will be launched, creating a win-win situation for States, African players able to leverage their expertise, and the global players. The AfCFTA could potentially be our recovery plan.

To conclude, I would like to put a special emphasis on this point: by facilitating the deployment of larger industrial or infrastructure projects, the African common market will be a destination of choice for foreign players. Therefore, African companies operating on a cross-border or regional scale can develop new – and fairer – partnerships with international counterparts and investors, so that the projects implemented in Africa are truly beneficial to Africa, in terms of skilled jobs created, money invested, and tax revenues collected to help states. The AfCFTA is an opportunity for our continent and the world, which has every interest in working with a strong Africa.

2. Flexibility for Fiscal Policy Maneuvering: An Imperative Tool for African Governments

Prime Minister Abiy Ahmed of Ethiopia summarized the risk African countries are facing in an op-ed: “Fragile and vulnerable at the best of times, African economies are staring at an abyss.” In his words, “Advanced economies are unveiling unprecedented economic stimulus packages. African countries, by contrast, lack the wherewithal to make similarly meaningful interventions.” Lack of liquidity and reliance on borrowing from foreign markets put the continent in a particularly fragile situation. Already, African economies are spending a staggering amount of their GDP on debt repayment. On average, liability obligations represent five times African countries’ health budgets¹⁶.

Around the continent, and with the backing of multilateral institutions and some major trading partners, African leaders have called for debt forbearance to allow them to craft and implement the stimulus policies their economies and people need. This requires re-thinking the borrowing conditions from multilateral institutions, traditional trading partners and major bilateral donors, as well as private investors.

Dr. Vera Songwe, Head of the UN Economic Commission for Africa, put a complex situation in simple terms: “This is a crisis like we’ve never seen before and it calls for new and innovative thinking.”

The International Monetary Fund and the World Bank, together with other international multilateral lending institutions, have quickly backed the African call for debt relief. African regional organizations have stepped up their efforts to rally investors to their cause by nominating experts and developing dedicated financial vehicles. For example, the African Development Bank Group has unveiled a \$10 billion Response Facility to curb COVID-19¹⁷. To date, the European Union and the G20 have declared their support to debt relief. The modalities and implementations, however, remain unclear. As an illustration, after a G20 pledge to suspend debt payments from the poorest countries until the end of the year, President Kagame said more would be needed: “If there is another idea that would achieve the same results, that is welcome. Stimulus is stimulus, no matter the mechanism¹⁸.” This alone will be a crucial determinant to assess the success achieved by the 2020 G20 leaders meeting.

“ We shouldn’t be looking for excuses to cancel debt for its own sake. If there is another idea that would achieve the same results, that is welcome. Stimulus is stimulus, no matter the mechanism.”
- H.E. Paul Kagame

¹⁶ Yinka Adegoke, “African economies are spending up to five times their health budgets on debt repayments,” Quartz Africa, April 30, 2020, https://qz.com/africa/1848047/nigeria-kenya-ghana-spend-twice-more-debt-payment-than-health/?utm_source=email&utm_medium=africa-weekly-brief.

¹⁷ “African Development Bank Group unveils \$10 billion Response Facility to curb COVID-19,” African Development Bank Group, Accessed May 5, 2020, <https://www.afdb.org/en/news-and-events/press-releases/african-development-bank-group-unveils-10-billion-response-facility-curb-covid-19-35174>.

¹⁸ “Africa could take ‘a generation’ to recover from coronavirus, says Kagame,” Financial Times, April 19, 2020, <https://www.ft.com/content/93293b6a-f167-45b9-8ad2-594e4c26fd50>.

INTERVIEW

TONY O. ELUMELU

Group Chairman, United Bank for Africa (UBA Group) and Founder, The Tony Elumelu Foundation, Nigeria

Q: As an African businessman, what is the most important economic risk African businesses are facing in the wake of this global health crisis?

