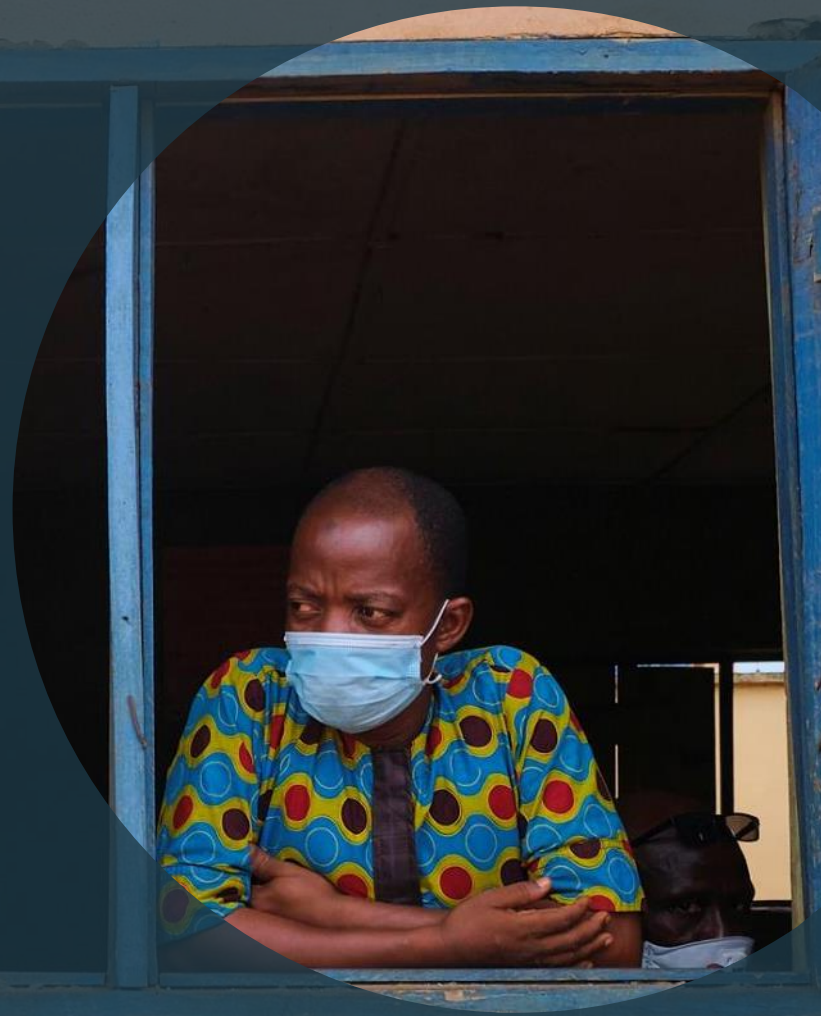


Recover and adapt

Context-driven policy options beyond COVID-19
in Africa

Webinar | August 2020



Options to mitigate, recover, adapt

