

COVID-19 IMPACT IN EAST AFRICA

—
Fortnightly Briefing
Week Commencing 3rd August



*Image: Woman making protective face masks for the residents of Mathare in Nairobi, Kenya
Credit: Julius Mwelu for UN-Habitat*

COVID-19 IMPACT & RESPONSE
FORTNIGHTLY BRIEFING
WEEK COMMENCING – 3 AUGUST 2020

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SUMMARY

<i>The macroeconomic impact</i>	Africa is nearing 1M cases of COVID-19. According to the UN, the number of hungry people worldwide is expected to increase by 82M-132M this year – with some 3.2M refugees in East Africa already receiving reduced rations. As international flights resume in Kenya, the Central Bank believes an economic recovery will start this month, sustained by a revival of remittances, the strong performance of agricultural exports, a rise in tourism bookings and a bumper crop of maize. The food security situation in Kenya improved in July, owing to the management of the locust outbreak, the long rain harvest and increased livestock production. The government – however – looks set to be short on resources, with the Kenya Revenue Authority reporting the COVID-19-related tax cuts are costing the public purse KSh 1B a day. In Tanzania, the Monetary Policy Committee observed the economy is performing “satisfactorily”, owing to output growth in construction, agriculture, transport and mining and strong export earnings from gold. Rwanda continues to receive international recognition for its management of COVID-19. In Uganda, the COVID-19-induced switch from cash to e-commerce appears set to stay and the country recorded its highest yearly export earnings from coffee.
<i>The sector impact</i>	Interest groups in the US, Europe and Kenya are pressuring the government in Kenya to scrap its COVID-19-related ban on the importation of second-hand clothing. In a bid to promote local value addition, Uganda has introduced a new import duty on textiles that reflects a 1000% increase. In worrying news for Kenya’s forestry sector, the country’s construction industry continues to falter, with contractors and suppliers complaining of a lack of access to finance. The downscaled Hajj in Saudi Arabia this year – which usually hosts millions of pilgrims – has left Kenya with thousands of unsold livestock which may now be sold at cut prices on the domestic market. The Kenya Revenue Authority have officially warned drinking water vendors, alleging a high number of firms have not been collecting or remitting excise duty
<i>The donor response</i>	UK’s DFID has officially announced a budget cut this year of £2.9B. The African Development Bank has loaned Rwanda \$98M to strengthen its budget this year – and USAID has donated 100 ventilators to the country. Projecting more borrowing requests, the IMF has raised its annual loan limit for low-income countries. The World Bank transferred \$50M to Kenya’s Equity Bank, with the condition the money is loaned to the country’s struggling SMEs. In light of COVID-19, the IKEA Foundation has pledged \$3.5M to support the FAO’s work with refugees in Kenya and Uganda.

I. THE MACROECONOMIC IMPACT

I.1. AFRICA

GROWTH & JOBS

- According to [All Africa](#), COVID-19 may stall Africa’s economic transition from agriculture to services. The tourism industry has been particularly affected by the pandemic.

TRADE

- The [WTO](#) estimates a year-on-year drop in world trade of c. 18% in Q2 2020

PUBLIC HEALTH

- COVID-19 is spreading in Africa, with the continent nearing [1M cases](#) and surpassing 20K deaths (as at 04.08.2020)
- Africa is experiencing a low COVID-19 mortality rate. According to Canada’s [Globe and Mail](#), this may reflect proactive lockdowns, the preparation of appropriate treatments, a lack of systems to accurately assess mortality and / or low rates of obesity and diabetes (which has a high correlation with mortality from COVID-19).
- According to the [Central African Republic’s Health Minister](#), there is an “inequality crisis” in terms of testing access, with Africa scrambling to compete with other world regions. This is making the outbreak difficult to assess on the continent.

FOOD SECURITY

- According to the [UN’s](#) State of Food Security and Nutrition Report, the world is not on track to meet the SDG goal of zero hunger by 2030. Instead, the number of hungry people has increased by 60M in the last 5 years and is projected to increase by between 83M-132M in 2020.
- The latest analysis from [Ceres 2030](#) finds that \$10B is urgently needed this year to prevent millions of more people from becoming food insecure as a result of COVID-19. \$5B of this must come from donor governments as aid, with the rest provided by developing countries themselves.
- Owing to aid disruption and rising food prices, [3.2M refugees across East Africa](#) are already receiving reduced rations – including in Kenya and Tanzania

- According to [Action Against Hunger](#), crop production in East Africa is likely to fall below average, leading to more severe food insecurity. As revenues fall, government support for agricultural production is expected to decline.