A: African businesses face an unprecedented economic risk as our globally connected world has suddenly and tragically been thrown into reverse by COVID-19. We are witnessing a situation where due to various lockdowns across the continent, many businesses, especially small and medium sized economies are unable to cope with the lockdown and may not be able to survive the pandemic. The lockdown could potentially lead to the loss of nearly half of the 80% of the continent's labor force in the informal sector. Furthermore, the pandemic has reversed the flow of FDI into the continent, meaning that access to capital and financing will be limited until the pandemic is resolved. Then you have the effects of an oil price crash on countries such as Nigeria, Algeria, Angola, Libya, and Equatorial Guinea, where oil proceeds make up over 85% of total exports, are losing government revenues and foreign exchange reserves. It will take a while for Africa to recover from the pandemic, consumer habits are going to change, people will understandably be more concerned on spending their incomes on healthcare, as opposed to other areas. This reduction in demand will affect thousands of businesses many SMEs will not survive

Q: How would you like governments to support the African private sector?

A: Now in this situation, more than ever, the private sector will rely on the governments for various fiscal policies that seek to stimulate the economy and resuscitate SMEs in Africa. I have always been a proponent of the private sector as the solution to the continent's socio-economic development challenges. Governments are acutely aware that if not managed properly, the situation will result in an economic depression and the only way to prevent this is for the government to support the private sector as much as is possible.



In the US and other developed economies, stimulus packages, tax breaks/incentives and direct cash transfers to individuals and households are helping to alleviate the loss of incomes and boost liquidity in the system. Such similar packages will be required in Africa to support the private sector. Economically, African governments do not have the same financial fire power to protect jobs and businesses from a collapse in demand. African finance ministers have called for a \$100 billion stimulus package to help the economy and prevent collapse. Therefore, I believe that Africa needs a properly coordinated response bringing together the Development finance organizations, the G8, and the private sector that supports healthcare systems, builds infrastructure such as Power infrastructure, and assists entrepreneurs. A global stimulus package akin to the Marshall Plan is required for Africa to survive the economic consequences of the pandemic, we need all stakeholders to play their part in the rebuilding the economies of African countries. By working hand in hand with private sector partners on the ground, we can ensure that nation governments are un-burdened and private sector delivery is prioritized. This will reduce the issues of corruption and bureaucratic inefficiency in supporting the African economy at this crucial stage.



The private sector in Africa has been at the forefront of this pandemic, supporting the public sector's efforts through various means with monetary (& non-monetary) donations, infrastructure spending and healthcare support."

- Tony O. Elumelu

Q: What is the responsibility of African businesses towards African society in this context?

A: We are all in this together and this pandemic has shown the strengths and responsiveness of the private sector to this global healthcare crisis. The private sector in Africa has been at the forefront of this pandemic, supporting the public sector's efforts through various means with monetary (& non-monetary) donations, infrastructure spending and healthcare support. Private sector action groups have been formed in Nigeria and the wider continent to support. Testing kits, face masks and other PPEs are being ordered en-masse. The private sector is building isolation centers and much more, all to stop the spread and flatten the curve. In Nigeria, the private sector coalition led by the Central Bank Governor, Mr. Godwin Emefiele, has raised over \$70 million and United Bank for Africa, the bank I chair, has given over \$14 million to pandemic relief across the continent. Businesses involved in manufacturing have re-positioned to manufacture ventilators, face masks and other equipment needed by healthcare officials. African businesses are also working closely with the governments to formulate policies to combat the virus and eventually re-open the economy. I have long been outspoken in my belief that Africa's problems are best addressed with African solutions, implemented by Africans, but we cannot get through this crisis on our own.

Q: What is the one lesson the world can learn from Africa in the handling of this pandemic?

A: Africa has been very proactive in its handling of the pandemic, if you recall, the continent's handling of the Ebola Crisis led to learnings which we built on in facing this crisis. Africa now has testing facilities in forty-seven sub-Saharan African countries because of Ebola which helped in early testing of suspected COVID-19 cases. In Senegal, the Institute Pasteur de Dakar is at the forefront of devising and manufacturing testing kits for the coronavirus so in some respect, Africa is doing well to combat the disease. We must give credit to the African Union, under the leadership of Cyril Ramaphosa, which has spearheaded collaborative cross-continental actions to deal with the virus. A common platform in a world where multilateralism is no longer in vogue, is a welcome development. Unfortunately, the continent's current healthcare systems are/will be unable to cope with sheer number of people who may

people who may become infected with the virus. Hence the need for increased funding to the public healthcare systems on the continent. Another problem is that acquiring testing kits in a competitive global market, Africa was hit last by the pandemic and there is a challenge as the continent needs assistance in acquiring test kits if it is to have a chance at containing the pandemic.

