

Communiqué

Regional Impacts and Responses to the COVID-19 Pandemic, and the Imperatives for Accelerated Health Integration in Africa

First Virtual meeting, held on 13 May 2020

Against the background of the threats posed by the COVID-19 pandemic to human lives and the huge burdens it places on health infrastructure and systems, as well as its medium and long-term impacts on almost all facets of human life, including on economies and various sources of livelihood, the Economic Commission for Africa, in collaboration with Regional Economic Communities (RECs), convened a Virtual Meeting on the 13th of May, 2020, to brainstorm on the regional impacts of and responses to the COVID-19 pandemic, and the imperatives for accelerated health integration in Africa. The meeting had as key objectives:

- Enabling RECs to share experiences on the impact that COVID-19 has had on their integration programmes, as well as how they have attempted to respond to the pandemic.
- Presenting and discussing some of the findings of the analytical work of ECA's SROs and headquarter Divisions on the impact of COVID-19 on RECs and their member states
- Presenting and engaging key questions raised in an ECA concept note on: *“Addressing Continental Pandemics, such as COVID-19 through accelerated Health Integration in Africa.”*
- Exploring the possibilities and opportunities for accelerated health integration on the continent, building from REC-level structures and platforms, with a view of facilitating more impactful cross-border disease control, prevention, surveillance and management as envisaged in Agenda 2063 and other continental frameworks.

The meeting was chaired by Stephen Karingi, Director of UNECA's Regional Integration and Trade Division, with participants from seven Regional Economic Communities (AMU, ECCAS, ECOWAS, COMESA, IGAD, SADC, and SACU) and UNECA staff, from Addis Ababa and the five sub-regional offices.

The COVID-19 Pandemic and the Case for African Health Integration

The meeting recognized that healthcare cooperation is key to achieving aspiration 1 and goal 1 of Africa's Agenda 2063 on having “a high standard of living, quality of life and well-being for all;” as well as SDG 3 on achieving Health and Well-Being. It acknowledged that some level of health integration is happening on the continent as evidenced in the establishment of many regional and cooperative health initiatives – including the Africa Health Strategy (2016-2030), the Africa CDC, the African Medicines Agency, the Pharmaceutical Manufacturing Plan for Africa, the AU Model Law on medical Products Regulation, and the African Medicines Regulatory Harmonization Program Initiative at the continental level; as well as REC-level health initiatives and agencies like the EAC Regional Contingency Plan for Epidemics, the West African Health Organization (WAHO), and the SADC Protocol on Health. The meeting however noted that poor synchronization and coordination of these initiatives has impaired effectiveness, including in responding to earlier and ongoing disease outbreaks such as the 2014 -2016 Ebola Virus Disease (EVD) in

West Africa that registered some 28,616 infections and about 11,310 deaths; and the unfolding COVID-19 pandemic.

With particular regard to the COVID-19 pandemic, the meeting noted that as of 12 May 2020, there were 69,451 confirmed cases, 2395 deaths and 23,973 recoveries in Africa, with the disease having reached every African country. Algeria, Egypt, Morocco, and South Africa are the most affected, with 49 percent of confirmed cases. The meeting noted further that although confirmed cases on the continent have not risen to the proportions seen in the United States and Europe, the still-rising trajectory of new confirmed cases is cause for concern, in light especially of: the very low levels of health spending on the continent (5.6 percent of GDP¹ compared to a world average of 9.9 percent); limited hospital bed capacity (1.8 beds per 1,000 people²), low access to household handwashing facilities, which stands at 34 percent³ (for those with soap and water), and a heavy dependency on imports for pharmaceutical products (USD 3.6 billion net imports of pharmaceutical products in 2018).

