



UNDP PRESENTATION TO THE

The South African Institute of International Affairs (SAIIA), and The BRICS Policy Centre (BPC),

A heath crisis. A human crisis. A development crisis.











estimated: \$860 billion to \$3.4 trillion (ILO)



are developing countries, LDCs, LLDCs and SIDS



ALL SDGs are affected by COVID-19



+10% OF GLOBAL GDP
Is needed for a coordinated
& comprehensive
multilateral response

COVID-19 challenges in Africa



Sub-Saharan Africa is the last frontier for the spread of COVID-19. But its aftermath will have longstanding consequences for the continent, with huge global implications.

As of 11 May, WHO had reported 63,139 confirmed cases (except Lesotho), 21,932 recovered, and 2,294 deaths. With 3,320 confirmed cases in 24 hours.

If not stemmed, the multidimensional consequences for the continent will be unprecedented.

Chronically weak health Systems

Macro-economic impacts

Reduced GDP Growth

- · Productivity Losses
- · Fall in Growth Projections

Debt Crisis

- Rising External Debt stock
- · Growing Debt Service
- Domestic Debt Increase

Domestic Price Volatility

- Scarcities Fuel Inflation
- Imported Inflation Likely

Weakened Trade

- Falling Demand for Africa's Exports
- Disruption of Critical Imports
- Deteriorating Trade Balance

Increased Unemployment

- Job Losses in Public and Private Sectors
- Disrupted Supply Chains Decimate SMEs
- Knock on Effects in Non-Formal Economy

Implications for countries in fragility and conflict: The Sahel, The Horn of Horn of Africa

Implications for Country Level Politics: Elections in Guinea, Mali, Malawi, Burundi, Ethiopia, Cote d'Ivoire, Tanzania, Seychelles, Ghana, CAR, Niger



Impact on SDG Financing in SSA

- **Economic growth** in sub-Saharan Africa was 3.1% in 2019, but now is projected at **-1.6% in 2020**, the lowest level on record (IMF).
- About \$270 billion loss on exports and imports due to supply chain disruptions and sharp drops in commodity prices and external demand (AU).
- ODA made up 9.2% of the GDP of African LIC, and the current economic condition in donor countries could negatively impact the amount of ODA to countries heavily reliant on it (OECD).
- Africa's FDI worth \$46 billion in 2018 is expected to decrease by at least 15% (UNCTAD)

Impact on SDG Financing in SSA

- The 2019 \$48 billion **remittances** received in SSA will have a **23% decline** (WB).
- Capital outflows from emerging markets have been at record speeds, and outflows of cross-border bond and equity from Africa exceed \$4.2 billion since the end of February this year.
- Revenue collected is projected to be 12% lower than in a scenario without COVID-19.
- Because government spending will remain high in order to combat the effects of COVID-19, Africa's overall fiscal balance is projected to deteriorate substantially, to around 2.7 percentage points of GDP higher than in a non-COVID-19 scenario.

UN System-wide Response





UNDP contributing to WHO
COVID-19 Novel Coronavirus
Strategic Preparedness
Response Plan, in three of its
six strategic objectives.



UNDP contributing to all three Strategic Priorities of the **UN Global Humanitarian Response Plan COVID-19**, with \$120 million of the \$2 billion ask.



UN SG Report - Shared Responsibility, Global Solidarity: Responding to the Socio-economic Impacts of COVID-19, UNDP is co-leading with DCO the Task team on socio-economic impact response.



At **country level**, **UNDP** is working together with **UN Resident Coordinators** and **Country Teams** on an integrated **UN response**, including with **UN Missions** in crisis contexts. We are the designated **technical lead agency for socio-economic response** in the UNCT, under overall RC coordination.

UNDP is supporting country responses to the coronavirus pandemic



By simultaneously helping them to:



Prepare

UNDP will support countries to strengthen their health systems, including by helping them procure much-needed medical supplies, use digital technologies and ensure health workers are paid.

Respond

UNDP will support a whole-of-government and whole-of-society response by working across key sectors to slow the spread of the virus and to provide protection for vulnerable populations.