Q: As the Founder of the Tony Elumelu Foundation, supporting entrepreneurs around the continent, what is your message to African youth? Which role would you like them to have?

A: Africa's youth is dynamic and innovative, for an entrepreneur, innovation always arises in chaotic times such as this. We have already seen how some of the entrepreneurs at the Tony Elumelu Foundation (TEF) are repositioning their businesses considering the global realities. We have entrepreneurs who are making their businesses digital and in doing so, adapting to a new world of social distancing. I am especially proud of our entrepreneurs who are also repositioning their businesses to support the COVID-19 efforts using drone technologies to supply much needed healthcare supplies to people on the continent. Now more than ever, we need resourceful youth of the continent to remain committed to the development of the continent, Africa will recover from the pandemic and it will be up to the youth of Africa to chart a new course in the development trajectory of the continent. We at TEF are committed to the empowerment of the entrepreneurs and will continue to support entrepreneurs across the continent. Even in these times, we have seen how organizations such as TEF can continue to add value to the lives of young entrepreneurs across the continent. Our proprietary digital platform for African Entrepreneurs, TEFConnect, at a time like this is necessary to promote close integration. Through the Tony Elumelu Foundation's \$100 million commitment to the young ones of Africa, we will continue to train, mentor and provide seed capital to thousands of entrepreneurs as part of our efforts to do more. We must commend UNDP, through our partnership with them we have been able to increase our support to entrepreneurs on the continent: we have recently signed a partnership with UNDP to empower an additional 100,000 African entrepreneurs over the next ten years.

Q: What advice would you give to the G20 Leaders meeting later in the year?

A: Two things, the first is that we need a united world, more than ever before, we do not need individual states standing alone. When this crisis

started in China, if the world had paid more attention to it, then things would not have been like this. Let us realize that anything that affects anyone of us anywhere, affects the rest of us everywhere. If we took collaborative global action, we would be in a better state, it is time for multilateralism not unilateralism, we must prevent statism. Second is that we need to provide economic hope and opportunities for young African entrepreneurs by empowering them through seed capital, training, mentoring, networking etc. as we do at the Tony Elumelu Foundation. I will through the Tony Elumelu Foundation, draw the world's attention to give economic hope to the young citizens of Africa, in fact, not just for Africa but the world. The lockdown is becoming a challenge for some countries because our youth are restless. We must pay more attention to our youth. Good tax laws and reduced bureaucracy, these are other areas that will attract capital and help our young ones.

3. Livelihood vs. Life

As the world's richest countries have imposed lockdowns to protect the health of their citizens, in Africa, this strict lockdown situation is viewed as unrealistic by many leaders. African leaders and African people are therefore faced with a tough choice: picking between life or livelihood – or rather, picking between the current health risks posed by the pandemic, or the looming socio-economic risks brought by the recession it causes. Abiy Ahmed argues that the confinement is unrealistic “because there are many citizens who have no house,” and “even those who have houses have to make ends meet every day.”

Already, entire sectors of the economy have slowed down due to restricted movement measures and social distancing. Their long-term impact might be graver than the current health crisis. Two socio-economic issues are particularly worthy of mention:

•**Food vulnerability:** Food insecurity has been rising in Africa in recent years and the continent is not on track to eliminate hunger by 2030. Conflict, climate extremes and economic slowdowns and downturns have been the key drivers of the rise in food insecurity in the past decade. Yet, these factors pale in comparison to the impact the pandemic and its containment could have: globally, the pandemic could double the number of people facing acute hunger to 265 million by the end of this year.

The United Nations warned that the world is facing multiple severe famines as a result of conditions exacerbated by the COVID-19 pandemic. It notably listed 10 countries particularly at risk, including the Democratic Republic of the Congo, Ethiopia, Nigeria, Sudan, and South Sudan¹⁹. The Horn of Africa, already faced with the dire effects from climate change and locust invasion, is also at risk. In addition, trade blockage could exacerbate this major issue: agricultural production could contract between 2.6% in an optimistic scenario and up to 7% due to such restrictions²⁰.

•**Preserving access to education:** With schools closed in 53 out of 54 countries, the continent could be suffering from a lack of access to education.

