Saving Africa's private sector jobs during the coronavirus pandemic

San Bilal, Stephany Griffith-Jones, Sony Kapoor, Stephen Karingi, Vera Songwe and Dirk Willem te Velde[1]

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Key messages:

- As a result of the coronavirus pandemic, Africa's private sector is facing a very large recession, the likes of which has not been seen for 25 years. This is putting more than 20 million jobs and many livelihoods at risk, and pushing millions into poverty.
- Africa is unable to provide the economic stimulus required to protect jobs. This will put in jeopardy many years of private sector development and job creation on the continent, and is wiping away hopes of a resilient recovery. There is an urgent need to provide additional liquidity for Africa's private sector.
- International donors have begun to step up their support to African public sectors, through, for example, World Bank, IMF, WHO and European Commission aid.
- European Development Finance Institutions and their shareholders must step up with additional resources and use their links with the domestic banking sector and their competencies to channel liquidity to Africa's private sector.
- European DFIs support millions of jobs in Africa, often highly productive ones that have strong interlinkages with the rest of the economy. These direct and indirect jobs must be protected in the recession as they will be crucial to Africa's bounce back.
- For that European DFIs need to immediately boost the liquidity support for investee firms, increase their risk tolerance, relax debt servicing requirements where necessary, provide scarce foreign exchange when needed, come up with innovative support mechanisms including credit guarantees to deliver countercyclical support and set up a bounce back better and recapitalisation vehicle to inject equity into otherwise viable firms hit by the crisis.
- This will require new capital, increased risk tolerance, temporary suspension of minimum return requirements and new credit lines and guarantees from donors of between € 2-5 billion. This will allow European DFIs not only to protect the jobs they support but also to prevent the loss of jobs in otherwise viable firms.

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[1] Dr Dirk Willem te Velde is Principal Research Fellow and Director of International Economic Development at ODI; Dr Sanoussi Bilal is Head of Programme at ECDPM; Professor Stephany Griffith Jones is Senior Research Associate at ODI and Financial Markets Director at Columbia University; Sony Kapoor is Managing Director at Re-Define**;** and Dr Vera Songwe is Executive Secretary and Dr Stephen Karingi is Director of Regional Integration and Trade at the UNECA. This paper has emerged after questions from EDFI on the note by Griffith-Jones and te Velde (2020). We are grateful to Kjell Roland and Soren Andreasen for suggestions, discussions and encouragements. The views expressed are those of the authors alone, and not necessarily their institutions. Comments welcome to d.tevelde@odi.org.uk

1. Introduction

Africa is facing a series of shocks that are leaving many jobs and livelihoods at risk. By early February 2020, and without a single case of the coronavirus, Africa was already facing severe economic consequences as a result of the pandemic (Raga and te Velde, 2020). Recently, the combination of global economic recession and domestic lockdowns has hit African countries hard. Exports have plummeted and capital has flown out. The effects have been particularly harsh for Africa's private sector jobs, putting at risk development and transformation achievements made over the past 10 years. Poverty will increase rapidly.

Rescue stimulus packages in developed countries are providing a balanced and ambitious approach and recognise public and private sector challenges. Not so in poorer countries, which cannot match the firepower of developed countries to engineer a sizeable stimulus. Meanwhile, where donor support has been forthcoming, it is all too often neglecting or insufficiently supporting the private sector. This note argues that additional liquidity and longer-term funding need urgently to be made available to protect jobs and past transformation efforts.

This note discusses the latest evidence on the socioeconomic costs of the coronavirus in Africa (Section 2). It then discusses the economic policy response in Africa (Section 3). Section 4 discusses emerging international donor responses, especially from Europe. Section 5 argues there is a lack of attention in the international and European donor responses to supporting the private sector, unlike the response within Europe itself. Without such support, there will be no private sector to lead the recovery and pull Africa out of the recession.

2. The socioeconomic costs of the coronavirus in Africa

The lockdown in China from late January has already had major impacts globally (Raga and te Velde, 2020). Since then, other Asian, European, African and North and Latin American countries have gone into lockdown or containment, with significant effects for the global economy and the poorest and most vulnerable countries. UNCTAD (2020) estimates a $2.5 trillion cost to developing countries. WTO (2020) expects world trade to fall this year by between 13% and 33%.

