

ADVISORY NOTE: COVID-19 INTERVENTIONS FOR AFRICAN COUNTRIES

EXECUTIVE SUMMARY

COVID-19 has, in less than three months, infected over half a million people, torn apart families and societies, destabilized economies, and disrupted global value chains. This is in many ways an unprecedented global health crisis, which has presented a unique set of problems that governments and business leaders have never previously encountered. For African countries, this virus is expected to overwhelm already insufficient healthcare facilities and reverse the economic growth that many countries have been experiencing in recent years. The United Nations Economic Commission for Africa (UNECA) has [revised](#) Africa's growth downwards from 3.2% to 2%. In addition to this, a significant majority of Africa's jobs - 80% of which are in the informal sector - cannot be conducted remotely, posing an additional challenge for governments to contend with. It is projected that African economies will need a stimulus of [\\$100 billion](#) to mitigate the economic effects of this virus. This does not even take into consideration its psycho-social ramifications.

Times such as this call for rapid decision-making, coupled with innovative and effective solutions to be able to address continually evolving challenges. African governments should be able to draw on best practices and effective strategies implemented by their neighbors and global counterparts, while also taking into account local particularities to tailor each solution to reflect the country's context.

This brief will focus on four key areas of concern, focusing on short-term interventions that can be implemented by governments to minimize the harm caused by this pandemic. These four areas are:

- Humanitarian assistance - what can High Networth Individuals (HNWI) and the private sector do?
- Ensuring business continuity for African firms, particularly SMEs
- Good governance practices in times of crisis
- Developing effective, broad-based communication strategies

Highlighting key challenges and possible solutions, this brief has been prepared by a group of professionals committed to using their experience and wherewithal towards supporting the fight against the pandemic within Africa. This document draws on their combined expertise and global best practices that have proven effective thus far in combating COVID-19. Its purpose is to draw attention to potential solutions that the African private and public sectors could adopt in combating this virus.

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1. HUMANITARIAN ASSISTANCE - WHAT CAN HNWI AND THE PRIVATE SECTOR DO?

Currently, African governments are facing massive funding gaps combined with inadequate medical infrastructure and equipment to conduct rapid testing, implement preventive measures, and treat cases as they increase. Additionally, even as more donors and HNWI are stepping up to support the continent, the continent lacks an effective channeling mechanism for funds that have been raised and clarity on the most critical areas to channel these funds towards.

Proposed Solutions:

- *Governments must develop clear metrics in Identifying key sectors to direct funding towards.* Particular attention should be paid to the following areas: preserving livelihoods for the rural and urban poor; identifying interdependencies and gaps that make our economies vulnerable to exogenous shocks; and which industries are especially susceptible to succumbing to the measures that need to be undertaken to curtail the spread of the virus. For the latter, industries, such as retail, tourism and hospitality, aviation, manufacturing - including healthcare, agriculture/agribusiness, and construction ought to be prioritized.
- *Mobilizing HNWIs to donate to relief efforts* - to do so, governments can provide additional tax incentives to these individuals to help boost their contributions.
- *Mechanisms must be created to provide funding to African innovators who are working to develop solutions to COVID-19 related issues.* Crowdfunding platforms can be a potential solution, but only if regulators are able to fast-track requisite policies and regulations to enable them to function effectively. Funding aside, larger firms could also work closely with these innovators, donating their infrastructure, skills, and expertise to ensure that viable solutions are tested and deployed as quickly as possible.
- *Corporations must be willing to reorient their talent pool and repurpose their facilities to address the most critical issues arising from this pandemic.* Companies must work together in redeploying their employees who would otherwise be redundant to companies facing higher demand. For instance, hospitality industry workers can support healthcare facilities, e-commerce companies, and manufacturers. Fashion and garment factories can repurpose their operations to make masks and gowns - items that are in high demand.

2. ENSURING BUSINESS CONTINUITY FOR AFRICAN FIRMS

Business continuity is a concern for many private sector players at this time, but SMEs are particularly vulnerable. Some of the specific issues that companies are currently facing include:

- a. Sharp declines in revenue, impeding businesses from fulfilling various financial obligations, including paying taxes and levies to the government and taking care of essential overhead costs.
- b. Disruption of supply chains leading to higher logistics costs and impeding access to essential inputs, goods, and services.
- c. Inability to conduct business remotely in the face of government-imposed lockdowns and curfews. This is particularly true of those working in the informal sector, as well as those operating in industries, such as agriculture and construction.
- d. Business models that are simply untenable in the context of a global pandemic, such as tourism and hospitality.