A sense-making framework

Three dimensions



External vulnerability



Fiscal leeway



Ability of economy to respond

Four clusters



Limited options



Externally hamstrung



Some leeway

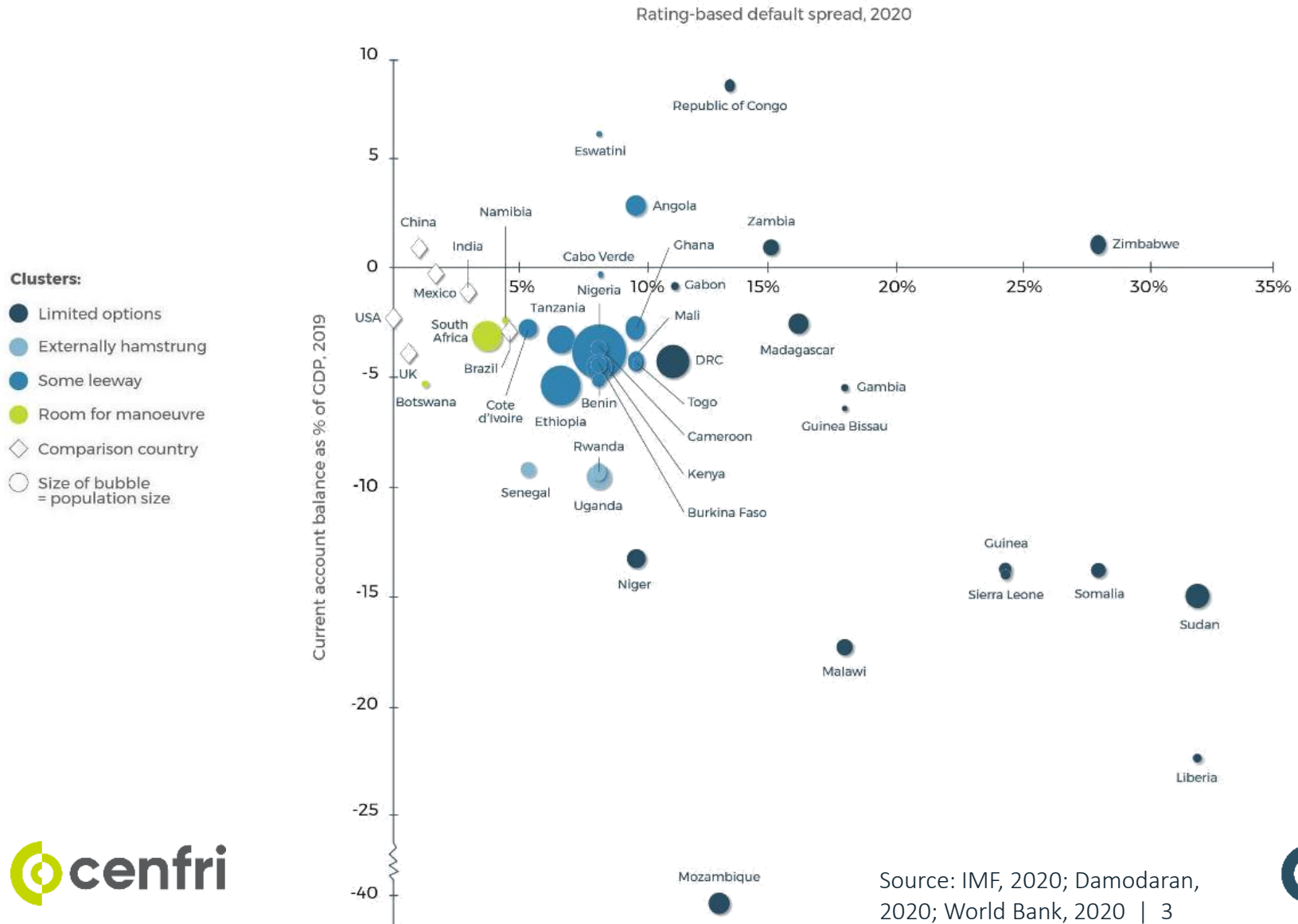


Room for manoeuvre



Snapshot

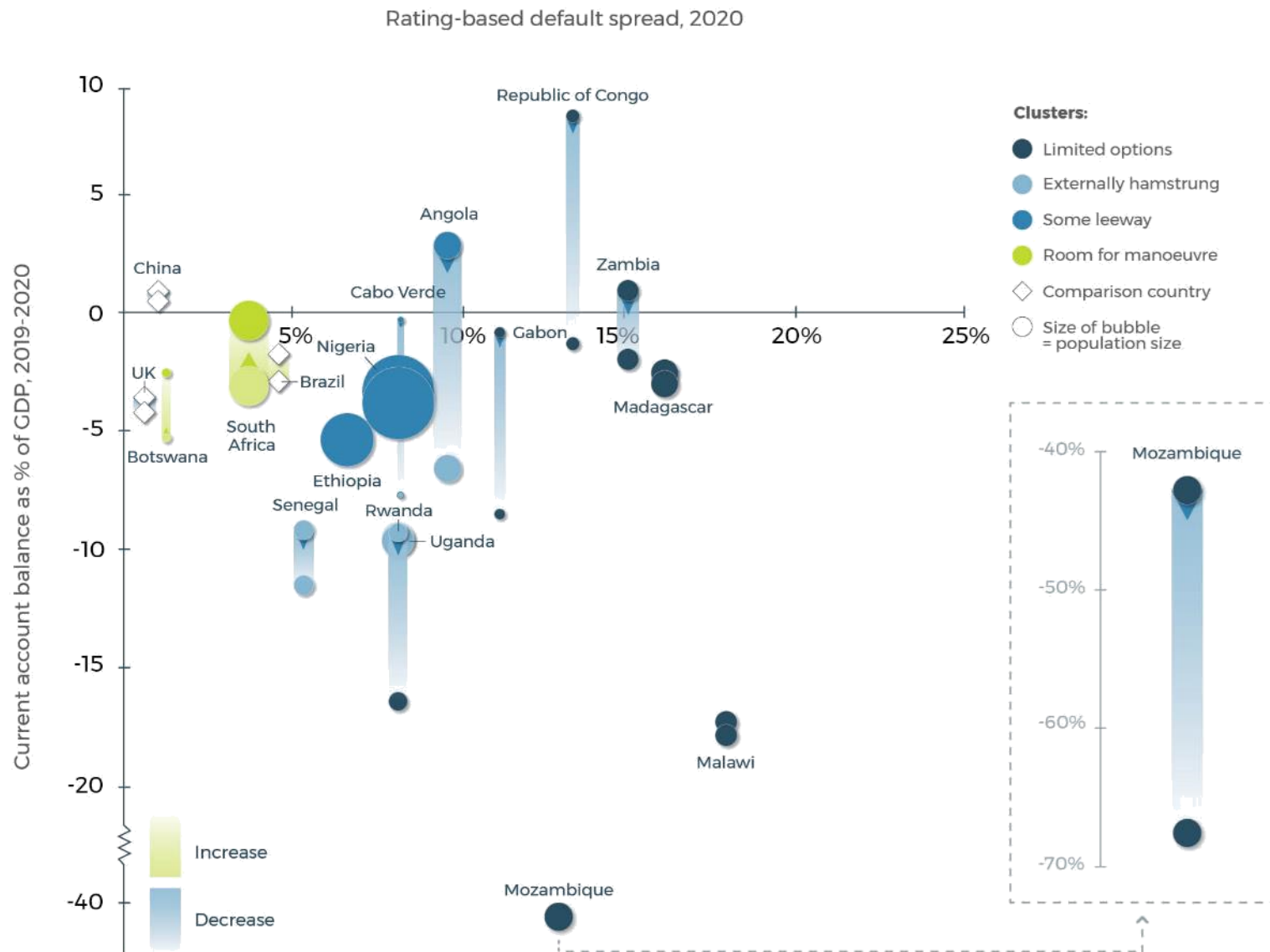
External vulnerability against fiscal runway





