

Sub-Saharan Africa

COVID economic impact

The current crisis is upending livelihoods, damaging business and government balance sheets, and threatening to reverse sub-Saharan Africa's development gains and growth prospects for years to come. The World Bank [forecasts](#) that sub-Saharan Africa will move into a recession in 2020 for the first time in more than 25 years and that the COVID-19 outbreak will cost the region between \$37 billion and \$79 billion in output losses in 2020 alone. The continent is also set to experience its first increase in the proportion of people in extreme poverty in two decades with the informal sector, a major source of income and employment, one of the hardest-hit by COVID-19.

Fragile and conflict-affected states are expected to be hit particularly hard X Additionally, while governments across the region reacted quickly, putting in place vital measures to try and slow the rate of infection, many issues still present significant risks including poor access to safe water and sanitation facilities, and fragile health systems.

Impact on the private sector

The COVID-19 outbreak is affecting the private sector in sub-Saharan Africa, putting jobs at risk. They include trade and value-chain disruption, which impacts commodity exporters and companies reliant on global value chains to source materials and sell their products. Reduced foreign financing flows from remittances, tourism, and foreign direct investment are also threatening business survival and jobs, and disruptions caused by containment measures are putting pressure on small businesses, many unable to operate given circumstances, and, in some countries, on food supply chains threatening to significantly increase food insecurity.

Committed Projects

Zenith Bank, Plc., Nigeria

Access Bank Plc, Nigeria

First City Monument Bank (FCMB) Limited, Nigeria

Diamond Trust Bank Kenya Ltd, Kenya

Equity Bank, Kenya

Addax Energy S.A. supporting Mauritania energy imports needs

NSIA Banque Côte d'Ivoire

West Indian Ocean Cable Company Ltd (WIOCC), Africa

International Medical Group (IMG), a subsidiary of Ciel Healthcare Limited, Uganda

IFC Resources

[Tourism Industry Survey of South Africa: COVID-19 \(Survey 1, May 2020\)](#)

[Tourism Industry Survey of South Africa: COVID-19 \(Survey 2, July 2020\)](#)

[How to Start PPE Production](#)

IFC response

IFC is working with partners to help the private sector navigate the pandemic and recover from the economic and financial impact of the crisis. This includes mobilizing IFC's global \$8 billion fast track [facility](#) to initially support existing clients in the region affected by the outbreak. IFC is also providing advisory support to clients including financial institutions to manage risk during this period, to apparel manufacturers to help them transition to produce medical personal protective equipment (PPE) and to the tourism industry to find ways to navigate this difficult period.

IFC is also undertaking an ongoing assessment of the impact of COVID-19 to better understand the needs of our clients in Africa. IFC teams will pay particularly close attention to clients where the need is great:

- ▶ Companies facing significant disruption to manufacturing, such as the automotive and consumer goods sectors, hit particularly hard during this crisis;
- ▶ The agribusiness sector and tourism, both critical to job creation for many countries across Africa;
- ▶ Companies that form part of a disrupted supply chain;
- ▶ Those that suffer from a sharp drop in the global demand for commodities, a key driver to GDP for many economies in this region;
- ▶ And those that face a significant increase in demand for their products and services and need help to meet that demand such as online retailers, pharmaceutical companies, clinics, hospitals and medical equipment manufacturers, but face challenges with their supply chains or working capital needs.

Stories from Sub-Saharan Africa

[South Africa's Tourism Industry: Next Stop, Recovery?](#) (June 29)

[How to Counter COVID-19's Impact in Africa: Interview with Mo Ibrahim](#) (June 24)

[In Ethiopia, COVID-19 is Causing Disruptions in Meat Processing, Even as Demand Surges](#) (June 16)

[The Private Sector's Role in Africa's Recovery](#) (June 10)

[New Farming "Ecosystem" in Uganda Empowers Smallholders](#) (May 6)

[Balloons to Deliver Emergency Internet Across Kenya](#) (April 22)

[First Person: COVID-19 in Kenya](#) (April 22)

[Uncertainty, Fear, and Coronavirus: The New Reality for Africa's Entrepreneurs](#) (April 17)

[Lessons Learned from Ebola: Thoughts from the Field](#) (March 31)

[Unsung Heroes: Truckers Keep Delivering, Thanks to Online Platform](#) (March 31)

[In Senegal, Adapting Business to Support](#)

Media

[COVID-19: IFC moves to support Nigerian businesses hit by the pandemic](#) (June 24)

[Coronavirus: IFC fires out \\$8 billion fast-track financing – for starters](#) (April 3)

[COVID-19: World Bank & IFC's \\$14 bn – How far does it extend?](#) (April 9)