MULTILATERAL COOPERATION

- According to an article in the [Washington Post](#), COVID-19 has inspired increased multilateral cooperation within Africa. The Africa CDC is leading a coordinated regional response to the crisis.
- However, according to a blog in [Lawfare](#), there has been a lack of coordination between Africa and external partners. This could be improved - the authors argue – via the adoption of the “Quad” model, pioneered by the US, Japan, Australia and India in response to the Boxing Day Tsunami in 2004.

1.2. EAST AFRICAN COMMUNITY (EAC)

TRADE

- According to the [Chairwoman of the Busia Cross-Border Cooperative](#), 7K+ informal traders – most of whom are women - have been affected by the restrictions on cross-border trade between Kenya and Uganda.
- An article in [eKenyan](#) claims the COVID-19-related trade dispute between Kenya and Tanzania in May helps “put in perspective the enormous challenges awaiting African states in their attempt to eliminate trade barriers under the African Continental Free Trade Area.”
- The [East African Business Council](#) is calling for a coordinated and COVID-19-secure approach to the resumption of regional air travel – to help boost the ailing tourism and hospitality sectors in East Africa

1.3. KENYA

GROWTH & JOBS

- According to the [Central Bank of Kenya](#), the country’s economic recovery is expected to begin in August. This is due to a revival of remittances, the strong performance of agricultural exports, an increase in forward booking for tourism and a bumper crop of maize.
- A study by the [Kenya Institute for Public Policy Research](#) indicates a second wave of COVID-19 and a second lockdown would lead to worse job losses than the first lockdown. While the first lockdown led to an 11.8% decrease in employment (vs. pre-COVID-19), a second lockdown would see employment fall a further 19.1%.
- While earnings from [coffee, horticulture and tea](#) have withstood some of the initial COVID-19 shocks, different forecasts now indicate that the worst is yet to come, with demand and the price of commodities set to substantially decline.

TRADE

- [The International Organisation for Migration](#) is providing COVID-19 tests to thousands of truck drivers on Kenya’s border with Uganda (in Malaba and Busia) – to help reopen trade
- The ongoing trade talks between [Kenya and the US](#) have been put on hold amidst concern negotiators may have been exposed to COVID-19

PUBLIC FINANCES

- According to the [Central Bank of Kenya](#), public debt increased by c. KSh 213B in May owing to new loans extended to the government as part of its COVID-19 response. The total debt now stands at KSh 6.6T. Unsurprisingly, the [Ministry of Health](#) has received additional funds, with its budget increasing from KSh 73B (last year) to KSh 83B (this year).
- The [Treasury](#) has reported the COVID-19-related tax cuts have cost the Kenya Revenue Authority nearly KSh 1B every day from April through June. The tax haul is down 20% year-on-year.

FOREIGN EXCHANGE

- The shilling dropped to an all-time low of KSh 107.9 to \$1, due to the high demand for dollars among energy firms and merchandise importers. In response, the [Central Bank of Kenya](#) began selling dollars to support the shilling.

PUBLIC HEALTH

- The [Kenya Medical Practitioners and Dentists Union](#) has threatened strike action if the government does not recruit 1K+ doctors, as recommended by the national COVID-19 committee
- The [WHO Country Representative](#) has sent a letter to the Health Cabinet Secretary highlighting 12 potential hazards in the country which could lead to a health crisis: wearing of masks, public gatherings, public spaces, healthcare workers, public transport, testing and funding in counties, community engagement, contact tracing, isolation, reporting and surveillance.

FOOD SECURITY

- The [FAO](#) is reporting “significant progress” in the fight against desert locusts in Kenya. In February, 29 counties had infestations – now just 2 counties are affected.
- According to the [Famine Early Warning Systems Network](#), food security in Kenya improved in July, owing to the long rains harvest and above-average livestock production. However, the impact of flooding and insecurity along Kenya’s border with Somalia means surrounding areas are still in crisis.