Dynamic path

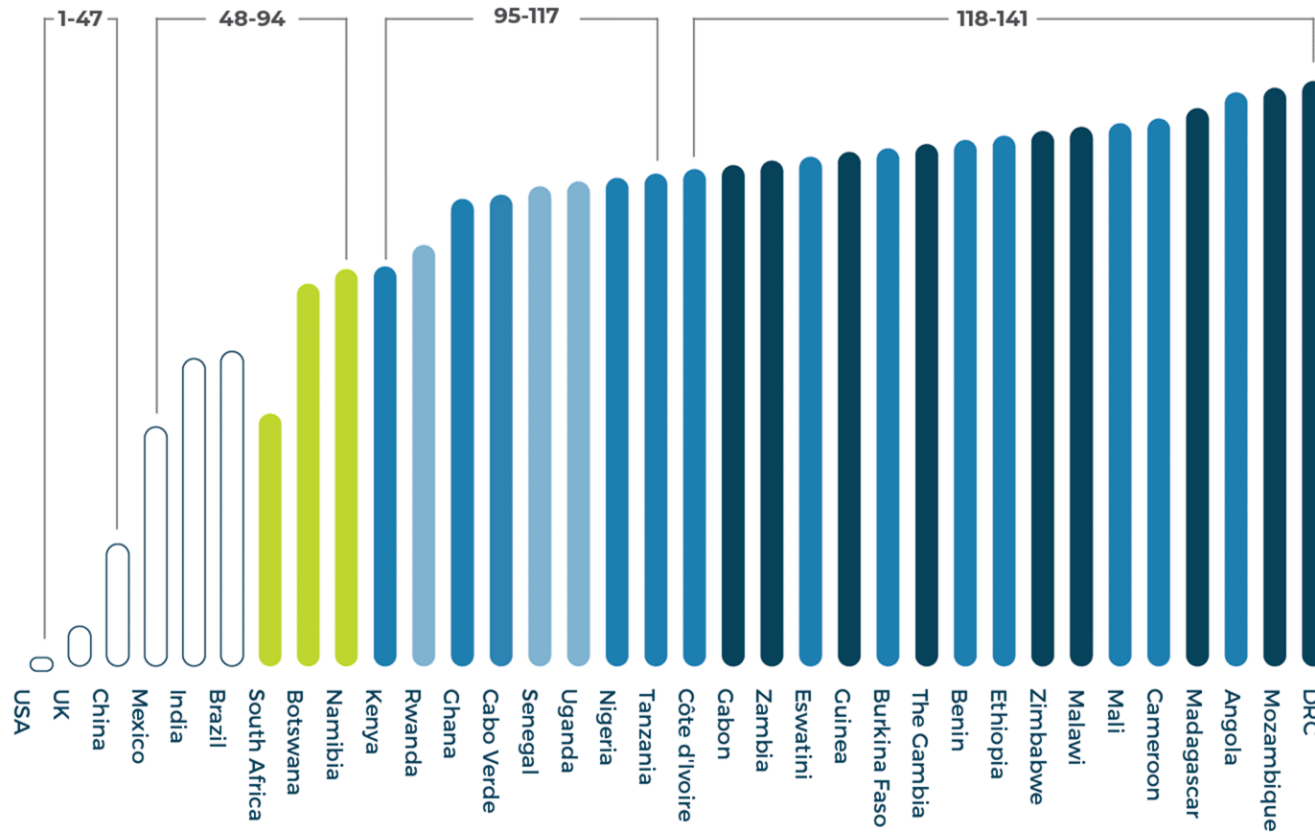
Expected current account impact





Ability to respond

Competitiveness of the formal domestic economy



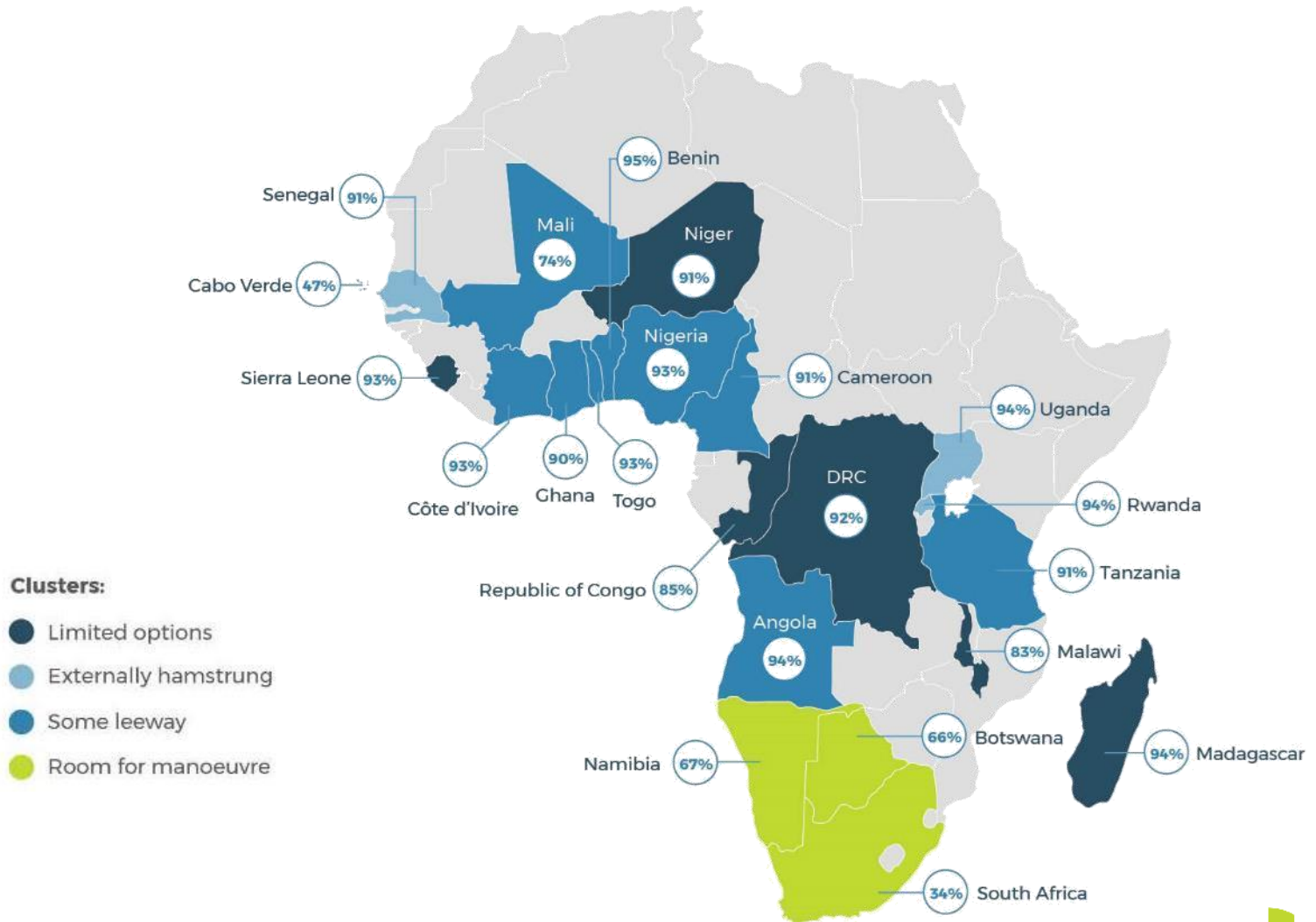
Clusters:

● Limited options ● Externally hamstrung ● Some leeway ● Room for manoeuvre ○ Comparison country



Ability to respond

Share of informal sector employment



Cluster upshot



Limited options

- Exogenous factors drive economic impact
- Limited access to international capital markets – dependent on multilateral funding
- High reliance on ODA and FDI
- Informal sector important role in resilience



Externally hamstrung

- Exogenous factors drive economic impact
- Access to international capital markets at relatively high cost
- Some reliance on ODA and remittances
- Informal sector important role in resilience



Some leeway

- Less external sector vulnerability
- Access to international capital markets at relatively high cost
- Private sector competitiveness differs by country
- Informal sector important role in resilience



Room for manoeuvre

- Less reliance on external sector
- Able to access international capital markets
- Diversified economy provides ability to pivot for long-term adaptation

Response parameters:



Objectives and timeframe:
mitigation,
recovery,
adaptation



Levers: e.g. fiscal stimulus,
sector-specific policy,
humanitarian support,
value chain digitalisation,
digital skills building



Sector focus: formal
vs. informal sector;
serving foreign vs.
domestic market;
financial sector



Constraints: position on
plotting, plus context-specific,
e.g. institutional strength,
economic structure, extent
of digitalisation



Funding options:
foreign vs local
debt; multilateral
funding; ODA;
remittances

Thank you for your interest in the COVID-19 Policy Response Framework.

To access to full report and webinar recording, click [here](#).

For more information on the framework, please contact [David Saunders](#).

About Cenfri

Cenfri is a global think-tank and non-profit enterprise that bridges the gap between insights and impact in the financial sector. Cenfri's people are driven by a vision of a world where all people live their financial lives optimally to enhance welfare and grow the economy. Its core focus is on generating insights that can inform policymakers, market players and donors who seek to unlock development outcomes through inclusive financial services and the financial sector more broadly.