ILO (2020) expects the crisis to wipe out 6.7% of working hours globally in the second quarter of 2020 – equivalent to 195 million full-time workers. In Africa, it expects a loss of 19–22 million jobs. This is concerning, especially as only 17.8% of African workers are covered by social protection schemes, compared with 45.2% of workers globally. Sumner et al (2020) think up to half a billion people could be pushed into poverty (living on less than $1.90 a day) globally, if consumption contracts by 20%. This would be an additional 112 million poor in sub-Saharan Africa, a 25% rise, wiping away gains made in reducing poverty over many years.

Lower demand and economic contraction resulting from the COVID-19 lockdown are significantly reducing trade flows, as commodity prices fall and supply chains are disrupted: over 50% of Africa's trade takes place with countries highly affected by COVID-19 (UNECA, 2020c). Trade restrictions and cross-border blockages on the movement of people and goods have serious consequences (AU, 2020). They are preventing the flow of critical COVID-19-related health and medical products, increasing their costs by up to 23% on average (Espitia et al., 2020). They may also threaten food security by disrupting access to food and further reducing agricultural production (by up to 7% according to the World Bank, 2020). The COVID-19 crisis is also revealing the fragility of the food system, globally, in Europe and in Africa, as well as critical socioeconomic impacts, notably through trade linkages (Bizzotto Molina et al., 2020).

The impact of COVID-19 on tourism and transport is having major negative implications for trade in services, while the lockdown is reducing demand for business services while increasing internet costs in many developing countries (Mendez-Parra, 2020). Given the importance of informal trade in intra-Africa trade, socioeconomic consequences could be far reaching, particularly for women and more vulnerable people, with borders closed and transaction costs increasing significantly (World Bank, 2020).

Since late February, certain sectors of African economies have been hit by a collapse in global trade in goods, services and financial flows (AU, 2020; te Velde, 2020; UNECA, 2020a, 2020b). Examples of the trade decline include reductions in net oil African exports worth some $35–65 billion (hitting countries such as Angola, Equatorial Guinea and Nigeria); significant reductions in African tourism receipts (worth a total of $35 billion in 2018) affecting hotels, restaurants and airlines; reductions in flowers export from Ethiopia and Kenya; and major reductions in garments exports to the US (worth $1.2 billion in 2019) from countries including Kenya, Lesotho, Madagascar and others. This has affected the private sector in a major way, costing many jobs and putting in jeopardy years of attempts to transform economies. Further examples can be found in Table 1.

Table 1. Examples of economic and private sector impacts in African countries

Country	Examples of private sector impacts
Egypt	According to hoteliers and tour guides, the number of visits has dropped to 10% of its normal level, with some hotels reporting a zero occupancy rate. A full 80% of future reservations have been cancelled in recent days. Aviation firms alone stand to lose EGP 2.25 billion ($143 million).
Ghana	Tourism has suffered from travel restrictions. Hotel occupancy rates are down from 70% to under 30%, and restaurants were experiencing a 60% reduction in trade before the lockdown began.
Kenya	The flower sector has lost $75 million in exports in the past month as a result of lockdowns in Kenya's main markets in Europe. Flower farms already forced to send 1,000 workers home given the slump in demand. Kenya Airlines has applied for a bailout.
Liberia	Most of Liberia's key export commodities have recently seen global price falls, which could have significant impacts on growth (the forestry and mining sectors alone make up 23% of GDP). Liberia's largest export, iron ore, has seen prices fall by 12% in the year to date.
Madagascar	Madagascar usually welcomes 300,000 tourists per year. The tourism industry, which usually contributes 16% of GDP, has ground to a halt
Nigeria	With crude oil exports generating 76% of Nigeria's foreign exchange (and 11.8% of GDP), the fall in the price of oil by 60% since the start of 2020 to below $30 a barrel has dramatically reduced export revenues. It is predicted that the reduction will cut export revenues by $5 billion (1.3% of GDP) over three months and $8.6 billion (2.2% of GDP) over six months. Across the year, it is estimated the value of exports will fall by 34% as a result of the oil price shock alone. Other sectors have also been affected. Cocoa, which dominates the agricultural export sector, has seen prices fall by approximately $292/ton. Nollywood, the second largest source of jobs in the country, employing around 1 million people, is facing challenges.
Rwanda	The international tourism industry is particularly affected; by 20 March, the Rwandan Hoteliers Association had already reported losses in excess of $14 million (0.15% of GDP) and the risk of job losses in the sector. At present, tourism and hospitality alone accounts for 142,000 jobs.

