



VIENNEAST COMPASS:

CORONAVIRUS AND MIGRATION DRIVERS IN AFRICA

OUTLOOK:

- **The Coronavirus pandemic is exacerbating economic, social and some political tensions across North and Sub-Saharan Africa;**
- **Reduced economic growth, substantial reductions in government revenues and, in some countries, debt crises all undermine the chances of reaching development goals;**
- **This will reinforce many of the drivers of migration from Africa, likely leading to an increase in migrant numbers across the Mediterranean over the summer.**

The impacts of the coronavirus pandemic on countries in North and Sub-Saharan Africa are considerable and still evolving. As of 30 April 2020, there were almost 37,000 confirmed coronavirus cases on the continent and 1,590 confirmed deaths due to coronavirus, with Egypt, Morocco, Algeria and South Africa the four countries with the highest number of recorded cases. However, given the state of health infrastructure and the limited testing possible in many countries, there are concerns that these numbers could substantially understate the real situation.

In addition to the human impact, the economic shocks due to the pandemic and the measures taken to combat it are significant. In mid-April 2020, the International Monetary Fund (‘IMF’) predicted that as a result of the crisis the Sub-Saharan regional economy would contract by -1.6%, a downward revising of 5.2% since October 2019. The region is “facing an unprecedented health and economic crisis... that threatens to throw the region off its stride, reversing the development progress of recent years... the crisis could retard the region’s growth prospects in the years to come. No country will be spared”. The IMF further commented that the volatility of the oil price has significantly affected oil exporters in North Africa, combining with COVID-19, with the result that economies are “expected to contract in 2020, while fiscal and external positions will come under significant pressure in many countries eroding policy space to deal with the crisis”. With many African governments having rapidly increased public debt in recent years, international creditors, including the Paris Club, China and other G20 countries, have suspended debt servicing payments for the poorest countries for 2020.

The impact for businesses and investors, both domestic and international, will be significant. In the short term, there will be lower rates of growth and return on previous investments. However, there will likely be emerging opportunities as some governments take steps to promote economic growth, including



liberalisation of regulations in some areas: Ethiopia, for example, has relaxed rules for mobile banking and money transfer.

The social and political costs of the measures to combat COVID-19 are causing tensions in some countries. Social security systems – although obviously varying between countries – are widely acknowledged to be weak, especially given that the informal sector makes up to 86% of all employment on the continent and around a third of gross domestic product. Remittances from Europe in particular have substantially reduced. The result is that economic lockdowns and quarantining are often having considerable human social impacts. There are further concerns that governments are using the crisis to erode human and political freedoms, notably in Algeria, Togo and Uganda, while political reforms and transitions have been slowed in others, including Ethiopia.

Compounding country-specific tensions are region wide ones. In early April, the World Food Programme ('WFP') stated that food insecurity levels in the Sahel were "spiralling out of control", expressing concerns about the potential impact on humanitarian supply chains because of restrictions imposed in response to the COVID-19 pandemic, with up to 19.1 million people predicted to be food insecure between June and September 2020 across the Sahel (in particular in Burkina Faso, Mali and Niger). The WFP also stated that crisis caused by the lack of a strong state presence and chronic insecurity has now extended to Sierra Leone and Liberia.

Conflict is also unlikely to reduce in 2020. There have been no signs that jihadist and extremist groups have responded to calls for ceasefires: for example, on 23 March, a faction of Boko Haram carried out its deadliest attack outside Nigeria, killing nearly 100 Chadian soldiers. The civil war in Libya shows no signs of abating. Further, efforts to reduce conflict are facing increased challenges. The African Union ('AU') declared that its flagship initiative for 2020 was 'Silencing the Guns', but, on 29 April, the United Nations High Commission for Refugees Representative to the AU Commission and UN Economic Commission for Africa stated that due to the coronavirus crisis, many "activities planned will not be possible this year".

Combined together, the situation created by the combination of coronavirus and the measures to combat it, the oil price collapse, climatic conditions, and weaknesses in governments and governance is highly likely to reinforce many of the drivers for migration, both within Africa and from African countries to elsewhere, notably to Europe via the cross-Mediterranean route.

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