



# Exploring the impact of COVID-19 in Africa: a scenario analysis to 2030

25 June 2020



1

## Approach

Three alternative scenarios (V, U and L) on the impact of COVID-19 in Africa to 2030. Compare impact with a pre-COVID-19 scenario

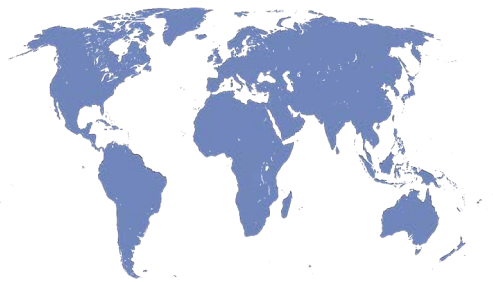
Use the International Futures forecasting platform (IFs).

### Data sources and input:

- Three consultation sessions with 200 content, national and regional experts
- Three small expert working session (growth, health & policy)
- IMF growth forecasts Oct 2019 and April 2020
- Imperial College global impact report (March 2020) for mortality and infection rates
- Additional data collection and desktop research

5

## International Futures (IFs) forecasting platform

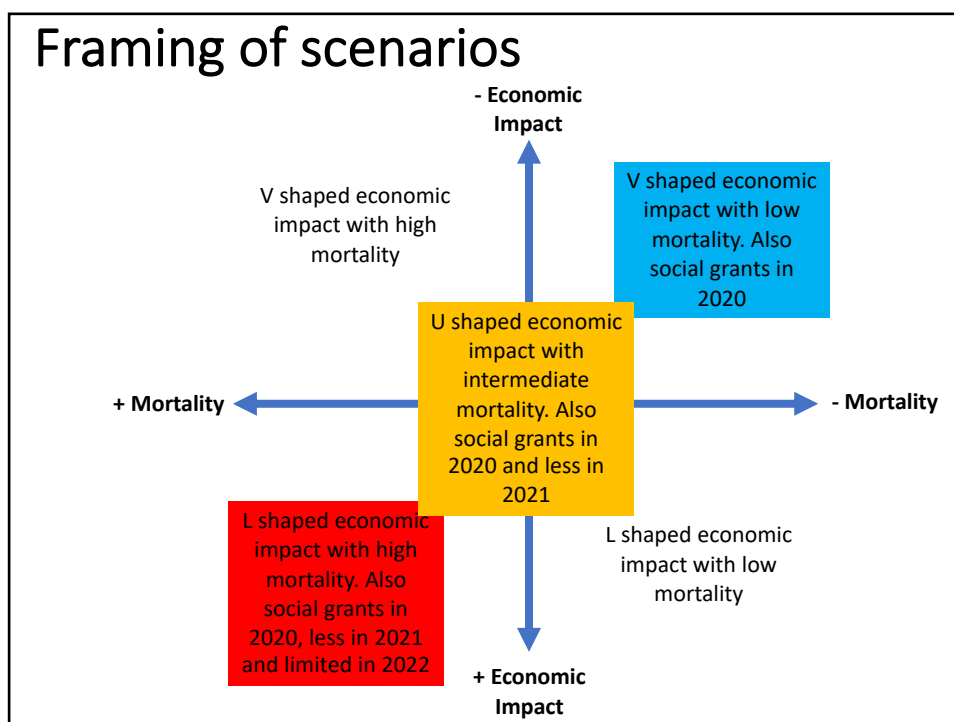


**FREDERICK S. PARDEE CENTER  
FOR INTERNATIONAL FUTURES**  
JOSEF KORBEL SCHOOL OF INTERNATIONAL STUDIES

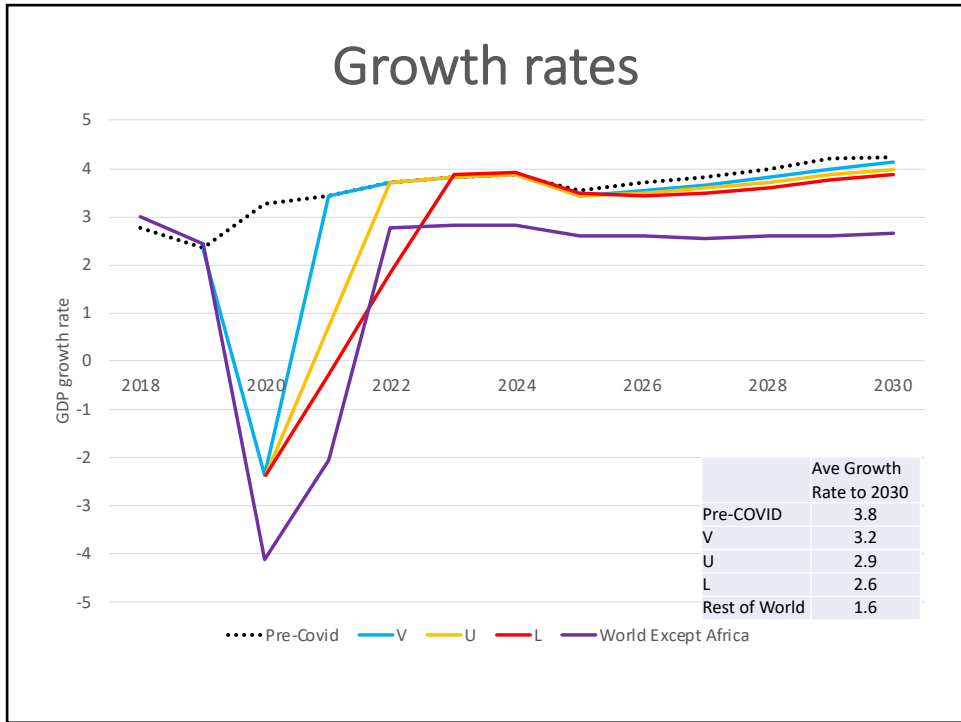
- **Exploring** past trends, and the path we're currently on
- **Understanding** how human, social, and environmental systems interact over time
- **Shaping** the way we think about and address major issues facing human development today