Proposed solutions:

- *Tax waivers and reductions* - freezing payroll taxes, making tax exemptions on certain goods and repaying outstanding VAT refunds.
- *Lowering interest rates* to allow companies to provide access to cheaper debt.
- *Providing low-interest intervention loans* to vulnerable companies

- *Deferring statutory payments* for a minimum of six months without attracting any penalties.
- *Amending the policies on non-performing loans* to prevent a systemic crisis among banks.
- *Providing financial support* to businesses that may otherwise go bankrupt/fail to recover due to the crisis. This is particularly important for informal sector businesses that cannot implement remote working measures.
- *Mobilizing African professionals* - lawyers, financial advisors, consultants, etc. - to donate their time to support firms that have been severely affected by this pandemic to rethink their business models; negotiate with their suppliers, banks, etc.; and implement strategies to help them mitigate the effects of this pandemic.

3. GOOD GOVERNANCE IN TIMES OF CRISIS

In combating this virus, African governments are facing two key challenges: the first is a lack of compliance with policy directives among its citizens, while the second is inadequate funds to fully support their economies as they navigate this crisis. In some cases, the lack of compliance is not a result of disobedience among citizens but a challenge caused by on-ground realities - for instance, preventive measures, such as social distancing are very difficult to implement in informal settlements and slums. In addition, many informal sector jobs cannot be done remotely.

Proposed solutions:

- *Free basic services* must be extended to vulnerable communities. Governments must also provide survival packs that comprise daily needs, such as food and toiletries to these vulnerable communities to encourage them to stay in their homes. It may be possible to work with existing organizations - private sector and NGOs - who have distribution networks that are able to deliver at the last mile.
- *African governments must lobby for debt relief*, and suspension of short-term payments on sovereign bonds to free up money for more urgent needs, such as supporting business continuity, supplying monthly survival packs to vulnerable communities, and providing subsidies on water and electricity bills.
- African countries must collaborate more with each other, sharing information among themselves on solutions that have proven/are proving to be effective. Countries that have extensive experience in battling tough epidemics, in particular, could offer critical lessons. Countries can even pool finances in creating temporary regional healthcare facilities to collectively supplement the capacity of their hospitals.

4. EFFECTIVE AND ACCURATE BROAD-BASED COMMUNICATION

One of the greatest issues as this pandemic spreads has been the inconsistency of the information being circulated. While governments have been active in keeping their citizens well informed on effective preventive measures, and the cases in their respective countries - some individuals, especially through social media have been spreading fake information on COVID-19. In addition to this challenge, poor connectivity and high data costs are limiting citizens' access to information.

Proposed Solutions:

- *Offer free mobile data and public internet access* to support remote working and access to information.
- *Provide frequent updates* to citizens in local languages and using multiple platforms e.g radio, TV, print media, social media, town-criers, to disseminate this information.
- *Create real-time data platforms* embedded within the websites of health ministries to provide credible information to citizens and also give governments access to up-to-date information on trends and areas that may need resources.
- Ensure that the information shared, especially by journalists, *accurately highlights not just the failures and challenges, but also the initiatives taken to combat this virus*. Additionally, stories about victims and their families should be treated with sensitivity and with a view to respecting people's privacy.

- *Use SMS platforms to provide tracking information* especially to inform citizens of new cases in a specific location and previous locations that the infected person may have visited. This should be effective in encouraging voluntary testing among individuals who may have visited similar locations.
- *Work with community and religious leaders* in educating citizens on the importance of complying with some of the measures that have been imposed. Community-level engagement using village leaders and other community elders will be more effective in disseminating the messages on preventive measures, as well as monitoring activity and key developments in a localized manner.

CONCLUSION

The interventions suggested in this paper focus on the short-term needs of African governments in containing the spread of this virus. Situations such as these call for all stakeholders, including each citizen, to commit their expertise, skills, time, and finances to ensure that the continent faces minimal losses. Additionally, governments must come together to build regional and potentially even continental support structures to be able to successfully fight this virus. More importantly, for these solutions to work, local contexts and challenges should be considered and each solution should be adjusted accordingly to promote its effectiveness.