The meeting further observed that although COVID-19 is a health pandemic, it has far-reaching socio-economic impacts and that as a result of the lockdowns imposed to slow the spread of the disease, economic growth will be drastically reduced. It took note of an initial forecast by ECA that suggests that a 3.2 percent growth for 2020 for the continent may need to be revised downwards to 1.8 percent (in the best case) and to a 2.6 percent contraction (in the worst case). The meeting also took note of the fact that like with responses on the health impacts, responses to mitigate the damaging financial and economic effects of the disease have been country-focused and fragmented in nature. It however noted that there is a growing awareness that regional cooperation and coordination is extremely important in managing both the health and economic cross-impacts of COVID-19. The meeting recognized that information sharing, pooled procurement, local production of medicines and personal protective equipment (PPE), and policy harmonization are the cornerstones of a health integration strategy.

It was acknowledged that leveraging on the framework of the AfCFTA to coordinate the development of regional medical hubs, along with the harmonization of healthcare regulations, will allow Africa to become more self-sufficient for its growing healthcare needs. In this regard, the meeting was also briefed on the UNECA-led AfCFTA-anchored Pharmaceutical Initiative, as a proof of the concept of integrated health integration in Africa. Initially commissioned in 10 select pilot African countries and with a focus on maternal and child health care products, the initiative has a 3-pronged approach of pooled procurement, localized production and a harmonized regulatory and quality standard leveraging on both AfCFTA and AMA.

The meeting was also briefed about the ongoing development of a feasibility study and pooled procurement framework through market readiness assessment of maternal and child health care (MCH) products and essential medicines in select countries, which would pave the way for phase 2 of the project. It was observed that this AfCFTA-anchored initiative, which has as primary objective, ensuring access to safe, affordable, and high-quality medicines to Africa speaks to current COVID-19 priorities in terms of maximizing limited resources amidst a challenging global trade environment. It was also noted that the

¹ Based on data from the World Bank Database

² Rand. 2016. "Identifying future disease hot spots, Infectious disease vulnerability index", (2016). Available at https://www.rand.org/pubs/research_reports/RR1605.html

³ Based on WASH data from WHO/UNICEF, 2017

global response to the pandemic has exposed shortcomings in the current state of continental health integration and underscores the need for impactful regional and continental approaches to improve health outcomes on the continent. The meeting was also informed about ongoing cooperative plans with the Africa CDC to support scaling up local production of PPE and developing a digital exchange with the Africa CDC and Afreximbank for supplies are currently in progress to meet some of the demand for medical supplies on the continent.

The meeting strongly agreed on the imperative for greater health integration, against the background of the obvious ineffectiveness of country-focused and fragmented responses to COVID-19 and earlier pandemics on the continent, such as the 2014 EVD outbreak in West Africa. In particular, the meeting took note of the call in the Concept Note for various stakeholders to support the:

- Development and harmonization of regional responses to health pandemics/crises as well as strengthen the coordination of responses, including in the monitoring and evaluation of alignment to international health protocols prescribed by the WHO;
- Assessment of the economic costs of the current fragmented responses to the COVID-19 pandemic on the continent on the one hand, and the economic savings of an integrated regional or continental response on the other hand.
- Identification of some of the structural weaknesses at both the national and regional levels in Africa, which contributed to the spread of earlier pandemics, as well as COVID-19 on the continent and how these should be addressed?
- Examination of the extent to which various AU instruments/frameworks, including the Africa Health Strategy (2016-2030) and the African CDC, as well as REC level frameworks, provide foundations for the building of an effective Health Integration on the continent, including in responding to pandemics?
- Sharing of African experiences and responses (at REC & Member States levels) to disease outbreaks such as SUDV, EBV, and COVID-19, and how these could be leveraged for the acceleration of health integration on the continent.
- Provision of technical and financial support to research and development on the continent with a view of promoting the strengthening manufactures and industries in the provision of health services and health equipment.

Response/perspectives from Regional Economic Communities

The participating RECs shared their involvement/approaches to the COVID-19 and proposed ideas to enhancing health integration and overall regional integration amidst the crisis to deal with the public health aspect as well as the socioeconomic impacts that follow.