Source: ODI-SET Country Analyses available here

UNECA (2020b) argues that compressed demand in important African external markets presents severe risks to livelihoods. The impact of global lockdowns on coffee and tea demand is one illustration of supply chain links back to Africa that could put 4 million smallholder farmers in Ethiopia, 500,000 households in Uganda and 700,000 smallholder farmers and 3,000 large farms in Kenya at risk. The same question on value chain resilience arises for garment production in Ethiopia and Kenya, where private firms could shed up to 37,000 and 38,000 formal workers, respectively, as a result of the reduction in offline spending in apparel in affected markets in Europe. This will have knock-on effects on cotton prices in Benin, Burkina Faso, Mali and Zimbabwe.

UN Secretary-General Antonio Gúterres argues that millions of women's jobs have disappeared. Women are often more vulnerable to the impacts of the pandemic (UNFPA, 2020), notably because of their predominant roles in community-based activities, as principal caregivers and as predominant (formal and informal) health care providers, and their dependence on agriculture and services activities, affected by COVID-19 (World Bank, 2020). Women also play a dominant role in informal cross-border activities in Africa, which the closure of national borders to trade is threatening. Besides, women entrepreneurs, in both the formal and the informal economy, traditionally face more difficulties in getting access to finance, which may be further restricted by the liquidity constraints resulting from the COVID-19 pandemic.

Private capital flows have been withdrawn from emerging markets at a record pace (IIF, 2020), and this is also affecting African countries – which received $15 billion in portfolio flows in 2018. Bond yields have shot up in countries such as Angola and Zambia, stock markets are down and currencies are devaluing. Between 1 January 2020 and 6 April 2020, bond yields for some African countries increased significantly in basis points: South Africa (279 bps); Namibia (205 bps); and Nigeria (108bps). FDI worth $46 billion in 2018 is already expected to decrease by 15–20%.

Africa received remittances worth $46 billion in 2018, and UNECA (2020b) reports that the continent was projected to receive up to $65 billion in remittances in 2020. These will now be down significantly. Small island developing states, LDCs and countries emerging from conflict will be hard hit, as many of them depend on remittances, which also make up a large share of their GDP.

McKinsey (2020) suggests GDP growth may reduce by 3–8 percentage points in 2020, equivalent to a loss of $90–200 billion. AU (2020) suggests the GDP cost could be up to 4.5%. Studies by UNECA (2020b) and te Velde (2020) suggest around a $100 billion shortfall, for Africa and sub-Saharan Africa respectively (this is 5.6% of 2018 GDP in sub-Saharan Africa). ILO (2020) and AU (2020) put potential job losses in Africa at 19 million. UNECA (2020b) estimates this will be accompanied by a 10% increase in employment vulnerability. UNECA (2020b) further estimates that the impacts on African economies will lead to up to 29 million people being pushed back into extreme poverty of under $1.90 a day. The situation is made worse because 17% of households affected by COVID-19 in Africa will face at least transient poverty, with a reduced probability of being able to get out of this in the next decade. All this will compound the loss of gains that had already been made before COVID-19 in terms of job creation and poverty reduction.

The lockdowns announced in Africa last month will only increase the costs further. OECD (2020) estimates that annual GDP growth will decline by 2 percentage points for each month through lockdown. The central bank in South Africa projects that the 21-day nationwide lockdown could result in a 2.6 percentage points contraction in the country's output growth in 2020.