ANNEX

1- SOME KEY QUESTIONS THAT HAVE BEEN RAISED SO FAR

SOME KEY QUESTIONS THAT HAVE BEEN RAISED SO FAR

Macro questions

1. How do African countries keep fragile economies stable, especially without losing sight of those at the base of our economic structures?
2. What has COVID-19 revealed about existing failures in Africa's economic and social systems? In what ways can we work towards rectifying/overhauling these failures to create better functioning societies? What are the implications for our approach towards/understanding of work, productivity, success, and how citizens interact with each other and our environment?
3. What are some specific interventions needed to mitigate the impact of this virus on specific sectors such as hospitality, aviation, and healthcare which are bearing the brunt of this pandemic?
4. How can bottom-up and top-down approaches interact effectively, with mechanisms in place that enable the productive participation of citizens?

Public sector

1. How are governments channeling finances from donors, multilateral organizations, and the emergency funds they have created to address this pandemic? Should key sectors and vulnerable groups be identified as the priority recipients of these funds?
2. How do governments effectively manage a pandemic in societies where a great many do not have access to basic necessities such as indoor plumbing, food storage capabilities, etc.? Are there other life-saving measures needed for societies such as ours that factor in these realities?
3. Should governments be looking at suspending payroll taxes to ease the burden on companies so they can keep paying employees?

Private sector

1. How can businesses use their supply chains, distribution networks, and production facilities to contribute at scale towards the fight against COVID-19?
2. If an entrepreneur needs to cut salaries, how does he/she go about making that determination?

Philanthropic Institutions/Foundations/Donors/DFIs

1. What are these institutions doing individually and collectively to mobilize their funds towards short to medium term relief?
2. Are their aid packages adequately tailored to emergency situations or are they being restrictive in their approach, which might limit their effect as emergency relief?
3. Have there been initiatives to divert funds to support national budgets?

Social concerns

1. How do we help shape the narrative and do our part to create empathy, compassion, and self-awareness during this time?
2. What should be the role of social media and other messaging platforms to help change behavior? Are social media platforms doing more harm than good under the circumstances?
3. What is the role of technology in general?
4. Why don't many people understand the imperative to stay home and socially distance themselves? What can be done to ensure more people comply? How do you contain the growing anxiety among citizens as businesses close?

2 - GLOBAL BEST PRACTICES

❑ HUMANITARIAN ASSISTANCE - WHAT CAN HNWI AND CORPORATIONS DO?

BEST PRACTICES
Donations by HNWI
<ul style="list-style-type: none">● Aliko Dangote: The Aliko Dangote Foundation donated over USD 0.5 million to support the current efforts of the Nigerian government towards curbing the spread of CoronaVirus or Covid-19 in the country.● South African Johan Rupert & Nicky Oppenheimer, have donated over USD 114 million to the Solidarity Fund- a fund created to assist small businesses and their employees affected by the coronavirus pandemic and subsequent lockdown.● Italy: HNWI has come together to donate more than USD 44 million to fight Coronavirus in Italy.● Jack Ma: Through his foundation, he is donating 1.1 million testing kits, 6 million masks, and 60,000 protective suits and face shields. They are all being sent to Ethiopia first, from where they will be sent out to every other country on the African continent.
Funding to Africans who come up with innovative solutions.
<ol style="list-style-type: none">1. Africa's largest innovation incubator CcHub to offer funding to support COVID-19 related innovations.<ul style="list-style-type: none">● CcHub will offer funding and engineering support to tech projects aimed at curbing COVID-19 and its social and economic impact.● CcHub will provide \$5,000 to \$100,000 funding blocks to companies with COVID-19 related projects covering last-mile communication, support for the infected and the most vulnerable, production of essential medical supplies and support for disrupted food supply-chains.
<ol style="list-style-type: none">2. The European Commission put out a call for applications startups and SMEs with technologies and innovations that could help in treating, testing, monitoring or other aspects of the Coronavirus outbreak
Efforts by the private sector
<ol style="list-style-type: none">1. Italy: Menarini Group Converts Production Plant To Produce And Donate Disinfectant Gel<ul style="list-style-type: none">● Pharmaceutical giant Menarini will be producing 5 tons of disinfectant gel per week which will be distributed throughout the Italian territory and free of charge by Italy's national Civil Protection Department.
<ol style="list-style-type: none">2. Italy: Dolce & Gabbana donation to support COVID-19 research<ul style="list-style-type: none">● Dolce & Gabbana made an undisclosed donation to Humanitas University in Milan, to advance research into the immune system's response to COVID-19.
<ol style="list-style-type: none">3. Fashion companies are now producing masks and other necessities to combat COVID-19.<ul style="list-style-type: none">● Companies such as Christian Siriano, Inditex (parent company of ZARA), Kering, Gucci, and more have committed to donating millions of masks and using some of the fabric they have to manufacture these.● Others such as L'oreal and LVMH are now using their facilities to manufacture hand sanitizer and hydro-alcoholic gel.
<ol style="list-style-type: none">4. Select African companies are leading by example by using their facilities to produce needed medical supplies.<ul style="list-style-type: none">● DTRT Apparels - a garment manufacturer in Ghana has been using cloth fabric to make masks.● EMZOR in Nigeria, a pharmaceutical manufacturer is also stepping up to make medical supplies needed to combat COVID-19.