On trade, the RECs underscored the importance of keeping borders open to allow critical supplies (pharmaceuticals, PPE, and food) to flow between countries. Concerns were raised regarding slow border checkpoints which may in turn, promote the spread of COVID if the proper hygiene practices and social distancing guidelines are not adhered to. In this respect, RECs were called upon to recognize the importance of facilitating trade at borders and striving for ways to enhance border checkpoint efficiency. Implementation of digital platforms (e-logistics and e-regulation) to leverage technology to facilitate the process and lower the costs to trade was highly recommended.

It was emphasized that the risk of food insecurity will continue to rise, especially for African countries that are net importers of food, as traditional food exporters and big trade partners, who are heavily affected by COVID (China, Europe, and the US), begin to impose restrictions on the export of grains and other key products. Regional cooperation and action plans will help alleviate the situation particularly in the context of the AfCFTA.

The meeting stressed the importance sharing information at regional and continental level as key containing the spread of the pandemic and give countries the knowledge to better prepare for the disease. Instruments such as online platform to disseminate information to Member States was one of the quick solutions during this COVID -19 to assist not only in information sharing, but also to act as online market place for medical supplies in order to leverage the economies of scale that come with pooled procurement. This would increase the ability of countries to access pharmaceutical supplies and PPE at a lower average cost.

In coming up with some actions to address the pandemic, the meeting recommended the enhancement of establishment of more laboratories, including establishing of mobile testing stations, at regional and national levels in order to improve the testing the infection. In addition, RECs were also call upon to explore scientific facilities to assist all member States in research and development for treatments. Despite this call, the meeting raised the of capacity constraints at both regional and national levels in the healthcare sector which has a huge impact on the implementation of the above actions. Contract tracing will continue to be a challenge, if there are not enough professionals to conduct the tests, as the number of physicians per 1,000 population is under 0.5, well below the global average of 1.5. Hospital bed capacity is also a major concern, as the case count continues to rise, with the continent having about 9 hospital beds per 10,000 population.⁴ In analyzing patient statistics, an estimated 5 percent of COVID-infected patients will need intensive care, which is often supplemented by ventilators. Many African countries have fewer than 100 ventilators, with 10 countries having no ventilators at all, further complicating provision of effective healthcare, should the pandemic spread.⁵

⁴ Based on latest available data from the Global Health Observatory (WHO)

⁵ New York Times, 18 April 2020. <https://www.nytimes.com/2020/04/18/world/africa/africa-coronavirus-ventilators.html>

Alongside the AfCFTA-anchored Pharmaceutical Initiative, the meeting underscored the importance of the development of local production capabilities to reduce import dependency on PPE and pharmaceutical products. The proper incentivizing of local production will be key and provides an opportunity for a continental framework like the AfCFTA to foster the specialization of countries in production of these key products for the continent. However, in the development of these manufacturing capabilities need to be complimented with infrastructure development in order to make intra-African trade more efficient. All these could be effective with closer working relationship between the RECs and officers from ministries of public health who are working with the regional counterparts to have regional plans regarding containing COVID-19.

Updates from ECA's Sub-Regional Offices

Sub-regional Office for North Africa

The meeting was briefed on the fact that the COVID-19 Pandemic has the potential to disrupt the economies of North Africa region through four distinct channels: directly through infections; and indirectly through oil prices, value chains, and tourism. It was reported that as of 14 May 2020, North Africa's 25,087 confirmed cases make up over 34 percent of all COVID cases in Africa. Considering the forecasts at global and regional level, the North Africa region will face a downward trend in economic growth, though it is too early to determine the magnitude.

The meeting was reminded that high levels of economic openness and exposure to the most affected countries reveal the gravity of the pandemic for the region. The drop of over 70 percent in oil prices⁶ will largely affect the oil-dependent economies of Libya and Algeria. The tourism and hospitality industries are also expected to be the most affected in North Africa.