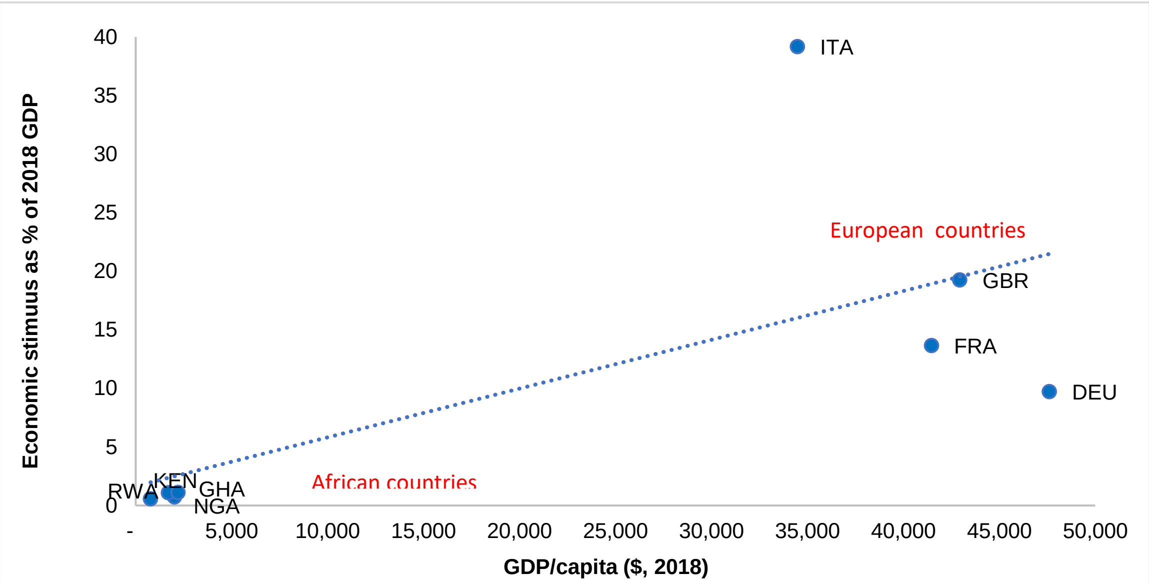
Meanwhile, as well as severe costs now, there are further risks that any recovery will not take hold in Africa, given a very weakened private sector. While global discussions are taking place on the timing and shape of the recovery, in Africa the future outlook is bleak, and will be L-shaped (not V- or even U-shaped) if many private sector firms that normally would lead the recovery are going bankrupt now.

3. African responses so far

Africa has had the same lockdowns as in Europe but there has been limited economic policy response so far. UNECA (2020b) shows that a weak macro-fiscal situation in Africa before COVID-19, including high external debt levels, is already limiting the ability of these countries to put in place a strong economic response.

In 2019, more than half of African countries had fiscal deficits above 3%, and, with rising borrowing costs, fiscal space for strong action is highly compromised. Consequently, the average economic stimulus in the poorer African countries (0.8% on average) is 20 times lower than in Europe (18% of GDP for France, Germany, Italy and the UK).

Figure 1. Stimulus packages as share of GDP by level of income



Source: ODI policy tracker

A few African governments have supported their private sector, protecting firms so they do not need to sell assets and fire workers. Ethiopia has extended credit facilities to strategic sectors, including manufacturing and horticulture, that are being affected by reduced demand for exports. Ghana has put in place a six-month moratorium on principal repayments to entities in the airline and hospitality industries, which have been particularly affected by the crisis (e.g. hotels, restaurants, car rentals, food vendors, taxis and Uber operators). But this is a timid response with too few funds.

4. The international and European response

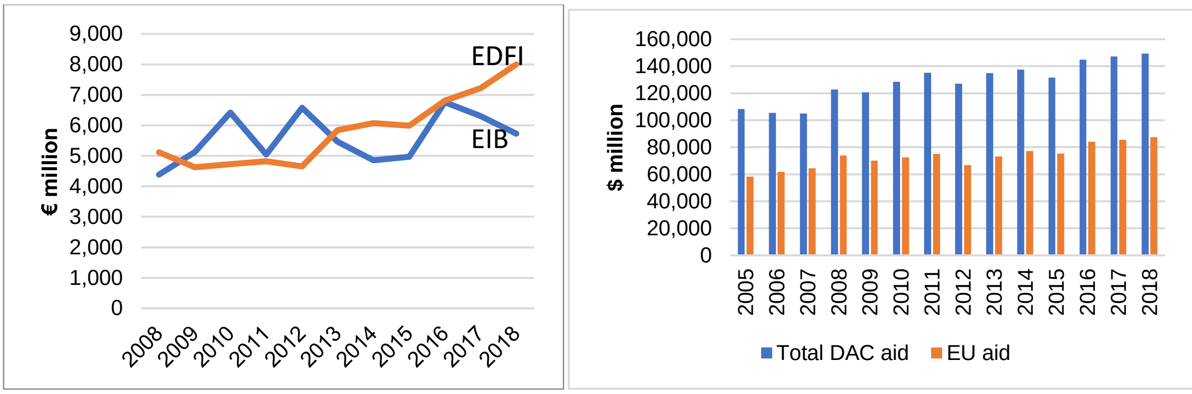
Re-cap on responses to the Global Financial Crisis

During the global financial crisis of 2008–2010, not all flows were countercyclical. Development banks, especially those supporting public sector projects, were indeed countercyclical. Figure 2 shows the EIB was countercyclical in 2009–2010, as were the World Bank and especially AfDB. However, European Development Finance Institutions (EDFIs) were not sufficiently so. Total OECD DAC aid and EU aid were not countercyclical in 2009 and 2010.