NEWS FROM SECTORS IN THE WIDER ECONOMY

- Demand for Kenya’s [flowers](#) has recovered to 85% of pre-COVID levels - as European markets reopen
- According to the [Car Importers Association of Kenya](#), demand for used cars is starting to pick up (reaching 25% of pre-COVID-19 sales). Prospective buyers can now access showrooms in Mombasa.
- Kenya will not renew the COMESA safeguards that currently protect its [sugar](#) industry. COVID-19 has exacerbated issues in the industry – [Agriculture Cabinet Secretary](#) believes traders have taken advantage of the curfew to smuggle raw cane across from Uganda. [Busia Sugar Industry](#) has issued a notice to fire staff following the ban on cane importation from Uganda – citing inadequate cane supply.
- With COVID-19 forcing a switch to remote working, [Google](#) is building a network of balloons that will deliver internet access across Kenya
- A recent report reveals 91% of gig workers are concerned about COVID-19 and how the pandemic will affect their family’s income and health. Around 50% of gig workers have reduced household expenditure and borrowed money. However, an editorial in [The Standard](#) believes the gig economy is likely to grow in the medium- / long-term as more consumers shift to e-commerce in Kenya.
- According to the [Central Bank of Kenya](#), the banking sector has remained resilient in the face of the pandemic – with around 29% of the sector’s loan book being restructured (KSh 844.4B / KSh 2.9T) and the ratio of non-performing loans to gross loans stabilising at 13.1% in June (vs. 13% in May).
- The proposed nationalisation of Kenya Airways – badly affected by COVID-19 - continues to provoke debate. A commentator in [The Standard](#) weighs up whether a government takeover represents value for taxpayer money.
- An editorial in [Business Daily](#) believes the COVID-19 crisis and its economic implications should prompt Kenya to use its energy resources more efficiently / sustainably

GOVERNMENT RESPONSE

- Owing to a rising number of COVID-19 cases, [President Kenyatta](#) extended the nightly curfew for a further 30 days on 27 July. While he did [not impose a lockdown](#), he did introduce [new measures](#) – such as banning the sale of alcohol in eateries.
- As COVID-19 moves from urban centres to rural areas in Kenya, [county governments](#) are now preparing for the worst
- [International flights](#) to Kenya resumed on 1 August – with passengers required to show a COVID-19-free certificate on landing

ECONOMIC STIMULUS IN KENYA (unless otherwise stated, this is taken from [IMF](#) or [QDI](#))

FISCAL	MONETARY	GDP FORECASTS
<p>From 1st July, GoK plans to spend \$503M on a stimulus package to support businesses hit by the pandemic. The State House has outlined how the spending will be allocated across the economy.</p> <p>Preceding this announcement, the additional spending pledged was KSh 39.8B (or 0.4% of GDP) (see p.5 here):</p> <ul style="list-style-type: none"> • KSh 6.8B to health sector • KSh 13.8B to clear pending bills • KSh 10B for VAT refunds • KSh 10B to scale up cash transfers <p>Other fiscal measures include:</p> <ul style="list-style-type: none"> • 100% income tax relief for persons earning below KSh 24K per month • Reduction of top band tax rate for individuals from 30% to 25% • Reduction of the base corporate income tax rate from 30% to 25% • Reduction of the turnover tax rate on SMEs from 3% to 1% • Reduction of VAT on all goods from 16% to 14% 	<p>Encouraging commercial banks to lower interest rates for borrowers, the Central Bank of Kenya has:</p> <ul style="list-style-type: none"> • Cut interest rates by 1% and then a further 0.25% - now at 7%, a nine-year-low (this was announced on 29 April and retained on 25 June + 30 July) • Lowered banks’ cash reserve ratio by 1% (to 4.25%) – this provides KSh 35.2B in additional liquidity for commercial banks • Encouraged banks to provide relief to individual borrowers & SMEs on their loans – with up to one-year extension (see p. 28 here) – apparently loans amounting to \$868M have already been restructured (see here) • Encouraged the waiving or reducing of charges on mobile money transactions - to disincentivize use of cash (this has been extended until the end of the year) • Released KSh 7.4B to support the government’s effort to contain COVID-19 (using gains from demonetisation in September 2019) (see here) 	<p>Government: 2.5% growth (revised down from pre-COVID-19 estimate of 6.2%)</p> <p>IMF: 1% growth</p> <p>World Bank: 1.5% to -1% growth</p> <p>-</p> <p>Kenya’s growth in 2019 was 5.6%</p>

I.4. TANZANIA

GROWTH & JOBS

- The [Monetary Policy Committee](#) met on 24 July and observed that – despite the impact of COVID-19 on tourism and entertainment – the economy performed “satisfactorily”. During Q1 2020, output grew 5.7% - driven by construction, agriculture, transport and mining. In addition, inflation remained low, public budgets were on track and the current account balance improved (owing to increased export of gold / cashew nuts and low oil prices).

