

Impact of COVID-19 in Africa

A scenario analysis to 2030

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Key findings

- ▶ COVID-19 is set to undo several years of development progress in Africa.
- ▶ Compared to the pre-COVID-19 forecast, Africa's economy will be between US\$349 billion and US\$643 billion smaller in 2030.
- ▶ In a best case scenario, GDP per capita will recover to 2019 levels in 2024. In the worst case, Africa will only return to 2019 levels in 2030.
- ▶ Efforts to roll out additional social grants in several African countries to mitigate the impact of the pandemic will marginally reduce extreme poverty and income inequality in the short term.
- ▶ Relative to the pre-COVID-19 forecast, 14 million additional Africans will be extremely poor in 2020.
- ▶ In 2030, an additional 38 to 70 million more people would be classified as extremely poor. This translates to poverty rates of 35% to 37% of Africa's total population.
- ▶ COVID-19 is set to further constrain Africa's progress towards attaining the 2030 Sustainable Development Goals.
- ▶ The pandemic is expected to significantly reduce government revenue and health expenditure, and undermine debt sustainability in several African countries. In the worst case, more people will have died from the impact of reduced health expenditure and hunger by 2030 than from COVID-19.

Recommendations

African countries should:

- ▶ Continue to act proactively in responding and adapting to new information and strategies to tackle COVID-19
- ▶ Efficiently manage existing resources to contain COVID-19 and other structural challenges
- ▶ Increase transparency and practice more responsible borrowing
- ▶ Grow their tax base and improve tax collection systems
- ▶ Take advantage of the opportunity to accelerate digitisation of their economies to improve resilience, productivity and ability to reap the benefits of the 4th industrial revolution.
- ▶ Re-engineer sectors like health and WASH to better cater to the needs of people in rural and urban areas.

The African Union should:

- ▶ Call for better procurement systems and action plans for African countries to acquire health equipment amidst high global demand and competition

- ▶ Advocate for debt moratoriums and relief for African countries
- ▶ Spearhead the implementation of the African Continental Free Trade Agreement as a means to unlock economic diversification and more rapid growth
- ▶ Promote an African response framework and medical research partnerships for COVID-19, and lead on disease and public health surveillance on the continent.

International development partners, lenders and civil society should:

- ▶ Provide debt relief and insist on full transparency on all loans
- ▶ Support the provision of healthcare and basic infrastructure
- ▶ Assist Africa's response to COVID-19 through continued financing and capacity building in key sectors like health
- ▶ Draw attention to human rights issues to keep governments accountable in their response to COVID-19.

Read the full report [here](#).