5. Car manufacturers [are joining in](#) to produce ventilators and other medical equipment.

- Vauxhall, Ford Motors, and General Motors have offered to use their facilities to manufacture ventilators, ventilator components, and other medical equipment to support the fight against COVID-19

6. Africa: Jumia [donating certified health masks](#) and facilitating last-mile distribution

- Leveraging the company's access to supply, Jumia has donated certified face masks to Health Ministries in Kenya, Ivory Coast, Morocco, Nigeria, Uganda, and others, and offered to coordinate the distribution across healthcare facilities and workers, leveraging the company's last-mile distribution.

❑ STRATEGIES FOR BUSINESS CONTINUITY ESPECIALLY FOR SMES

BEST PRACTICES

Business Continuity Support

1. UK: Financial [support for businesses to ensure business](#) continuity

- [Coronavirus Job Retention Scheme](#): The government will cover most of the wages of staff who are not currently working. Employers can apply and top up the remaining amount.
- VAT payments: suspended for 3 months to support cash flow for businesses.
- Coronavirus Business Interruption Loan Scheme (SMEs): Access to working capital of up to £5 million. The Govt will cover the first 12 months of interest payments and will also provide lenders with a guarantee of up to 80%.
- COVID [Corporate Financing Facility](#) (bigger firms): A new lending facility from the Bank of England to help support liquidity among larger firms.

2. Egypt: The [Central Bank of Egypt \(CBE\)](#) has implemented measures to support Egypt's economy.

- CBE has ordered local banks in the country not to impose additional fines applied to late payments on non-performing loans for the next 6 months.
- CBE has also extended the exclusion period for some basic food commodities, namely rice, lentils, and fava beans, from their 100% cash cover for one year, or until March 15, 2021.
- CBE's Monetary Policy Committee (MPC) on Monday to slash CBE's key interest rates by three percent to support economic activity across different sectors.
- Banks have also been instructed to cancel ATM withdrawal fees for the next 6 months, they have also increased transaction limits on credit cards.
- CBE instructed banks to provide the credit limits necessary to finance working capital, or the capital of a business used in its day-to-day trading operations, especially the payment of salaries for companies' employees.
- Two-year credit facilities are to be granted to support hotels.

3. Uganda:

- Bank of Uganda has [expressed plans to intervene](#) in the foreign exchange market to shore up the shilling as well as provide liquidity assistance of up to one year to financial institutions that may require it.

4. Singapore: [Support for Businesses](#) coping with COVID-19

- A Stabilisation and Support Package amounting to \$4 billion to support firms by defraying their wage costs and addressing short-term cash flow needs.
- Additional support for sectors directly affected by COVID-19 i.e. tourism, aviation, retail, food services, and point-to-point transport services. This has included waiving some license fees related to the hospitality sector.
- Rebates on aircraft landing and parking charges, assistance to ground handling agents, and rental

- rebates for shops and cargo agents at Changi Airport.
- A co-funded \$77-million package (Government paying \$45 million and taxi companies paying the rest) will help taxi and Private Hire Car drivers through this uncertain period.
- Full month of rental waiver to stallholders in hawker centers and markets.