OCTOBER'S ELECTION

- October's election is set to go ahead in Tanzania, with opposition leader [Zitto Kabwe](#) deciding to not run and instead throw his support behind former Foreign Minister Bernard Membe

NEWS FROM SECTORS IN THE WIDER ECONOMY

- According to the [Managing Director of Tanzania's Tourist Board](#), the country is once again open for business. Tanzania is one of the first countries in Africa to begin welcoming international tourists.

ECONOMIC STIMULUS IN TANZANIA (unless otherwise stated, this is taken from [IMF](#) or [ODI](#))

FISCAL	MONETARY	GDP FORECASTS
<p>Thus far, the government has spent \$8.4M to deal with the effects of COVID-19.</p> <p>In addition, the government has received grants and will use contingency reserve of \$3.2M to fund additional health spending to mitigate the risks of the pandemic.</p> <p>To support the private sector, the authorities have expedited the payment of verified expenditure arrears with priority given to the affected SMEs, paying \$376M in March.</p> <p>The government has also expanded social security schemes by \$32.1M to meet the increase in withdrawals benefits for new unemployed due to COVID-19.</p> <p>In addition, the government has granted VAT and customs duties exemptions to imported medical equipment and medical supplies.</p>	<p>The Bank of Tanzania has...</p> <ul style="list-style-type: none"> Lowered its minimum reserve requirements from 7% to 6% - to provide further liquidity to banks Lowered the discount rate from 7% to 5% (a signal that lower interest rates are coming) Reduced interest on government securities (Treasury Bills – from 10% to 5% / Treasury Bonds – from 40% to 20%). This will help reduce collateral requirements for bank borrowing. Instructed financial institutions to restructure loans on a case by case basis Instructed mobile money operators to increase the daily transaction limit (from TZS 3M to 5M) and daily balance (from TZS 5M to 10M) 	<p>Government: 5.5% growth</p> <p>IMF: 2% growth</p> <p>World Bank: 2.5% growth</p> <p>-</p> <p>Tanzania's growth in 2019 was 6.3%</p>

I.5. RWANDA

PUBLIC HEALTH

- An article in [NPR](#) believes “Rwanda is doing better than Ohio” when it comes to controlling COVID-19 – owing to its pre-emptive lockdown, effective testing / contact tracing, isolation facilities, use of innovative healthcare technology and political leadership.
- According to [Minister of State in charge of Primary Healthcare](#), robust systems are being put in place to avoid the country importing COVID-19 cases as tourism restarts. These measures include showing a COVID-19-free certificate on landing, screening, testing, mandatory wearing of face masks and social distancing.

ECONOMIC STIMULUS IN RWANDA (unless otherwise stated, this is taken from [IMF](#) or [ODI](#))

FISCAL	MONETARY	GDP FORECASTS
<p>The government has rolled out a RWF 100B “Economic Recovery Fund” to support businesses affected by the pandemic (esp. hospitality, manufacturing, transport & logistics and SMEs).</p> <p>In next year's budget, the government is set to increase spending by 7.5% (July 2020 – July 2021). Donors will fund 15.2% of the increase & the rest will come from revenue, debt and borrowing externally (c. RWF 783.4B).</p>	<p>The National Bank of Rwanda has cut interest rates by 0.5% (from 5% to 4.5%) and announced the following liquidity support measures:</p> <ul style="list-style-type: none"> An extended lending facility worth RWF 50B (0.5% GDP) – to support banks for next 6 months Treasury bond purchases through the rediscount window for the next 6 months 	<p>Government: 2% growth</p> <p>IMF: 3.5% growth</p> <p>-</p> <p>Rwanda's growth in 2019 was c. 10%</p>

<p>Support for vulnerable individuals / households:</p> <ul style="list-style-type: none"> • Regular in-kind transfers of basic food stuffs • Cash transfers to casual workers – now unemployed • Cash transfers to farmers – for input purchases <p>Tax relief measures:</p> <ul style="list-style-type: none"> • Suspension of down payments on outstanding tax • Softening of enforcement for tax arrears collection • Extension of deadline for filing corporate income tax • Fast tracking VAT refunds to SMEs 	<ul style="list-style-type: none"> • Lowering the reserve requirement ratio from 5% to 4% • Easing of loan repayment conditions for impacted borrowers <p>Operators and banks have agreed to zero charges on all mobile money transfers and all transfers between bank accounts / mobile wallets.</p>	
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I.6. UGANDA

GROWTH & JOBS

- In a society traditionally run by cash, people across Uganda have flocked to [e-commerce](#) / contactless payments following the outbreak of COVID-19. Firms running digital platforms have reported a spike in demand from businesses looking to migrate online.