Recover

UNDP will support countries to assess the social and economic impacts of COVID-19 and undertake urgent recovery measures, especially for poor and marginalized groups.

UNDP's Offer



AN INTEGRATED APPROACH

3 Immediate priorities to help countries PREPARE, RESPOND, RECOVER



Health Systems Support

UNDP is supporting countries strengthen their health systems and infrastructure, including procuring medical supplies, manage health waste, and ensure salary payments to health workers.



Inclusive and Integrated Crisis Management and Response

UNDP is helping countries in integrated crisis management by supporting governments to maintain core functions, and to plan, coordinate, communicate and finance their responses.

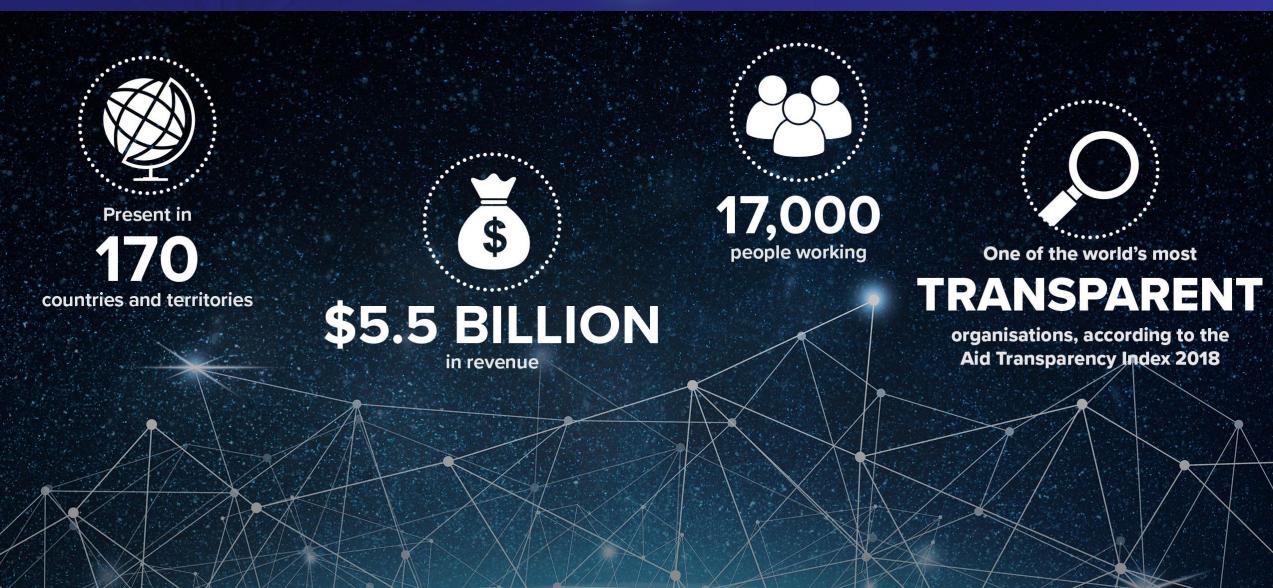


Social and Economic Impact Needs Assessment and Response

UNDP is helping countries assess and understand the impacts of COVID-19 - the social, economic and political impacts of the crisis - and find ways to mitigate them and help countries recover better.

UNDP: Global Capacity to Respond to COVID-19





UNDP National Offer



	Offer Phases	Sample Interventions	Key Guiding Principles	
1.	Preparedness and Readiness through building resilient health systems	 Health Systems procurement Outreach and sensitization Integrating resilience into the SDG plans 	 Leave no one behind (LNOB) Gender, women and youth- sensitive response and recovery 	
2.	Response: SURGE inclusive, integrated crisis management & multisectoral responses	 Flattening the curve Relief and social protection for people Stimulus for businesses 	Building back better and greener	
3.	Recovery: Post-surge - support countries to address the socio-economic impacts of COVID-19	 Building back better on preparedness and response systems for future crises Socio-economic impact assessments and recovery planning 	 Identifying and replicating best practices Strengthening the capacity of governance systems and institutions 	