Figure 2. OECD aid and European aid and development finance

European development finance new commitments

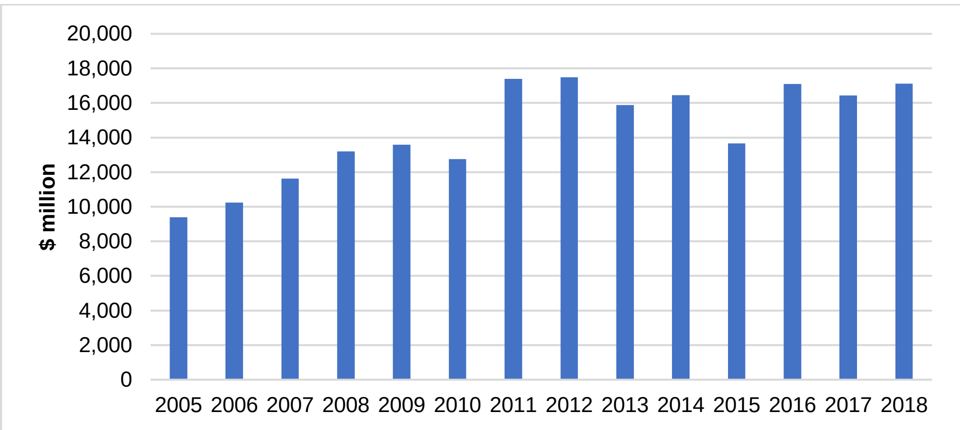
OECD and EU aid



Sources: EIB and EDFI

European Commission aid was countercyclical in 2009 (Figure 3), though combined aid by the Commission and EU member states was not (Figure 2).

Figure 3. European Commission aid



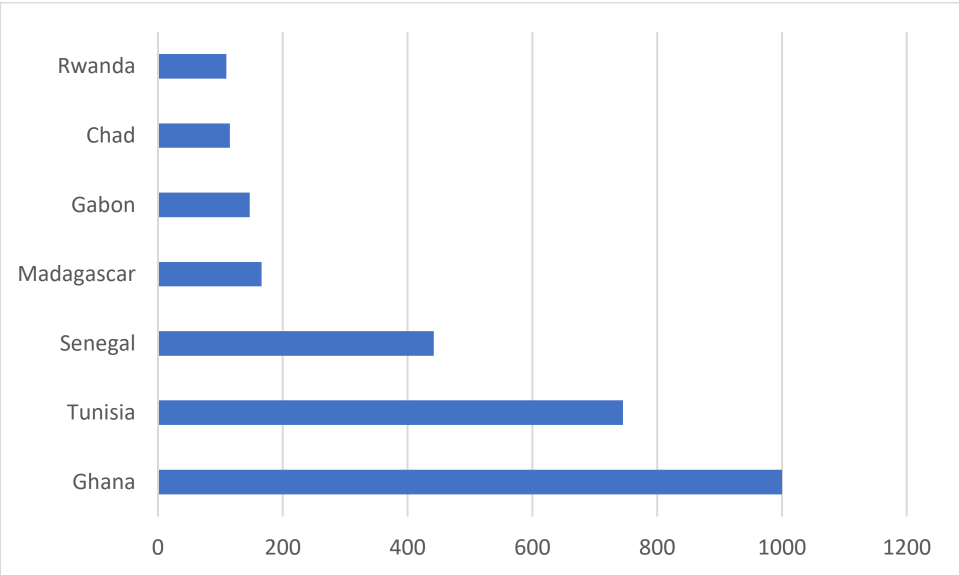
Source: OECD

Current responses

To fight the current coronavirus crisis, the World Bank Group, the IMF, AfDB and bilateral donors are stepping up to address the pandemic and its health implications, and to support cash-strapped governments across the continent. However, more is needed – and with an additional focus. Under the auspices of UNECA and the AU, African leaders have called for $100 billion for immediate health and social safety net needs. Another $100 billion is required as part of an economic stimulus, and part of this needs to go towards saving the African private sector. A temporary debt standstill for two years is proposed to enable the immediate creation of fiscal space to deal with the health emergencies. In order to ensure a solid recovery, back to where the continent was before COVID-19, Africa is also arguing for and supporting a proposal for enhanced access to the IMF Emergency Financing Facility as well as increased Special Drawing Rights allocations.

The IMF has argued it can use $1 trillion to respond to the 90+ countries that have approached it for emergency balance of payments support. The IMF has so far approved $2.7 billion for African governments.