It was observed that food shortages may arise if the pandemic continues for several months. A protracted worldwide pandemic would negatively impact global supply chains, production, transportation and distribution of food products, resulting in lower food exports by food-producing countries. This would impact food security in many North African countries because of their dependence on food imports.

It was noted that considering the rapidly spreading nature of the virus and the pressure it may cause on the capacities of the health system in North Africa region there is an urgent need for enhanced multi-sectoral preparedness, operational readiness and response capacities to limit the spread of COVID-19, to help implement the most effective measures in controlling disease transmission: early detection, early isolation and treatment, contact tracing and risk communication and community engagement.

Sub-regional Office for East Africa

The meeting was informed that in East Africa, on a per capita basis, confirmed COVID-19 cases are the lowest on the continent, with 4,931 confirmed cases, and 0.014 confirmed cases per 1,000 population, as of 14 May 2020. Without underestimating the severity of the current crisis, there are key structural reasons

⁶ Based on Brent WTI prices between 1 Jan 2020 and 1 May 2020

why East Africa could be less heavily impacted in the long-term by this pandemic and how the region could bounce back quickly. Among the structural reasons noted were the region's young demographic profile (regional median age of 19.5 years⁷), the low level of urbanisation (average urban population in the region of 34.8 percent⁸) and the heavy dependence on subsistence agriculture for GDP and employment (with a regional average of 29.1 percent of GDP coming from agriculture⁹). It was also noted that the majority of countries in East Africa are net commodity importers, and hence decline in commodity prices precipitated by the crisis may have a more ambiguous effect.

The attention of participants at the meeting was drawn to the fact that despite this potential resilience, severe challenges and threats posed by the pandemic still exist. Firstly, most countries in the region become highly dependent on their services sectors, and many branches of services have been badly impacted by the crisis. Secondly, within services, some countries in the region (Seychelles, Kenya, Tanzania, Uganda, Rwanda) have a high economic dependence on tourism. It is no coincidence that the country with the highest economic dependency on tourism in the region – Seychelles- (contributing around 67 percent of GDP¹⁰) is forecast by the IMF to be most negatively impacted by the crisis, with GDP forecasted to contract by over 10 percent. Thirdly, the crisis has exposed the vulnerability of the region's insertion into the global economy, with a major negative impact on industrial parts, horticultural and floricultural exports. Fourthly, prior to the crisis debt levels were rising quite sharply in several countries in the region and will now become quickly unsustainable in the light of the collapse in fiscal revenues and rise in crisis-related expenditures. Finally, the food security situation was already quite precarious in parts of East Africa (particularly in the Horn), due to both severe climatic events and the current locust plagues which are affecting a large number of countries.

In conclusion, it was reported that the region has thus far been spared worst health consequences, and has capacity to bounce back but going forward, the region must focus on domestic resource mobilization, greater investment in public health systems, expanding social protection measures to better cover the urban poor and will need to look again at model of insertion into the global economy. The crisis is underpinning the importance of African market and urgency of implementing AfCFTA

Sub-regional Office for Central Africa

The meeting was informed that The COVID-19 Pandemic has arrived at a time when the Central African countries have already been struggling to create the fiscal space for supporting their economic diversification. This is the situation that ECA has called “double jeopardy”. Negative shocks to trade reveal the economic losses for the region, with IMF forecasts predicting an average of a 2.2 percent GDP contraction in 2020. Countries in Central Africa will be impacted mostly due to a high dependency on commodity and oil exports. The presentation went through policy responses of countries to the pandemic. These responses are a mix of monetary and fiscal responses, which range from tax relief to the establishing of long-term guaranteed financing facilities for commercial banks and are expected to have distributive effects in the longer-term. In addition, the pandemic, in a pessimistic scenario, will have negative impact on the claims on the state and the reserves assets.