TRADE

- Uganda's [coffee](#) export earnings reached a record \$494M in the year ending in June

PUBLIC HEALTH

- President Museveni has ordered all [boda boda](#) drivers in the country to keep passenger logbooks - as the country prepares to lift restrictions on private taxis

ECONOMIC STIMULUS IN UGANDA (unless otherwise stated, this is taken from [IMF](#) or [ODI](#))

FISCAL	MONETARY	GDP FORECASTS
<p>The government has announced a US\$ 2.9T stimulus package to respond to COVID-19, with US\$ 1.1T being used to re-capitalise the Uganda Development Bank (so the institution can offer low interest financing to firms).</p> <p>The government passed two supplementary budgets in FY 2019/20 (c. \$80M + \$288M) to mitigate the impact of COVID-19 on the economy.</p> <p>The government's response strategy was presented to parliament in May 2020 and has five components, namely:</p> <ol style="list-style-type: none"> 1. Accelerating import substitution and export promotion by providing additional funding to the Uganda Development Bank (UDB), recapitalizing the Uganda Development Cooperation (UDC) and accelerating the development of industrial parks 2. Increasing agriculture production and productivity by increasing funding for agriculture inputs and entities such as UDC that support the sector 3. Increasing household income among SMEs by providing additional funding 4. Deploying fiscal policy interventions including delayed payment of corporation 	<p>The Bank of Uganda has reduced the central bank interest rate from 9% to 8% and...</p> <ul style="list-style-type: none"> • Committed to provide liquidity assistance to financial institutions for up to one year • Ensured contingency plans are in place at supervised financial institutions • Put in place a mechanism to minimise likelihood of sound businesses going into insolvency due to lack of credit • Waived limitations on restricting of credit facilities at financial institutions at risk of distress • Worked with mobile money providers / commercial banks to ensure reduction of charges on mobile money transactions • Directed all supervised financial institutions to defer payments of dividends / bonus for 90 days • Provided liquidity to commercial banks for a longer period – issuance of reverse Repurchase Agreements (REPOs) of up to 60 days • Purchased treasury bonds held by microfinance & credit institutions • Granted exception permission to supervised financial institutions to restructure loans of corporate & individual customers affected by the 	<p>Government: 3.1% growth</p> <p>IMF: 3.5% growth</p> <p>-</p> <p>Uganda's growth in 2019 was 4.9%</p>

<p>tax for corporations and small, medium enterprises; deferred payment of PAYE by affected sectors; waiver of interest on tax arrears; expedited payment of outstanding VAT refunds and reduction in domestic arrears</p> <p>5. Providing additional funding to the health sector; delivering food to the vulnerable in the urban areas; providing social insurance by continuing with the Social Assistance Grants for Empowerment Scheme; introducing tax exemption on items used for medical use; and expanding labour-intensive public works programmes in the roads, water and environment sector.</p>	<p>pandemic (i.e. loan holidays for 12 months max...)</p>	
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2. THE SECTOR IMPACT

2.1. AGRICULTURAL INPUTS (KENYA)

No specific updates to report this fortnight. See previous briefings at <https://www.gatsby.org.uk/africa/latest> for more information.

2.2. AQUACULTURE (EAST AFRICA)

No specific updates to report this fortnight. See previous briefings at <https://www.gatsby.org.uk/africa/latest> for more information.