The current situation has emphasized the huge issue the digital divide causes. In Africa, less than a third of the population has access to broadband connectivity²¹, which means remote learning, available to students in advanced economies, is impossible to many of Africa's young people. Very few households have either Internet access or a computer²².

19 Dhruv Gandhi, “Africa In The News: South Africa Looks To Open Up; COVID-19 Complicates Food Security, Malaria Response,” Brookings, April 25, 2020, <https://www.brookings.edu/blog/africa-in-focus/2020/04/25/africa-in-the-news-south-africa-looks-to-open-up-covid-19-complicates-food-security-malaria-response/>

20 “COVID-19 (Coronavirus) Drives Sub-Saharan Africa Toward First Recession In 25 Years,” World Bank, Accessed May 5, 2020, <https://www.worldbank.org/en/news/press-release/2020/04/09/covid-19-coronavirus-drives-sub-saharan-africa-toward-first-recession-in-25-years>.

21 “Achieving Broadband Access For All In Africa Comes With A \$100 Billion Price Tag,” World Bank, Accessed May 5, 2020, <https://www.worldbank.org/en/news/press-release/2019/10/17/achieving-broadband-access-for-all-in-africa-comes-with-a-100-billion-price-tag>.

22 “Measuring Digital Development Facts And Figures 2019,” ITU Telecommunication Development Bureau, Accessed May 5, 2020, <https://www.itu.int/en/ITU-D/Statistics/Documents/facts/FactsFigures2019.pdf>.



Some African countries, such as Niger, are using WhatsApp or public radio – more commonly accessible for the population as a whole – to continue delivering lessons to students. They are encouraged through public-private coalitions supporting youth education, such as UNICEF-led Generation Unlimited.

Yet, with the looming economic crisis induced by the containment measures to stop the spread of the disease, there are legitimate fears that lack of access to education will increase, as students may need to provide for their families, and families may no longer be able to afford even primary education, creating a low skilled, lost generation of workers. Learning from what happened post-Ebola, it is likely that girls and young women will be the first affected.²³ Government leadership and dedicated policies are urgently needed to ensure a generation is not “lost”.

²³ Robert Jenkins, Rebecca Winthrop, “5 actions to help bring the most marginalized girls back to school after COVID-19,” Brookings, May 15, 2020, <https://www.brookings.edu/blog/education-plus-development/2020/05/15/5-actions-to-help-bring-the-most-marginalized-girls-back-to-school-after-covid-19/>.

INTERVIEW

DR. JENNIFER BLANKE

Vice-President, Agriculture, Human and Social Development Complex, African Development Bank Group, USA

Q: What is the biggest social and human development challenge that Africa is facing in the midst of the COVID-19 pandemic?

A: I think that the pandemic has laid bare a lot of things that we knew were important but that were not being addressed with sufficient focus and seriousness, for example, the fact that the health care systems in many African countries are massively underdeveloped and underfunded.

Luckily, when Africans suddenly started seeing what was happening in rich countries, many governments took note and acted quickly to put in place lockdowns and other preventative measures to stop the spread of the disease. Yet, as in other regions, this comes down to a tradeoff between protecting lives and livelihoods. With so many people working in the informal sector or underemployed in Africa, the measures to protect lives are taking their toll on the economy.

In the short term, beyond human suffering, the biggest risk is the social instability and unrest that this can unleash.

Q: 54 African countries closed their schools on May 5th. Africa is the world's youngest continent: how can we ensure its young population is not the main longterm victim of this crisis?

A: Many young people in rich countries have been able to continue to access some sort of online education. Of course, not all children have this access, given inequalities within countries, but many do. This is simply not possible in many parts of Africa. Children who are out of school are losing not only the skills that schools provide, but in many cases also their only opportunity for a healthy meal. And given the economic challenges many are facing, a large number of children run the risk that their parents will not send them back to school after the crisis, choosing rather to have them contribute to household work or income. This is a particular risk for girls.