186 countries, forecast 500 variables 1960 to 2100

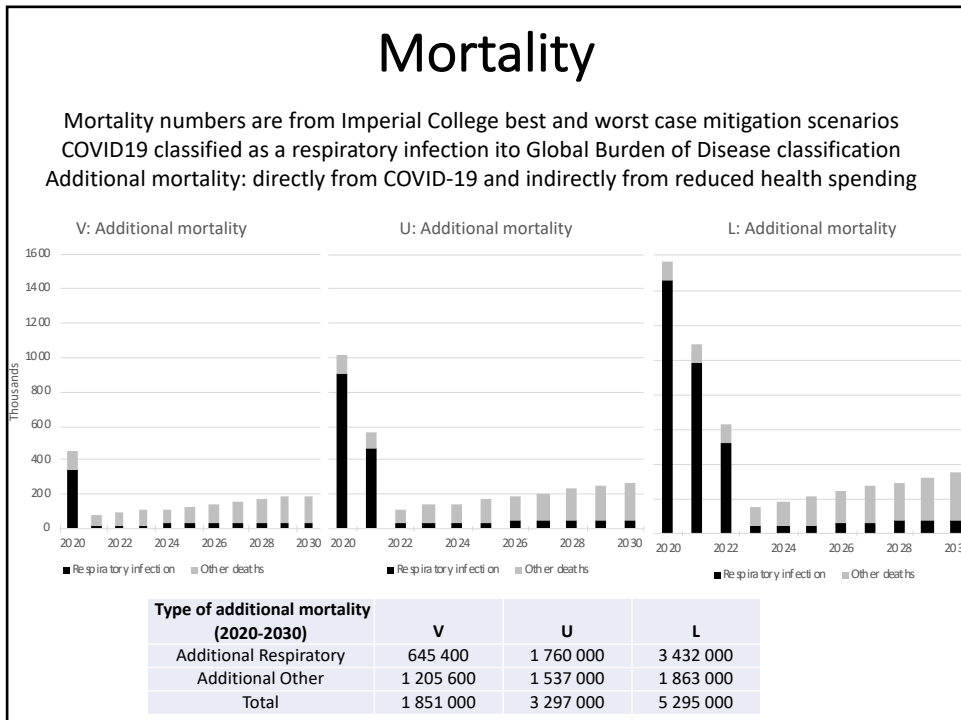
6



8



10



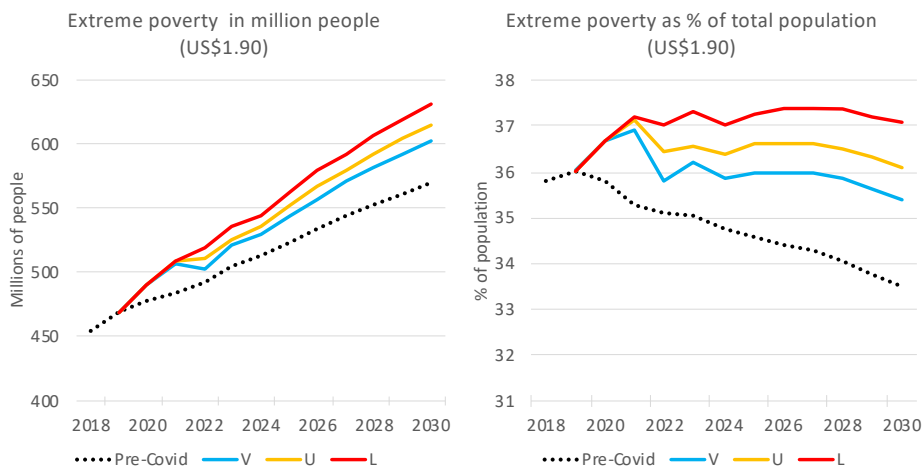
11

## Additional social grants, food aid, etc

- This intervention emulates an estimate of the additional social grants, food parcels, etc to alleviate the impact of COVID-19
- Data for limited countries, average for rest
- Data is applied in 2020 for V and then scaled back in 2021 (U) and 2022 (L).