⁷ Based on data from the CIA World Factbook; excludes the Seychelles with a median age of 36.8 years

⁸ Based on data from the CIA World Factbook

⁹ Based on data from the World Bank Database; excludes Djibouti and the Seychelles

¹⁰ Based on data from the World Travel & Tourism Council

It was re-affirmed that the importance of coordinated regional responses to the pandemic remains critical in the effective containment of the virus. Internet connectivity and information sharing is also in line with the global response, further underscoring the importance of digital era economic diversification and structural transformation in the sub-region as a long-term solution to these recurrent crises.

Sub-regional Office for West Africa

Referring to the results of a study conducted by UNECA's Sub-regional Office for West Africa, the meeting was informed that the effects of the COVID-19 Pandemic on job creation, public health, remittances, tourism, and fiscal deficits are particularly severe in the region. For Nigeria, the dramatic drop in oil prices could generate a loss of revenues between USD 14 to 19 billion. For Cabo Verde, the Gambia, and Senegal (where tourism contributes 46, 20, and 10 percent of GDP, respectively¹¹), travel bans and lockdowns have effectively brought tourism sectors to a standstill. It should be pointed out, that for Cabo Verde, tourism accounted for 39 percent of total jobs in 2016.

The meeting was informed that the initial instinctive reaction to the COVID-19 Pandemic by most West African countries was to look inwards and act alone, and as a result, borders have closed, supply chains have been disrupted, and regional economic activity has fallen. Later, with the cooperative efforts of West African Health Organization (WAHO), the West African Economic and Monetary Union (WAEMU), and the ECOWAS Commission have allowed countries to collaborate to combat the spread of COVID-19 and mitigate the socioeconomic effects of the disease on a regional scale. This cooperation offers important examples to ensure recovery from the crisis, both in the public health and the socioeconomic arenas; this includes sharing best practices for mitigating the spread of the disease, coordination on fiscal measures and exit strategies, and the boosting of intra-region trade.

Sub-regional Office for Southern Africa

The meeting was informed that as of 14 May 2020, over 500,000 regional citizens have been tested and has 13,331 confirmed cases and 248 deaths. However, since mass testing was recently introduced in regional Member States, the number of new cases has risen, with 54 percent of the confirmed cases being discovered in the last 14 days. Though a majority of the region's cases are in South Africa (with 12,074 cases and 219 deaths), this could be attributed to the more widespread testing strategy compared to the rest of the region.

It was reported that the region's high levels of commodity dependency in the face of declining growth in the major export markets of China, the European Union and the United States and sharply falling commodity prices will negatively impact economic growth. The region is now expected to contract by 3.4 percent in 2020 from an initial expected growth of 2.8 percent. The tourism sector, a key contributor to the economies of Mauritius, South Africa, Zambia and Zimbabwe will also contribute to the worsening economic situation in the region. In 2018, tourism accounted for 24 and 9 percent of Mauritius' and South Africa's economies¹². Public debt as a percent of GDP is expected to breach the 60 percent threshold and reach 70 percent. Deficits will widen to 9 percent of GDP, inflation is expected to rise, and the regional macroeconomic convergence criteria will be missed. The closure of borders in a highly *informalized* region with high cross border trade has precipitated unemployment, especially amongst women and youth. The health sector characterized by low levels of health spending (average 6.6 percent of GDP attributable to

¹¹ Based on data from the World Travel & Tourism Council

¹² Based on data from the World Travel & Tourism Council

health spending¹³), limited health facilities, low levels of universal health coverage, low numbers of doctors (a regional average of 4 physicians per 10,000 population¹⁴), critical shortage of medical equipment and high levels of HIV/AIDS prevalence will be further undermined by the diversion of resources to fight COVID-19.