Figure 4. Country allocations by the IMF (by 13 April 2019)



Source: IMF

The World Bank Group will spend $160 billion in the coming 15 months. It has announced $14 billion worth of spending, of which $6 billion from the World Bank and $8 billion from the IFC will go to support the private sector. The World Bank's COVID-19-specific fund has already disbursed $2 billion to 26 countries (as of early April 2020), of which $1.5 has gone to Africa.

The EU announced its global response on 8 April 2020. As recommended by Bilal and te Velde (2020), the European Commission is seeking to mobilise a wide range of its development tools to tackle the pandemic, reallocating, front-loading and fast-tracking its existing aid. Mobilising **over €20 billion** for its global package, the EU will allocate:

- €502 million for **emergency response actions** to address the immediate health crisis and resulting humanitarian needs;
- €2.8 billion to **support research, health and water systems**, to improve hygiene and make health, water and sanitation systems more resilient, as well as to support developing country research capacity to deal with the COVID-19 crisis**;** and
- €12.28 billion to **address the economic and social consequences**, including through budget support, public sector lending and debt relief, as well as some private sector finance.

The EU has adopted a 'Team Europe' approach, in an effort to strengthen its internal coordination, among EU institutions and EU member states, and their financial institutions, notably the EIB and the EBRD.

There will be €3.25 billion for Africa (European Commission, 2020a). It is not clear how much of this will be made available for the private sector. The EIB still needs to announce its response for Africa. We expect it to (i) accelerate disbursements; (ii) reorient eligibility; and (ii) repurpose loans. A COVID-19 Crisis Toolkit may provide €1.35 billion for sub-Saharan Africa. It also includes response initiatives that are for the private sector, including a health preparedness partnership, access to finance for business, economic resilience support and responses for corporates. Loans will be provided with interest rate subsidies. However, the latter is only €1.6 billion for all ACP countries. Also, these are not additional resources, but reallocations.

The EU also aims to actively focus on international cooperation and multilateralism, notably through the G7, the G20 and the UN system.

While the immediate EU global response is encouraging, it faces many challenges. To be truly comprehensive, it still needs to be complemented by multiple other financial, humanitarian and regulatory tools (Jones et al., 2020). The EU approach to Africa, outlined in early March 2020 in the European Communication Towards a Comprehensive Strategy with Africa (European Commission, 2020b), needs to be readjusted to address the new crisis confronting both continents (Laporte, 2020).

AfDB is considering a $10 billion COVID response facility. This would include $5.5 billion for sovereign operations in AfDB countries, and $3.1 billion for sovereign and regional operations for countries under the African Development Fund, the Bank Group's concessional arm that caters to fragile countries. An additional $1.35 billion will be devoted to private sector operations. AfDB has also launched a $3 billion Fight COVID-19 Social Bond.

5. An enhanced role for European DFIs in providing private sector liquidity

While the rationale for private sector support is obvious, and developed countries have included this at the forefront of their economic stimulus packages, developing countries cannot afford them on a sufficient scale, and donor responses have some bias towards public sector intervention while forgetting about private sector-oriented solutions to economic problems. The overview in Section 4 suggests that most interventions, or the most significant part of them, by the IMF, the World Bank, AfDB and the EU have so far been on the public side.

This now needs to change. UNECA (2020b) argues that Africa's private sector needs first and foremost to be supported through the economic stimulus of the respective countries, for example through tax breaks to prevent them firms collapsing and to help them maintain jobs as well as to be able to earn an export revenue in the recovery. Without a way for the African private sector to meet its leasing, debt and other repayments, there may be no companies left to lead the recovery when the COVID-19 pandemic is over. This is a risk and challenge not only for Africa but also for the whole of the global economy.