5. Peru: The [government is providing cash allowances](#) to families living in poverty

- The government is giving \$110 to families living in poverty for the current 15 days of quarantine.
- The government has managed lists of the poor for about 10 years, and updates them annually and are now being expanded to include waste pickers.
- The government is actively working to extend the program to informal workers.

6. Canada: [\\$ 75 billion emergency aid](#) plan to support informal sector workers

- The package is designed to get cash into the hands of workers- including the self-employed, contract and gig employees - who have lost work or are unable to earn due to COVID-19.
- The government expects to have a fully operational registration system by April 6, with payments reaching residents by mid-April.

❏ GOVERNANCE IN TIMES OF CRISIS

BEST PRACTICES

Governance in times of crisis

1. Taiwan: Using [civic technology](#) to stop a pandemic through the vTaiwan digital democracy platform on which half the population participates.

- Bottom-up information sharing, public-private partnerships, “hacktivism” (activism through the building of quick-and-dirty but effective proofs of concept for online public services), and participatory collective action have been central to the country’s success in coordinating a consensual and transparent set of responses to the coronavirus.
- The participation of the community in decision making and rapid implementation has been key to enhancing cooperation between different sectors and ensuring compliance.

2. Lessons from [Hangzhou, the capital city of Zhejiang Province, China](#)

- Provide clear guidance about the degree and scope of lockdown.
- Track implementation down to individuals, apartments, houses, communities, organizations, public facilities, and city management.
- Keep essentials like food and supplies flowing through organized, government-controlled arrangements.
- Designate infectious disease care and management facilities to isolate, monitor and treat positive cases.
- Establish electronic recording and tracking systems and local response teams to handle identified cases 24/7.
- Establish centralized reporting and communication channels to keep citizens informed.

3. South Korea: [Drive-through testing](#) - Increased testing points reduce speculation and provide actual data on infection rates

- The tests take about 10 minutes and are free. The results are sent by SMS the next day.
- By 13th March South Korea had conducted 3,600 tests per million people compared to five per million in

the U.S.

4. Kenya & Ghana: Conducting surveys on economic challenges to businesses as a result of COVID-19

- The Kenyan government is [seeking feedback](#) from business owners to understand COVID-19 related economic impact on each business sector. The government has also set up a Business Response Emergency Center to analyze this information and take appropriate measures.
- The UK - Ghana Chamber is undertaking a COVID-19 Business Impact [Survey](#) to capture the views of businesses that will be presented to various stakeholders including the Government of Ghana - this will highlight the concerns and suggestions of the private sector.

5. UAE: Religious leaders have used their platforms to encourage believers to stay in their homes

- Congregational prayers have been [suspended](#) for the next four weeks. Mosques across the country have also added the words 'pray at home' in the Islamic call for prayer.

❑ EFFECTIVE BROAD-BASED COMMUNICATION

BEST PRACTICES

Effective, broad-based communication

1. Ugandan-based telecommunications company:

- [Roke Telkom](#) has launched a campaign to help businesses, Edu centers and individuals stay connected to education, communications, and productivity applications and services at no extra cost.
- The applications that have been zero-rated include Google Classrooms, Google Hangouts, Office 365, Teams, Trello, Skype and Zoom to support and ensure that business is still conducted and students can still access learning tools and classes online.

2. Comcast is opening [free WiFi hotspots](#) in Washington DC and eliminating data caps for customers:

- The free public hotspots, which are going to become available in the next few business days, will be spread throughout the state and mainly located in areas like parks or near shopping districts or small businesses.
- Comcast is also promising not to disconnect a customer's internet services or issue late fees if customers can't pay their bills during this time.

3. UK providers are giving their [customers free access to NHS](#) to access reliable health information:

- UK mobile firms including Vodafone, EE, O2, and Three pledge no data charges for online NHS coronavirus advice to ensure everyone can get free access to reliable health information.
- Free access to online services will be available for as long as coronavirus remains in the UK, the Department of Health and Social Care has said.

4. Efforts by the [Kenyan governments](#) to ensure wider internet coverage

- The Kenya Civil Aviation Authority (KCAA) has signed an agreement with Google Loon that allows Loon Balloons to fly over Kenyan airspace carrying 4G base stations with a capacity to provide wider internet coverage.
- This will also boost online learning as it will allow teachers and students to access education materials remotely and will mitigate work disruptions for citizens working remotely.