2.3. COTTON & TEXTILES (TANZANIA & EAST AFRICA)

GLOBAL

- The [average cotton lint price](#) projection for the year August 2020 - July 2021 is 62.8 cents per pound. While cotton consumption is expected to improve (subject to global economic recovery and increased consumer demand), competition from low price synthetics will put downward pressure on cotton prices.
- The [University of Southern Queensland](#) in Australia is developing an app that can detect cotton pests
- In [South Africa](#), retail sales fell 50.4% in April and 12% in May vs. last year, with textiles, clothing, footwear and leather goods being the major drivers of negative growth. The [Department of Trade, Industry and Competition](#) are set to implement a masterplan for the clothing and textile industry with a focus on increasing production and jobs. It will work to address illegal / undervalued imports and take advantage of a post-Brexit trade agreement / the African Continental Free Trade Agreement.
- [UK](#) retail sales fell by 18% in April and then rose 12.3% in May and 13.9% in June, returning to pre-COVID-19 levels. Yet [clothing sales](#) are 34.9% lower than they were in February, with a 28.3% rise in online sales unable to offset a 50.8% decline in store sales.
- According to [The Guardian](#), a coalition of human rights groups believe cotton produced in forced labour camps in China's Xinjiang is being used around the world. The group estimates this cotton and yarn is used in a fifth of cotton products worldwide. Several leading brands have pledged to stop sourcing from this region. The US has banned US firms from engaging with the [Xinjiang Production and Construction Corporation](#) without a license.
- A comprehensive [EU-Vietnam](#) trade agreement entered into force on 1 August. The agreement removes duties on 99% of goods traded, incentivizes EU investment in Vietnam and places strong emphasis on labour rights. Vietnam is among the world's leading garment exporters.
- With a marked shift to e-commerce in the West, there is growing pressure on fashion brands to enhance the [sustainability](#) of their products, transport, logistics and packaging

KENYA

- The [US Secondary Materials and Recycled Textiles Association](#) and the [European Recycling Industries' Confederation](#) have written to the government in Kenya asking them to lift the temporary COVID-19-related ban on the importation of second-hand clothing. A technical committee with representatives from the Kenya Medical Research Institute and the Kenya Medical Supplies Authority will determine whether or not COVID-19 can survive on material for the duration of shipping times from source markets.
- In addition, the [Mitumba Association of Kenya](#) has called on the Trade Cabinet Secretary to lift the ban on the importation of second-hand clothing – suggesting many firms have depleted their stocks over the last four months and are facing closure

TANZANIA

- In Tanzania, [CRDB Bank Plc](#) has lent TSh 97.3B to the cotton value chain, with 146K farmers now accessing funds

UGANDA

- On July 1, Uganda introduced a [new import duty](#) on textile materials that reflects a 1000% increase. This is part of an import substitution strategy that aims to increase value addition to cotton. The [Textile Manufacturers and Traders Association](#) have petitioned parliament to review the tax, given its cost implications.
- The Executive Director of [Fine Spinners Uganda](#) believes the country is losing \$700M every year by exporting raw cotton – rather than making simple textiles out of the cotton.

2.4. FORESTRY (EAST AFRICA)

- Kenya's [construction](#) sector continues to suffer from the impact of COVID-19 - contractors and suppliers of building material complain they cannot access loans which would allow them to weather the economic storm

2.5. LIVESTOCK (KENYA)

- Owing to COVID-19, the Hajj in Saudi Arabia only catered for a small number of pilgrims this year (vs. 2M normally). As a result, Kenya has thousands of unsold cattle – the [Kenya Livestock Producers Association](#) fears this state of affairs could decimate local cattle prices, as livestock is dumped in the domestic market for a cut price. The situation is affecting the industry across East Africa e.g. in [Somalia](#).

2.6. TEA (EAST AFRICA)

- Tea production in [Sri Lanka](#) - the world's second largest exporter - has reduced significantly due to COVID-19. Production has dropped from 73M KG in Q1 2019 to 53M KG for Q1 2020.

2.7. WATER (KENYA)

- The [Kenya Revenue Authority](#) have officially warned drinking water vendors, alleging a high number of firms have not been collecting or remitting excise duty

3. THE DONOR RESPONSE

3.1. BILATERAL DONORS

INSTITUTION (A-Z)	EAST AFRICA SUPPORT
AFD – France (has committed \$1.5B and will move ahead with planned increase of aid budget in 2021)	<i>No specific East Africa support to report</i>
BMZ – Germany (has committed €3B to fight the pandemic worldwide & scale up economic exchange with Africa)	<i>No specific East Africa support to report</i>
DFID - UK (has committed £744M and announced £2.9B cut to budget in 2020, with only spending on “bottom billion”, climate change and girls education protected)	<ul style="list-style-type: none"> Trade Mark East Africa (funded by DFID) has announced a \$20M safe trade emergency facility DFID has set out how its re-orientating manufacturing support in response to COVID-19 – with reference to market assessments undertaken in Uganda & Kenya (supported by Msingi)
JICA – Japan (has committed \$768M)	<i>No specific East Africa support to report</i>
USAID - US (has committed \$1B+)	<ul style="list-style-type: none"> East Africa: Kenya & Tanzania are benefitting – among other countries – from a \$22M programme to prevent the spread of COVID-19. In addition, countries in the region have received \$19M to help fight the locusts. Kenya: \$6.6M for COVID-19 activities. Facemasks for border police unit & journalists covering the pandemic. An additional \$50M to strengthen health /