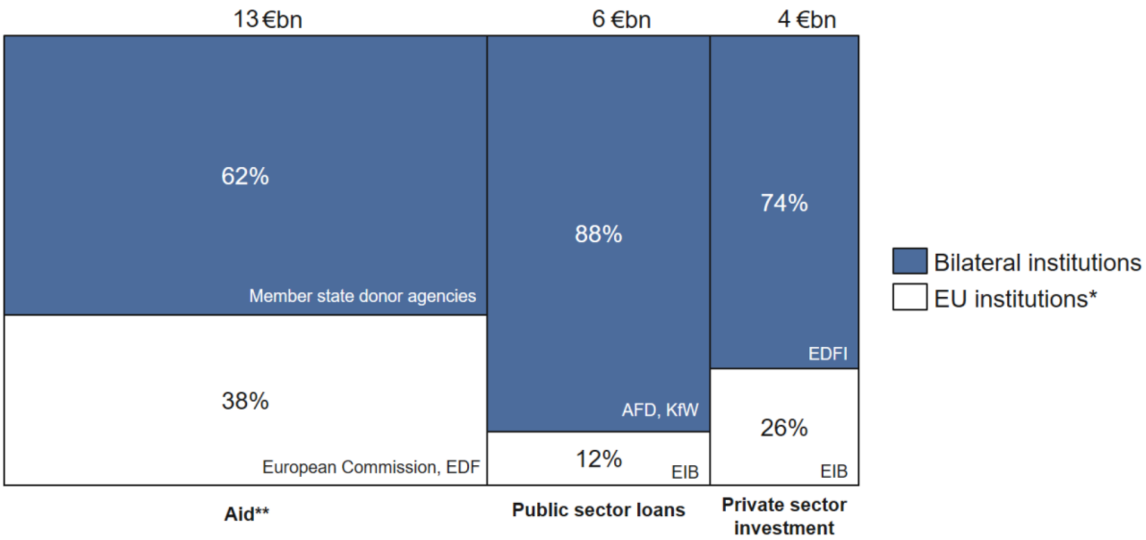
It is therefore crucial to make available liquidity, as well as some long-term funding, and enhanced risk-absorption capacity for the African private sector. Besides saving companies from bankruptcies and preventing job losses, this will protect the African banking sector from the burden of non-performing loans.

While more private sector liquidity generally is the priority, trade finance also needs attention (ICC, 2020), as liquidity constraints will stifle trade flows, as would trade restrictions. Initiatives such as the $3-billion Pandemic Trade Impact Mitigation Facility (PATIMFA), set up by the African Export-Import Bank (Afreximbank) to help African countries deal with the economic and health impacts of the COVID-19 pandemic, could be examined and scaled up where working.

Particular attention should be given to women (UN Women, 2020), as employees and entrepreneurs, in both the formal and the informal economy. Ensuring liquidity access for women will be critical, through dedicated credit lines and guarantees to the banking sector, as well as supporting community-based financing, on which many women rely on (World Bank, 2020).

Multilateral, regional and national DFIs should be mobilised. In Europe, the focus has so far been mainly on larger financial institutions, such as the EIB and the EBRD. But DFIs in EU member states should be more actively mobilised and supported. EDFIs have the ability to channel liquidity to the private sector at great speed, particularly given their strong existing links to some African commercial banks. During the Ebola crisis, for example, CDC and Standard Chartered joined together to support firms. EDFIs have three times more exposure to the private sector in Africa than the EIB (see Figure 5), and they are known to be able to channel liquidity into the African private sector, but they need to be tasked to take more risks now, and to act quickly.

Figure 5. European development finance to sub-Saharan Africa by aim and institutional type, €billion 2018



Source: *Europe in the World*. 2019; Data from OECD DAC statistics, European Commission, EIB, EBRD, EDFI and NDBs

EDFIs are already great supporters of job creation in the poorest economies. Attridge et al. (2019) argue that in 2017 EDFIs collectively supported employed of 2 million people directly and supported 3.4 million jobs indirectly, to a total of 5.4 million jobs. Our rough estimate is that EDFIs employ around 2 million jobs in Africa. EDFIs support many different companies and have excellent links to national banks.

Given the economic damage developing countries and poor people face, Griffith-Jones and te Velde (2020) suggest governments urgently need to work with DFIs to consider these three options.

- **Fast-track response.** DFIs need to fast-track increased finance to support investments even if they are risky. This means temporarily lifting stringent criteria on financial returns. This would protect perfectly good firms from the current recession.
- **Moratorium on repayments for firms in distress.** DFIs should allow severely affected investee companies a holiday in loan (and in extreme cases, interest) repayments for 2020 (similar to mortgage payment holidays, or the Compensatory Credit Loan already used by AFD for some loans to African countries), or link payments to future profits. Postponed payments this year may temporarily reduce the value of the portfolio, but at least today's additional space may keep investors afloat, with a development, and indeed potentially a financial, pay-off for later. A moratorium on a case-by-case basis, rather than a blanket approach, will allow DFIs to direct scarce financing to where it is most urgently needed and to manage clients' use of proceeds other requirements. It may be important to distinguish between principal and interest payments for regulatory purposes. At the same time, regulatory space may be needed for DFIs to allow a variety of options.