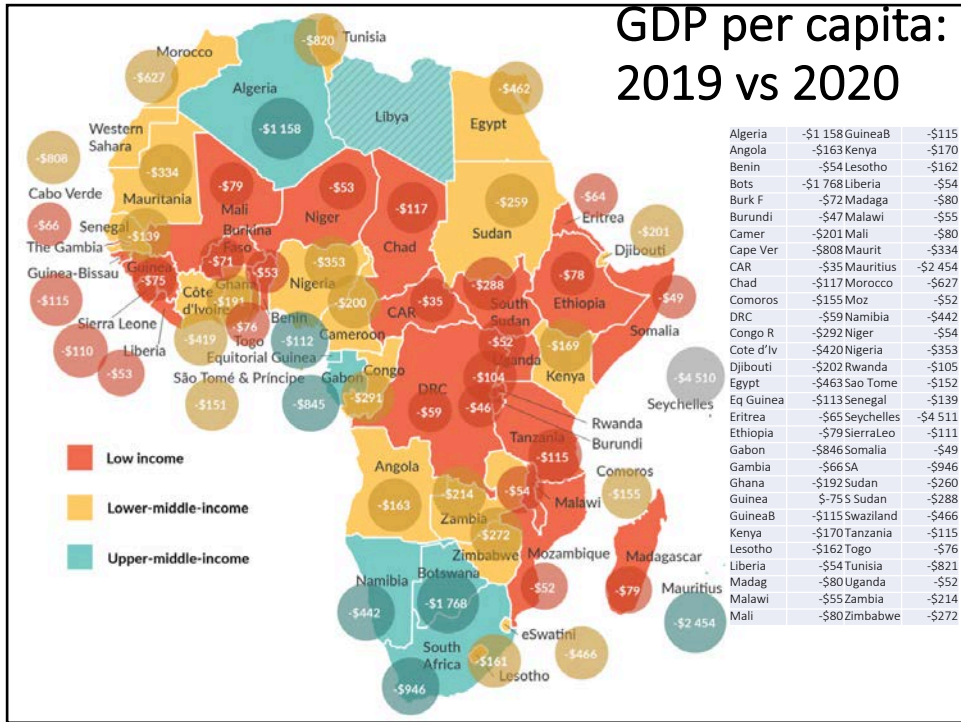
14

## Extreme poverty (US\$1.90)

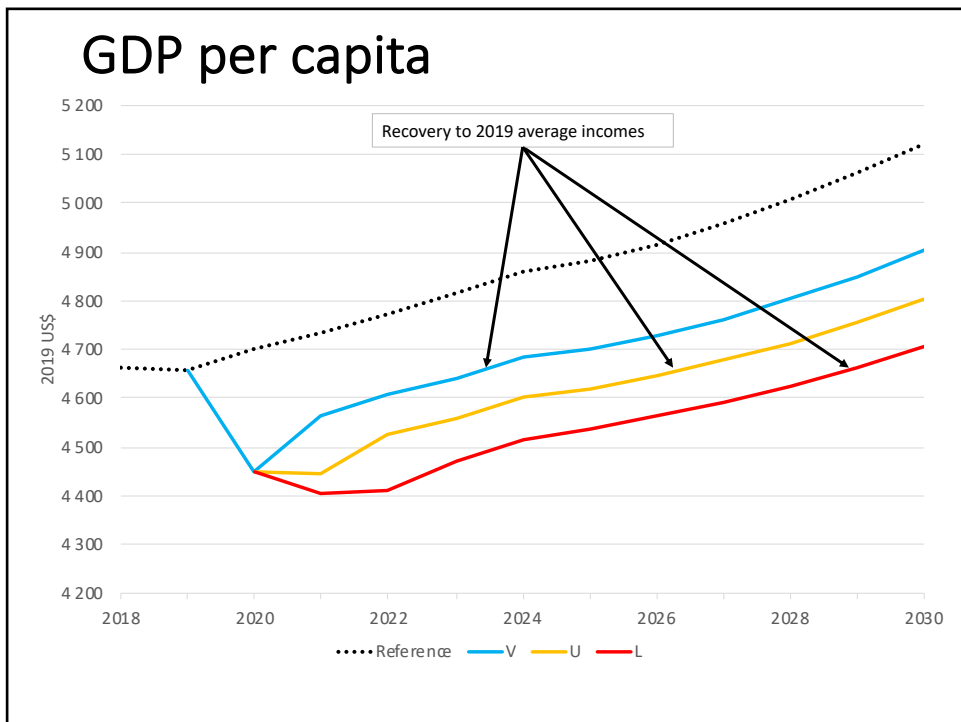


	Pre-Covid	V	U	L
2019	469m/36%	-	-	-
2030	570m/33%	603m/35%	615m/36%	631m/37%

16



17



18

### Summary impact: Comparing 3 scenarios with Reference Scenario

Scenario	Poverty using US\$1.90	Income per capita in 2019 US\$	Direct and indirect deaths from COVID	Difference in economic activity in Bn 2019 US\$
<b>V</b>	In 2020: +12 million In 2025: +21 million In 2030: +33 million	In 2020: -\$252 In 2025: -\$182 In 2030: -\$217	In 2020: 450 000 In 2025: 131 000 In 2030: 191 000	In 2020: -\$158 bn In 2025: -\$191 bn In 2030: -\$261 bn
<b>U</b>	In 2020: +12 million In 2025: +31 million In 2030: +45 million	In 2020: -\$252 In 2025: -\$263 In 2030: -\$318	In 2020: 1 million In 2025: 168 000 In 2030: 265 000	In 2020: -\$158 bn In 2025: -\$275 bn In 2030: -\$380 bn
<b>L</b>	In 2020: +12 million In 2025: +40 million In 2030: +61 million	In 2020: -\$252 In 2025: -\$347 In 2030: -\$415	In 2020: 1.6 million In 2025: 207 000 In 2030: 347 000	In 2020: -\$158 bn In 2025: -\$359 bn In 2030: -\$495 bn

24

## So what?

- Africa seriously affected by a crisis not of its own making
- African governments decision on early lockdown and restrictions appropriate and likely correct
- Beyond emergency measures to fight and mitigate short-term impact, need to build future resilience and improve long-term growth prospects
- Four key policy recommendations

29

## Four key policy recommendations

1. An emerging **debt crisis** that will require a moratorium and likely some debt forgiveness
2. Africa needs to improve and increase **health** spending – 41 African countries have experienced a pandemic in last decade yet Africa spending below average.
3. Poor access to **basic infrastructure**: 40% access to improved sanitation vs 80% in rest of the world. Clean water 78% vs 97%
4. The need for greater efforts towards the **economic transformation** of African economies: food security, leapfrogging and regional trade very important



30

## Next steps



- IMF expected to revise global growth forecasts early in July
- We will thereafter update and issue revised report



31