	<p>water systems, support small businesses and enable more children to benefit from distance learning. A collaboration with Vital Capital to provide \$5M in financing for agribusiness.</p> <ul style="list-style-type: none"> • Tanzania: \$3.6M to support surveillance, laboratories and infection prevention / control efforts • Rwanda: donated 100 medical ventilators
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3.2. MULTILATERALS

INSTITUTION (A-Z)	EAST AFRICA SUPPORT
AfDB (has raised a \$3B bond & established a \$10B facility, which will in part fund the Feed Africa Response to COVID-19)	<ul style="list-style-type: none"> • Kenya: KSh 22B loan to help the country mitigate the economic, health & social impact of the pandemic • Tanzania: \$50M concessional loan for budget support • Rwanda: \$98M concessional loan to strengthen the national budget – fund health system, safeguard economic resilience and support the vulnerable
African Export-Import Bank (has established a \$3B facility)	No specific East Africa support to report
EU (is mobilising €15.6B)	<ul style="list-style-type: none"> • East Africa: €60M to tackle the health & socio-economic impact of COVID-19 in support of the Intergovernmental Authority on Development (which includes Djibouti, Ethiopia, Eritrea, Kenya, Somalia, Sudan, South Sudan & Uganda). In addition, signed a €5M deal to support the Safe Trade Emergency Facility, run by Trade Mark East Africa. • Kenya: \$350M in funding for the country's COVID-19 response measures • Rwanda: RVF 55.5B grant to support social protection response to COVID-19 crisis, protecting food security of 630K households
IMF (stands ready to mobilise its full \$1T)	<ul style="list-style-type: none"> • East Africa: Raised the annual loan limit for low-income countries via its Rapid Credit Facility, which Rwanda, Uganda and Kenya have accessed • Kenya: Access to Rapid Credit Facility (\$739M) • Tanzania: Access to the Catastrophe Containment and Relief Trust (\$14.3M - \$25.7M) • Rwanda: Access to Rapid Credit Facility (\$109.4M + \$111M) & Catastrophe Containment and Relief Trust (\$10.96M) • Uganda: Access to Rapid Credit Facility (\$491.5M)
UN	<ul style="list-style-type: none"> • East Africa: UN's IFAD has launched a Rural Poor Stimulus Facility - providing an initial seed capital of \$40M in order to mobilize an additional \$200M • Kenya: \$3.1M committed to mitigate the impact and spread of the virus & launch of One Stop Youth Resource Centre in Mandera, which will introduce 10 handwashing stations in the county • Uganda: The United Nations Children's Fund (UNICEF) has received \$4.4M from the Government of Sweden to support Uganda's COVID-19 humanitarian response
World Bank (expects to deploy \$160B in emergency financing over the next 15 months)	<p>East Africa</p> <ul style="list-style-type: none"> • The World Bank has set up the Emergency Locust Response Programme - a \$500M scheme to assist rural households in East Africa & the Middle East • The World Bank has set up a Pandemic Emergency Financing Facility (\$195.8M) to support 64 of the world's lowest income countries. East African states could access up to \$15M each in grants. <p>Kenya</p> <ul style="list-style-type: none"> • \$1B loan for budget support (to secure the loan, the government has promised pro-poor policies e.g. better targeting of subsidised agricultural inputs through electronic vouchers) • \$50M in immediate funding to support the Kenya COVID-19 Emergency Response Project • \$43M transferred to counties to bolster local health response measures • \$50M transferred via IFC to Equity Bank - for onward lending to SMEs struggling due to COVID-19 <p>Rwanda</p> <ul style="list-style-type: none"> • €91.4M loan agreement between Rwanda & the World Bank's International Development Association (IDA) • \$14.25M in immediate funding to support the Rwanda COVID-19 Emergency Response Project

	<p>Uganda</p> <ul style="list-style-type: none"> • \$300M loan for budget support (to secure the loan, the government has promised pro-poor policies e.g. better targeting of subsidised agricultural inputs through electronic vouchers, stronger social protection system)
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3.3. PRIVATE FOUNDATIONS / INDIVIDUALS

