PROTECTING AND PRESERVING AFRICA’S HUMAN CAPITAL IN THE FACE OF COVID-19

UPDATE TO THE AFRICA HUMAN CAPITAL PLAN
PURPOSE AND OUTLINE

To support decision making around the policy and operational responses to COVID-19, this slide deck outlines:

- The adverse impacts of COVID-19 on human capital in Africa
- A framework for recommended actions derived from the Africa Human Capital Plan
- How the World Bank will support this agenda
1. COVID-19 IMPACTS ON HUMAN CAPITAL IN AFRICA
COVID-19 IMPACTS ON HUMAN CAPITAL

HEALTH AND NUTRITION

Increase in overall mortality and morbidity:
- Loss of lives related to the virus: As of May 22, a total of 66,648 confirmed COVID-19 cases with 1,568 deaths (case fatality ratio 2.35%) have been reported across the 47 affected countries in Africa.
- Limited access to and availability of basic healthcare and essential services increases the risk of health deterioration related to other conditions
- Mental health: pandemics cause stress, anxiety and fear

Increasing risk of food security crisis:
- COVID-19 comes on the heels of already existing major food security threats (widespread diseases and pest pressures)
- Mobility restrictions, border closures, supply chain disruptions, and loss of income increase the risk of a major food security crisis across Africa. The Spring 2020 Africa Pulse projects that agricultural production is likely to contract by 2.6% to 7%.

SURVIVAL TO AGE 5

Potential increase in child mortality and morbidity because of hunger and other preventable diseases (malaria, cholera, measles):
- Health systems under strain lead to disruptions in children’s access to basic healthcare services including childhood vaccinations.
- Income loss and disruption of food supply chains increase risk of malnutrition

EDUCATION

School closures lead to education loss and learning disruptions:
- As of 05 May 2020, around 99% of learners in Africa (253M) live in countries affected by school closures
- Learning inequality will increase as rich families cope better
- School closures increase risk of school dropouts especially for the most disadvantaged and girls
- Learning poverty will increase

LESS SPENDING ON HUMAN CAPITAL

Labor and non-labor income loss:
- Decline in international (and domestic) remittances (expected drop of 23.1%)
- Direct lost of earnings because of illness or the need to take care of sick household members
- Decline in income of self-employed, due to reduction of economic activity

Macro-economic impact reduces ability of governments to invest in human capital because of:
- Reduced fiscal revenues
- Increased spending to manage the crisis
COVID-19’S IMPACTS ARE BUFFERED BY SOME FACTORS AND MAGNIFIED BY OTHERS

<table>
<thead>
<tr>
<th>AGE STRUCTURE AND POPULATION</th>
<th>WEAK HEALTH SYSTEM</th>
<th>MICRO-ECONOMIC AND SOCIAL VULNERABILITIES</th>
<th>WEAK INSTITUTIONS AND POOR INFRASTRUCTURE</th>
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</thead>
<tbody>
<tr>
<td>Africa’s young population may reduce the burden:</td>
<td>Limited healthcare capacity and shortage of treatment facilities offset the benefits of a younger population:</td>
<td>Highly informal economies with many small and micro businesses (80% of the continent’s employment</td>
<td>Limited fiscal capacity and underdeveloped financial markets</td>
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<td>• A teenager is more than 500 times less likely to die than a person over 70</td>
<td>• Fewer than 5 hospital beds per 10,000 people (vs. 34 per 10,000 people in Italy)</td>
<td>• Increased vulnerability to job or income loss</td>
<td>• Gives African governments limited scope for stimulus packages</td>
</tr>
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<td>• In Africa, around 2 percent of the population is over 70</td>
<td>• Fewer than 2 medical doctors per 10,000 people (vs. 41 per 10,000 people in Italy)</td>
<td>High prevalence of infectious and chronic diseases:</td>
<td>• Limits the efficiency of traditional monetary policy response</td>
</tr>
<tr>
<td>• COVID-19 mortality rate in Africa is projected to be less than a 25% of that in high-income countries (link)</td>
<td>• About 5 ICU beds per one million person vs. 4,000 ICU beds in Europe</td>
<td>• The COVID fatality rate is 5 times higher for individuals with certain co-morbidities</td>
<td>Poor access to safe water and sanitation and lack of connectivity</td>
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<tr>
<td></td>
<td>• Limited medical and oxygen supplies</td>
<td>Low coverage of social safety nets:</td>
<td>• Less than 10% of the population have access to handwashing stations in most African countries</td>
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<tr>
<td>Africa’s high population densities:</td>
<td>No UHC and low health insurance limit the ability to handle the crisis</td>
<td>• Limits the efficiency of containment measures (social distancing)</td>
<td>• Health care facilities have limited access to basic water services (51%), basic sanitation (23%), and basic health waste management (40%)</td>
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<td>• Contribute to rapid and broader spread of infection which accelerates transmission</td>
<td></td>
<td>• Limits expansion of coverage and benefit levels</td>
<td>• On average, less than 1 in 5 Africans have access to the internet: limits the effectiveness of remote learning systems</td>
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2. THE COVID-19 RESPONSE THROUGH A HUMAN CAPITAL LENS
COVID-19 THROUGH A HUMAN CAPITAL LENS

Protecting Health vs the economy is a false dichotomy
Economies need healthy people for productivity. People need healthy economies to invest in their health.