- **Bounce Back Better facility**. A new facility would provide loans to transformative firms that support many workers and livelihoods (e.g. garment or flower farm workers). In this context, DFIs should, jointly or separately, set up a recapitalisation facility for otherwise viable distressed firms in need of equity injections to help keep them as going concerns. Such equity injections at distressed valuations have often proven profitable over the longer term. It could also allow credit to retool manufacturing facilities for the public good (e.g. protective gear such as quality face masks or hand sanitiser).

DFI shareholders can take three steps:

- **Redirect part of the 2% (or $100 billion)** (te Velde, 2020) asked for by African finance ministers **(**Songwe, 2020) **of the more than $5 trillion stimulus packages G20 countries have already announced** to help firms beyond G20 countries. This could allow for a moratorium on interest payments and debt repayments and the set-up of a Bounce Back Better facility.
- **Loosen up credit criteria to allow DFIs to take on more risk,** with some potential for, but not certainty of, more financial losses later; however, growth and development pay-offs may actually lead to lower losses, as is the case, for example, for GDP-linked bonds, or indeed equity instruments in general.
- **Increase significantly their contribution, as part of their broader new funding initiatives.** Part of EDFIs' portfolio is at risk, and new investments (around 25% of the portfolio) are also at higher risk. Around a €2–5 billion guarantee fund is needed depending on the duration and depth of the contraction; given the likely large scale of the contraction, the higher amount seems preferable, also as a signalling device. If the situation emerges to be more positive, there would be no need to use the guarantee.
- **A percentage (0.7%) of the support for the domestic private sector should be allocated to support for the private sector** in developing countries including in Africa. DFIs including members of the EDFI network are best placed to be the conduits for this support given their intimate knowledge of and networks in the private sector in these economies.

Greater involvement of EDFIs requires risk exposure capacity, so as to provide short-term liquidity to sound businesses in developing countries that are facing a liquidity shortfall and credit crunch as a result of the COVID-19 crisis and immediate economic slowdown. The COVID-19 crisis generates greater uncertainty that may endanger even otherwise economically sound businesses and investments. The ability of EDFIs to strengthen their engagement in the face of greater risks must be explicitly addressed, by their shareholders. This may require adjustment to their return requirements, or mitigation mechanisms through greater subsidies and access to blended finance, and in particular through guarantee mechanisms.

Such guarantee mechanisms can be provided in the form of direct state guarantees (as in the case of FMO, AFD, KfW). It can also be provided by the EU Guarantee under the European Fund for Sustainable Development (EFSD), for which €1.54 billion has been allocated under the EU budget. The European Commission (2020c) proposes to focus and fast-track the EU global response to COVID-19, including by 'providing guarantees and liquidity provisions to local banks via international financial institutions and European development finance institutions, supported by the European Fund for Sustainable Development', and thereby 'reorienting guarantees from the EFSD towards shorter-term risk-sharing on loans for micro-entrepreneurs and SMEs'. The reorientation considered will focus on existing projects, such as those by FMO, EIB, EBRD, AFD, KfW and CDP – that is, the larger international financial institutions and DFIs. Other proposals agreed under the EFSD but not yet in place, such as those by EDFIs, will be rolled over to the EFSD+ under the next long-term budget of the EU for the period 2021–2027. So, while the EFSD Guarantee can be instrumental in increasing the investment capacity and risk exposure of large European financial institutions, it may not be immediately available to the large number of smaller EDFIs. Mechanisms to mitigate the greater risk exposure of these EDFIs should be considered.

To be effective, the EU should also seek to enhance coordination and synergies among EDFIs, so as to reduce transaction costs and achieve scaling-up effects, avoiding unnecessary fragmentation. The EDFI Association, the European Commission and the EFSD platforms, which bring most DFIs together, could play a useful role in creating such synergies, and facilitate clustering and, when relevant, reciprocal syndication in co-financing.

International and European DFIs should continue and, when appropriate, step up their efforts to work with local public and private financial institutions (Bilal, 2019), which have a better awareness of and better ability to adapt to local conditions and challenges from the COVID-19 crisis. They should encourage local institutions using mechanisms, either existing or new ones, through which funds can be committed and disbursed quickly. The use of existing relationships will be particularly important, given the constraints of undertaking any new due diligence at this stage. In particular, greater synergies should be sought between international and national DFIs (Griffith-Jones and Ocampo, 2018), as also advocated by the International Development Finance Club, for instance.

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