INSTITUTION (A-Z)	EAST AFRICA SUPPORT
Bill & Melinda Gates Foundation (pledged \$250M to COVID-19 response and \$1.6B to GAVI, the Vaccine Alliance)	No specific East Africa support to report
Bloomberg Philanthropies (pledged \$40M)	No specific East Africa support to report
Facebook (pledged \$20M)	No specific East Africa support to report
Google (pledged \$800M)	No specific East Africa support to report
IKEA Foundation (pledged €10M - contributed €1.5M to the “Start Fund COVID-19”, which is pooling donor finance to address humanitarian issues in low-income countries)	Kenya & Uganda : Pledged \$3.5M to support FAO’s work with refugees in light of COVID-19
Instiglio	Kenya & Rwanda : Launched \$800K COVID-19 Adaptation Fund – to help governments, aid agencies and development organisations adapt programming and alleviate poverty during the pandemic.
Jack Dorsey (moved \$1B to “Start Small” fund)	No specific East Africa support to report
Jack Ma & Alibaba Foundation	Sent medical equipment to numerous countries, including Rwanda & Tanzania
Mastercard Foundation	<ul style="list-style-type: none"> • East Africa: Mastercard has launched a COVID-19 Recovery & Resilience Programme (which will support Kenya, Rwanda & Uganda) • Kenya: \$5M for the purchase of personal protective equipment for frontline medical staff. Also, in partnership with Equity Group Foundation, committed \$1.93M to support home learning during the COVID-19 lockdown. In partnership with Kenya Red Cross, supporting the training of 2.1K health workers & 2.1K community health volunteers. • Rwanda: In support of World Refugee Day & COVID-19 recovery, distributed grants worth \$2.3M to businesses in refugee camps
Rockefeller Foundation (pledged \$50M)	No specific East Africa support to report
Skoll Foundation (pledged \$200M - a list of COVID-19-related grants is here)	No specific East Africa support to report
Shell Foundation (is deploying additional funding, capturing evidence, delivering market insights, commissioning research)	No specific East Africa support to report
Waitrose & Partners Foundation (pledged £200K)	Kenya : £88K to support 7 supplier farms and their 12K employees

USEFUL LIVE TRACKERS & RESOURCE LIBRARIES

- [Center for Global Development](#): a round-up of analysis re economic impact of COVID-19 globally & in Africa
- [DCED](#): a library full of links to articles re the potential economic impacts of COVID-19 globally & in Africa
- [Donor Tracker.org](#): this website monitors press briefings released from the world’s major bilateral donors
- [FAO](#): this “locust watch” is regularly updated – reporting on how the swarm is moving throughout East Africa

- [IMF](#): this page lays out how every government around the world is responding – in monetary & fiscal terms
- [Johns Hopkins University](#): this live dashboard reflects case numbers & deaths from COVID-19 around the world
- [ODI](#): this page lists articles that explore vulnerable African sectors & how African governments are responding
- Tony Blair Institute: [this page](#) contains resources to help African governments respond and [this](#) is a live dashboard of COVID-19 data in Africa

A SHORT BIBLIOGRAPHY OF KEY REPORTS

- [African Development Bank](#) (July 2020) *East Africa Economic Outlook: Coping with the COVID-19 Pandemic*
- [African Union](#) (April 2020) *Impact of the Coronavirus (COVID-19) on the African Economy*
- [Boston Consulting Group](#) (June 2020) *East Africa's Rebound*
- [ILO](#) (April 7 2020) *COVID-19 & The World of Work. Second Edition.*
- [McKinsey & Company](#) (April 2020) *Tackling COVID-19 in Africa*
- [McKinsey & Company](#) (April 2020) *Finding Africa's Path*
- [McKinsey & Company](#) (May 2020) *Reopening & Reimagining Africa*
- [McKinsey & Company](#) (June 2020) *Safeguarding Africa's Food Systems Through and Beyond The Crisis*
- [UN Conference on Trade and Development](#) (June 2020) *World Investment Report 2020*
- [UN Economic Commission for Africa](#) (April 2020) *COVID-19 in Africa: Protecting Lives & Economies*
- [UN Habitat](#) (June 2020) *COVID-19 in African Cities: Impacts, Responses and Policies*
- [World Bank](#) (April 2020) *Assessing the Economic Impact of COVID-19 and Policy Responses in Sub-Saharan Africa*
- [World Bank](#) (April 2020) *Kenya Economic Update: Turbulent Times for Growth in Kenya – Policy Options During the COVID-19 Pandemic*
- [World Bank](#) (May 2020) *Tanzania Economic Update: Addressing the Impact of COVID-19*

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