Statement by

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Eswatini

For Africa Group 1 Constituency
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VIRTUAL

1. The novel COVID-19 pandemic continues to plunge the world into a socio-economic turmoil of unprecedented magnitude. Additional to its devastating human and health crisis, the pandemic has brought a sizeable part of the world economy to a standstill. African countries are expected to be hardest hit due to their frail private sector characterized by the large informal sector, weak fiscal balances and limited coverage of social safety nets. In our constrained health systems, the spread of the virus and inadequate containment efforts pose significant risks to the well-being, social and economic security of many African economies.

2. At a time when the world is facing this fast-moving and complex pandemic, the role of the WBG as a global convener, knowledge and multilateral development institution, is even more critical. We, therefore, commend the WBG for launching the Fast-Track COVID-19 Facility to respond to the spreading coronavirus across the world. We are in support of the objectives of the Facility, to provide a fast and flexible response, including emergency financing, policy advice, and technical assistance to support developing countries in dealing with the spread of COVID-19. We urge the WBG to increase support to the most affected and least resourced countries to respond to the pandemic. This pandemic has moved from being a health sector crisis to a development crisis and the containment efforts are having serious impact on the agricultural sector particularly, in those African countries recently invaded by locusts and armyworms.

3. Our Constituency further urges the WBG and IMF to provide post-pandemic financial support and interventions to stabilize, improve and enhance the recovery efforts and resilience of our countries to deal with the pandemic and similar outbreaks that could have a significant impact on economies. In this respect, we suggest that a full assessment of the impact on economies, livelihoods and social environment be carried out to inform the design of policies and a post-pandemic economic stimulus package for the affected countries. We also call for the strengthening of African institutions to respond to similar crisis in the future.

4. We support the call by the Heads of the two Bretton Woods Institutions to the G20 that bilateral creditors suspend debt repayments for countries affected by the COVID-19 pandemic when they request forbearance. We also call on them, as well as other multilateral institutions, to extend debt service relief to low-income African Countries for two years. Similarly, we support the call by the African Finance Ministers in Addis Ababa for development partners to consider debt relief and forbearance of interest payments for all African countries, LICs and MICs alike, given that the global economy has entered a period
of a synchronized slow down. We urge the IMF also to consider similar debt relief support as a response for countries that were recently impacted by the Ebola Virus Disease.

5. As emphasized by the African Finance Ministers, we urge that debt relief for all of Africa be undertaken in a coordinated and collaborative way. Additionally, since a pandemic like the coronavirus does not respect boundaries between countries, we call on the WBG to ensure that all countries including those in non-accrual status get the fiscal space required to deal with the COVID19 crisis.

6. To support the post-pandemic recovery, we encourage the WBG to deepen its engagement with our countries to accelerate the implementation of the Jobs and Economic Transformation (JET) Agenda in Africa. The pressing demand for quality jobs calls for urgent action both on upstream analytical works as well as designing appropriate operations, supportive of national development strategies. We particularly expect the WBG to prioritize interventions within the Agriculture sector that engages a substantial proportion of Africa’s population.

7. Finally, we urge the WBG to adopt mechanisms to facilitate systematic cooperation with other MDBs to tackle the pandemic and related post-development without duplicating each other’s efforts. The WBG, in collaboration with other international agencies, should also facilitate and accelerate learning and information sharing on the most effective strategies in addressing such pandemics and recovery. We suggest the allocation of areas of expertise for each MDB to work on in this respect.