At the African Development Bank, we are doing our part to alleviate some of these challenges, and also ensure that young people are acquiring the right skills for gainful employment. Our goal within our Jobs for Youth in Africa initiative is to create 25 million jobs and to provide better skills for 50 million young people joining the workforce over the next 10 years. One of our most exciting programs is “Coding for Employment”, which will work with partners such as Microsoft, Facebook, and other tech companies to make sure that young people learn practical coding skills. More recently, we have teamed up with the Generation Unlimited initiative launched by UNICEF, together with many companies and organizations to coordinate efforts. Right now, the focus is on how we can work together to help young people to continue learning important skills during the COVID-19 crisis, and especially how we can unleash their talents and innovation to come out of the crisis stronger than before.

Q: Agriculture is crucial to the economies of most African countries, and the livelihoods of their citizens. It provides employment for about two-thirds of the continent's working population

“ This crisis is taking place on top of many other challenges already faced by African farmers and food producers. Climate change is already taking a heavy toll, there are new pests like the Fall Armyworm that are ravaging crops across much Africa.”

- Dr. Jennifer Blanke

and, for each country, contributes an average of 30 to 60 % of gross domestic product and about 30 percent of the value of exports. How is the pandemic affecting this sector?

A: Without emergency intervention now, the economic and social crises could spill over into a food crisis. This crisis is taking place on top of many other challenges already faced by African farmers and food producers. Climate change is already taking a heavy toll, there are new pests like the Fall Armyworm that are ravaging crops across much of Africa, and a once-in-a-century locust invasion in East Africa is placing this year's harvest at risk.

The African Development Bank is intervening with short-term measures to ensure that we can continue to develop Africa's incredible potential in the agriculture and agribusiness sector over the medium to longer-term. For example, we are currently helping farmers to obtain fertilizers and certified seed so that they do not miss this year's planting season, supporting the eradication of pests, and making efforts to ensure that the closing of borders for health reasons does not block the flow of food to where it needs to go. Green corridors must be maintained to ensure that Africa's food systems continue to function, and that Africa can continue to feed itself.

Q: What has the AfDB done to date to help Africa cope with the COVID-19 crisis? What would be ideal next steps?

A: The COVID-19 crisis has severely affected Africa, putting economies, businesses and commercial activities, as well as lives and livelihoods, at risk. To respond to this crisis, the AfDB established a dedicated facility – the COVID-19 Rapid Response Facility - using \$10 billion to prioritize actions to deal with the crisis and respond to it quickly. The assistance is being used for budget support for government programs in cooperation with our partners, regional emergency responses working with the regional economic communities and the WHO, and also support to existing private sector clients who are suffering cash flow challenges.

Ideally this support, combined with that of many other development partners, will help the continent weather this storm and quickly get back to focusing on developing economies for Africa's citizens.

Q: What is the one thing that the world could learn from Africa?

A: Many African countries moved swiftly in response to the pandemic, for example where I live in Cote d'Ivoire. Seeing what was happening in other parts of the world, their governments did not dither. Borders, economies, and schools were closed early on. It was impressive, and they ensured that hand washing stations and other basic hygiene necessities were widely accessible. It is clear that Africa has benefited from its experience of previous crises, such as the Ebola epidemic and the HIV/AIDS crisis. They know that waiting to intervene can be catastrophic. There was also more coordination among African countries than what was witnessed in many other parts of the world. With the global economy and societies now facing a restart moment, to build back better, we would all do well to look for good examples of crisis management from all corners. Africa definitely has some very good lessons to share!



Seeing what was happening in other parts of the world, their governments did not dither.”

- Dr. Jennifer Blanke

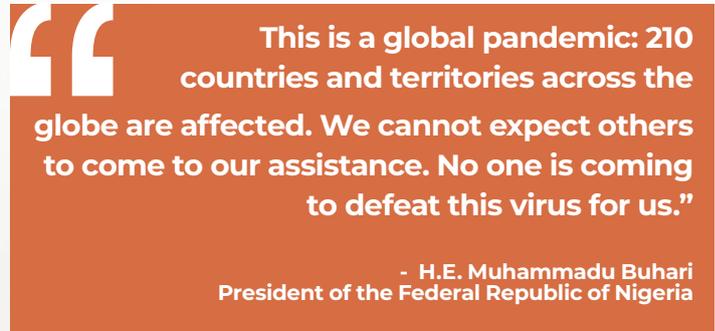
III. REBOOTING AFRICA: THE WAY AHEAD

When the pandemic was declared, it was predicted its impact would be catastrophic for Africa. To date, thanks to early prevention and policies, the continent seems to be one of the least affected regions²⁴. One of the key concerns, however, is how to reboot Africa once the recession hits.