It was observed that various national strategies have been deployed by Member States to address the adverse impacts of COVID-19, including fiscal and monetary stimulus measures, the introduction of travel restrictions, lockdowns, and quarantine regulations, the removal of import duties on critical medical supplies and mass testing. Recently, countries have begun slowly easing lockdown restrictions, albeit in an uncoordinated manner. Efforts at regional level, through the SADC Secretariat to contain the virus including through coordinated transit facilitation, allowing the smooth passage of medical supplies, food, and fuel across the borders, evoking the regional procurement of medicines and supplies strategy and the acceleration of the alignment of national COVID-19 response measures to the regional guidelines including those on the quality of quarantine facilities and services. This crisis has highlighted the importance of strengthening the ongoing collaboration among Member States through policy harmonization and information sharing in fighting the cross-border spread of the pandemic. Furthermore, supporting micro, small and medium enterprises should be part of the anchor strategies for growing the regional pharmaceuticals sector value chains going forward.

Key Messages and Way Forward, During and After the COVID-19 Pandemic

a) Key Messages

- Regional cooperation and coordination is extremely important in managing both the health and economic impacts of COVID-19 and any future pandemic on the continent, including in the area of exiting current economic lockdown measures and the reopening of economies.
- Greater health integration is a more reliable strategy to more effectively respond to health crises such as COVID-19 as opposed to country-focused and fragmented responses.
- In recognition of the weaknesses of African health systems and inadequate health infrastructure, there is urgent need to significantly increase spending and investment in the health sector on the continent with a view of improving both the quantitative and qualitative dimensions of healthcare on the continent.
- Leveraging on programs like the AfCFTA-anchored Pharmaceutical Initiative and the broader AfCFTA framework that coalesces the many domestic markets of Africa to support pooled procurement, local production, and policy harmonization (in conjunction with Pan-African health agencies) is to be strongly encouraged and should be the focus of further discussions and analyses. In particular, information sharing, pooled procurement, local production of medicines and personal protective equipment (PPE), and policy harmonization are recognized as the cornerstones of a health integration strategy and the ECA-led Pharmaceutical Initiative is a step in the right direction in this regard.
- The use of information technology (IT) in its various dimension is of critical importance, including leveraging IT platforms in sharing and disseminating information and experiences among countries on the management of the pandemic. The growing shift to remote working, has increased reliance

¹³ Based on data from the World Bank Database

¹⁴ Based on latest available data from the Global Health Observatory (WHO)

on IT, creating an opportunity to strengthen IT capabilities and infrastructure on the continent, with potential for positive structural transformation spill overs, especially in the domestic services sector.

- This forum that brought together RECs (and their health agencies) and UNECA (and its sub-regional offices) truly served as a platform for sharing best practices and promoting the ideals of greater health integration at both the regional and continental levels. UNECA was urged to explore ways of making concertation between RECs, a regular feature of its work programme – during and even beyond the COVID-19 pandemic.
- The meeting concluded with gratitude towards the African countries in their efforts in addressing the pandemic and the support given to their healthcare workers who are at the forefront in dealing with the pandemic.

b) Way Forward

- Partners, including UNECA were urged to continue to support the implementation of regional response strategies that had been adopted or/and formulated by RECs to accompany their respective member states navigate the COVID-19 pandemic, including addressing both its health and economic impacts, as well as exiting from various lockdown strategies.
- Participants called for the strengthening of REC level early warning systems, including in the area of health, as well as the fostering of intra and inter-REC cooperation and coordination on matters of health, particularly with regard to responding to both the current COVID-19 pandemic and future crises/pandemics
- Recognized that greater regional health integration has the potential to herald not only better coordination, but also consistency, especially for states that belong to multiple RECs and therefore should be supported by various stakeholders.
- Participants called on various stakeholders to seize the opportunities created by COVID-19 to accelerate both intra and inter-REC integration such as between ECCAS and CEMAC. The need to urgently move from declarations to actions in this regard was emphasized.
- UNECA was urged to make the convening of such experience sharing forum between RECs a regular feature of its work, throughout the duration of the COVID-19 pandemic and beyond – focusing not just on discussion to advance health integration, but on other dimensions of integration. They urged ECA to prepare and convene a follow-up brainstorming meeting in the coming months.