TOTAL RESOURCES REQUIRED FOR UNDP'S COVID-19 RESPONSE: US\$ 325 million

Some Regional responses



- **AU CDC:** Surveillance; cross border screening; liaison with WHO;
- **EAC issued directives:** establish National COVID-19 Task Forces; facilitation free movement of goods and services within the region.
- ECOWAS daily assessments of cases to enhance regional coordination,
- SADC measures focused on disaster risk management; mitigation of its socioeconomic impact; pooled procurement of pharmaceutical and medical supplies; guidelines on cross-border transport.
- IGAD measures include establishing an IGAD Health Emergency Fund; supporting regional rapid response teams; strengthening national response system in health infrastructure, medical supplies, services, and facilitation of diagnostics.



Regional coordination is Key

COVID-19 has highlighted the need for better regional coordination and cooperation.

- Notable progress in regional coordination through the lead role of Africa CDC has played in internally coordinating the AU response to COVID-19 to support Member States.
- However, there is room for improvement coordination across sub-regional bodies and institutions - (IGAD, EAC, ECOWAS, SADAC in their response to COVID-19.

UNDP Regional Offer and Alignment



Alignment

- ☐ Regional Initiatives on Preparedness, Response and Recovery to COVID-19
- ☐ The AU Centre for Disease Control (CDC)
 Response Plan, Mandate and Scope
- ☐ Cross-border initiatives

UNDP Five [5] + 1 Priorities

Regional Offer	Budget Estimates
1. Regional coordination and building of synergies	150,000
2. Strengthening the health and pandemic dimensions of socio-economic, governance and political impact assessments	500,000
3. Regional knowledge sharing and learning	100,000
4. Regional communications and sensitization campaigns	300,000
5. Managing cross-border implications for COVID-19 preparedness, response and recovery	50,000
6. Cross-cutting themes of specific gender and youth empowerment approach to ensure inclusiveness of gender and youth considerations	100,000
Total	1,200,000

NB: Detailed Activities per Pillar are detailed in the Concept Note

SDG financing – UNDP Response



UNDP Finance Sector Hub in Africa has adapted its different SDG financing programmes and tools to support for fiscal and financial related measures through:

- 1. Support establishing Integrated National Financing Frameworks as part of digital finance mechanisms; and integrating risk into financing
- 2. SDG Budgeting support supporting budget reallocating processes and promoting transparency and accountability
- 3. Strengthening the use of tax and fiscal instruments promoting pro-equity fiscal systems that leave no one behind and enlarge the fiscal base
- **4. Mobilizing debt for COVID-19 response and recovery towards SDG achievement** (advocating for Debt For Nature Swaps mechanisms on blue and green COVID stimulus response)
- 5. Supporting the MSME and informal economy responses through targeted financial interventions



SDGs financing – UN Response

Two Concrete UNDP offers:

- The establishment of an *Integrated COVID19 & SDG Country Financing Dashboard*, as the unified platform anchored in national governments that will consolidate data on the different financing flows tax and non-tax revenues, bilateral grants, vertical funds, IFI and DFI related loans, domestic investment, FDI, and remittances.
- The roll-out of the *SDG Investor Map Rapid Assessment* to identify intersections between emerging needs and new opportunities to derive Investment Opportunity Areas and viable business models that join SDG- and COVID-19 response needs with actionable and profitable investment solutions.

Lessons so far



Lessons from Governments on early response

- 1. Early containment measures are critical
- 2. Need for well-coordinated, whole-of-government crisis management response
- 3. Well-funded stimulus packages to cushion impacts, especially on the poor and vulnerable
- 4. Business and service delivery continuity are vital Internet connectivity and other forms of communication are a question of life and death in a pandemic, not an optional extra to turn on and off based on the government's political mood of the day.



For UNDP

- 1. The resilience of our operational systems and business continuity is invaluable
- 2. Rapid introduction of even more accelerated, agile and streamlined procedures
- 3. Integration of the COVID response into our ongoing programs, and reprogramming where possible to enable an effective early response
- 4. Demonstrated commitment and capacity of our staff, who are ensuring UNDP's effective operations amidst this global crisis