A series of homegrown inventions, as well as innovative policy and collaboration mechanisms, could provide paths for Africa to recover smoothly and could serve as inspiration to the global community. They are a steppingstone on our way to building a new world order, one that promotes our collective resilience.

In the past few weeks, African scientists, entrepreneurs and leaders have taken part in the race to find cheap testing mechanisms against the COVID-19 pandemic. Specifically, efforts have focused on developing cheap and agile testing solutions and ventilators, leveraging technology for mass dissemination of information and taking advantage of the widespread use of mobile payment features.

The Deputy Director of the Africa Centres for Disease Control and Prevention, Dr. Ahmed Ogwell, has recently predicted a “new public health order” after the pandemic, with changes in global supply chains: countries are aiming toward not having to rely on help from abroad. “What we’re seeing in Africa is going to change the way medical supplies in particular are manufactured²⁵”.



This is a global pandemic: 210 countries and territories across the globe are affected. We cannot expect others to come to our assistance. No one is coming to defeat this virus for us.”

- H.E. Muhammadu Buhari
President of the Federal Republic of Nigeria

²⁴ Maria Malagardis, “Afrique : la catastrophe n’a pas eu lieu,” Liberation, May 6, 2020, https://www.liberation.fr/planete/2020/05/06/afrique-la-catastrophe-n-a-pas-eu-lieu_1787621.

²⁵ African Nations Seek Their Own Solutions in Virus Crisis,” VOA News, May 11, 2020, <https://www.voanews.com/covid-19-pandemic/african-nations-see-their-own-solutions-virus-crisis>.

CONCLUSION

Through this crisis, two issues are at stake.

The first one is a health crisis. The world must come together in the face of a pandemic to contain it, and to collectively find a cure for people to live healthily. National governments have a huge responsibility to play to guarantee the health of their citizens and to plan accordingly for their health facilities to meet the needs of African people.

The second one is our ability to learn and adapt. What is happening in Africa precedes what is to happen globally. A series of choices in managing this global crisis are in front of us. So are a series of questions:

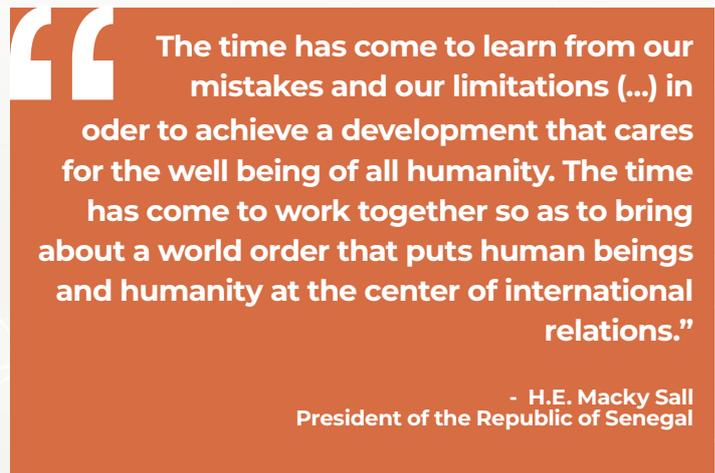
Will we choose to live in a closed world or a collaborative and open one? Africa has shown that through collaboration, better decisions were made, collectively. It is imperative to encourage Africa on this path and showcase this example to the rest of the world.

How will we tackle this looming economic crisis: will we choose to live in a human-centered world, where international finance is a tool for human development? Or do we opt for a world where we have become captive to meaningless profit?

We sincerely believe that we can do well by doing good.

Africa is the epicenter where the world will determine its own resilience. We have ten years until the target date to achieve the Sustainable Development Goals, and we have a moral imperative to future generations.

Our modest contribution is to feature the best practices and solutions which we hope will help shape the world in which we want to live.



The time has come to learn from our mistakes and our limitations (...) in order to achieve a development that cares for the well being of all humanity. The time has come to work together so as to bring about a world order that puts human beings and humanity at the center of international relations.”

- H.E. Macky Sall
President of the Republic of Senegal