Investing in human capital is a smart insurance against future crises
Countries with strong health systems and social safety nets are less vulnerable to the impacts of health and economic crises.

Investing in human capital is needed for a sustainable recovery
Strong human capital is needed for diversified economies and sustainable growth.

The crisis calls for a multi-sectoral and multi-actor approach
Both are at the core of the Africa Human capital plan.

Click [here](#) for link to WBG policy response note
COVID-19 CALLS FOR A MULTI-SECTORAL AND MULTI-ACTOR RESPONSE

Work with leaders, communities, media and the private sector:
• To serve hard-to-reach groups
• To build trust and foster partnerships for local solutions
• To strengthen and monitor response effectiveness

<table>
<thead>
<tr>
<th>Sector</th>
<th>Description</th>
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<tbody>
<tr>
<td>Health, Nutrition and Population</td>
<td>Prevention, detection, patient care, strengthen systems</td>
</tr>
<tr>
<td>Agriculture and Food Systems</td>
<td>Reduce food supply disruption, address food affordability issues, prevent disease transmission between animals and people</td>
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<tr>
<td>Water and Sanitation</td>
<td>Handwashing and hygiene</td>
</tr>
<tr>
<td>Social Protection and Jobs</td>
<td>Mitigate effects of medical costs and loss of income</td>
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<tr>
<td>Education</td>
<td>Sustaining learning, preventing drop-outs and ensuring students' wellbeing</td>
</tr>
<tr>
<td>Digital Development and Infrastructure</td>
<td>Increase connectivity and access to reliable electricity, including for the health sector</td>
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#InvestInPeople
Africa Human Capital Plan
African Human Capital Plan Game Changers: COVID-19 and HC Financing

The crisis underscores that financing for human capital has been inadequate in many countries:

• Countries with yearlong underinvestment in public health systems, and also in water and sanitation, have the weakest defense against the virus.
• Countries with underfinanced social safety nets have limited buffers to shield populations against the economic crisis.

The crisis further challenges the availability and effectiveness of human capital spending:

• Limited fiscal space is constrained further because of reduced revenues and increased expenditure to manage the crisis.
• Limited capacity for social service delivery is challenged further by physical distancing measures, lockdowns, and disrupted supply chains.

More and better human capital financing is needed for relief, recovery and resilience:

• The crisis is an opportunity to reprioritize public budgets.
• Donor support will be needed to revisit existing portfolios, access new concessional financing and seek a debt service standstill.

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Africa Human Capital Plan
AFR HUMAN CAPITAL PLAN GAME CHANGERS: COVID-19 AND POLICY REFORMS

The crisis invites governments to pursue priority policy reforms to safeguard and build human capital

Health
- Improved (health and climate) crisis prevention and management plans, including via support to regional organizations
  - GBV response protocols
- Enhanced training, recruitment, and retention of qualified health care personnel

Social Protection and Jobs
- Expansion of social safety net programs
- Design of crisis responsive safety net programs
- Support for recovery of livelihoods and labor market re-integration via productive inclusion programs (e.g. access to credit, training) with gender smart design

Education
- Build systems for distance learning with a focus on inclusion
- Take advantage of the opportunity to increase education management systems and build institutional capacity.
- Change regulations to allow edtech solutions

Food Security and Nutrition
- Adopt better food safety measures to reduce animal-to-human transmission
- Make food supply chains more flexible to ensure availability, and affordability of nutritious foods.

WASH
- Secure and extend water and sanitation service provision for communities, health care facilities, and schools.
- Communication and behavior change campaigns on hygiene and other safe WASH behaviors

Cross-cutting:
- Fiscal reform and expenditure reprioritization to free up space for human capital spending
- Strong governance and effective communication to support crisis management, trust and stability

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AFR HUMAN CAPITAL PLAN GAME CHANGERS: COVID-19 AND WOMEN’S EMPOWERMENT

Crises magnify existing inequalities and vulnerabilities, impacting the 4 E’s to promote women’s agency

Empower
- Mobility restrictions and economic stress and isolation can increase gender-based violence.
- Women and girls are at higher risk of engaging in transactional sex in exchange for food, transport, cash or medicines.

Educate
- Loss of income and risk of adolescent pregnancy (during the Ebola crisis) put girls at higher risk of not returning to school following school closures.

Enhance Health Services
- Overwhelmed health systems and interrupted supply chains can cause disruptions in the provision of sexual and reproductive health care.
- Loss of doctors and nurses (during the Ebola crisis) increases the risk of maternal mortality

Employ
- More women have informal jobs and are at higher risk of income loss.
- More healthcare providers at risk are women.

Protecting women’s empowerment for relief, recovery and resilience
- Promote female participation in decision making around preparedness and response.
- Make prevention and redress of gender based violence a key part of pandemic response plans.
- Maintain routine sexual and reproductive health care and essential services, including for family planning, as health systems and supply chains come under strain.
- Preserve girls’ education via inclusive, flexible and low-tech methods of distance learning and community sensitization and efforts to help vulnerable groups, including pregnant girls and young mothers, return when schools re-open.
- Provide cash transfers or other incentives to keep girls enrolled once schools reopen.
- Provide cash/credit and skills to help female entrepreneurs recover
AFR HUMAN CAPITAL PLAN GAME CHANGERS: COVID-19 IN FCV CONTEXTS

FCV-affected populations are especially vulnerable to outbreaks of disease

- War or prolonged unrest have left national health systems profoundly ill-prepared for COVID-19.
- Insufficient hygiene and sanitation facilities resulting from prolonged conflict create conditions conducive to the spread of disease
- Social distancing is physically impossible in many displacement camps and in the crowded urban contexts in which many forcibly displaced people live
- Populations with little trust in political leaders are less likely to follow public health directives

Protect the poor and most vulnerable to support relief, recovery, and resilience

- Improve services and social cohesion by engaging citizens to oversee service delivery and creating mechanisms to reinforce their participation.
- Assistance to address the pandemic must reach all vulnerable populations, including refugees and their host communities, asylum seekers, and the internally displaced.
- Prioritize hygiene and other WASH-related interventions and focus on decongestion and isolation and quarantine capacities in institutions, camps or camp like settings and crowded urban areas.
- Prevent the emergence of new conflict through behavioral interventions

The COVID-19 emergency can potentially drive new conflict or exacerbate existing humanitarian crisis

- The global outbreak has the potential to wreak havoc in fragile states, trigger widespread unrest and severely affect international crisis management systems.
- The disease disrupts humanitarian aid flows, limits peace operations and postpones or distracts conflict parties from nascent as well as ongoing efforts at diplomacy

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Digital technologies are demonstrated game-changers in crises

During lockdowns, digital technologies are extremely important to:

• Support the health response through telemedicine and clear communication on behavioral protocols
• Ensure that families members can stay in touch
• Provide more effective operation of social safety net programs via mobile payments and sustain education efforts through education apps and virtual classes
• Provide access to educational services
• Monitor disease spread and containment protocols

Maintain and expand digital connectivity to support relief, recovery, and resilience

• Increase bandwidth, manage congestion to avert internet breakdowns, and ensure that frontline government workers and public service providers stay connected
• Foster immediate expansion of access and price reductions
• Support basic social service delivery by leveraging mobile network data and digital applications to support health and education systems
• Enable digital direct cash payments to facilitate rapid expansion of cash transfers.
• Use digital technologies such as GEMS to implement real-time tracking of delivery of medical equipment and other services.
3. THE WORLD BANK’S RESPONSE
THE WB’S RESPONSE TO COVID-19 IN AFRICA

In response to the crisis and in coordination with development partners, the World Bank Group has announced a fast-tracked financial support package of $14 billion, along with policy and technical advice, to assist countries worldwide with preparedness, response, and recovery. As of April 2020, the WBG has also made available $160bn in overall resources to respond to the crisis over the next 15 months, of which $50 will be for sub-Saharan Africa.

Phase 1: Emergency health response

Pillar 1: Containing the pandemic and protecting health

The emergency health response already underway supports countries in the prevention, detection, and treatment of the disease, with WB financing in the Africa region expected to reach nearly $1 billion.

Phase 2: Emergency social and economic response

Pillar 2: Protecting livelihoods

- Strengthening social safety nets to provide immediate relief
- Maintaining critical public services (education, health, electricity, water)
- Protecting food security
- Protecting jobs and MSMEs

Pillar 3: Protecting the future

Additional investment will be made in recovery, resilience, and sustainable growth to create the foundations for the future, with improved and increased human capital investments as one of the key priorities.

https://www.worldbank.org/covid19