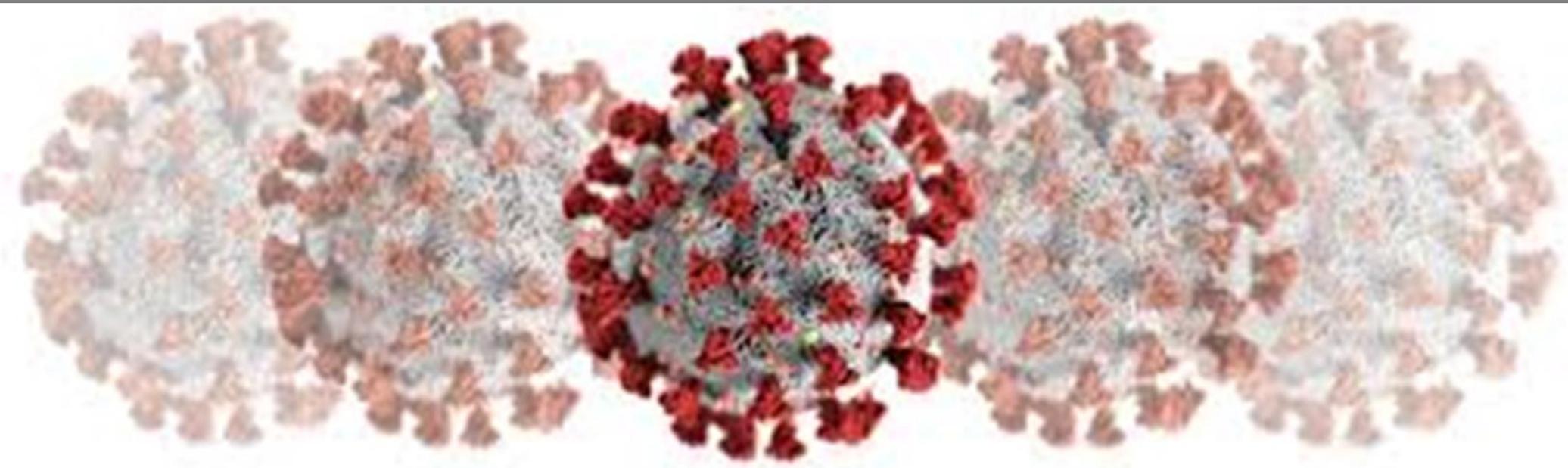




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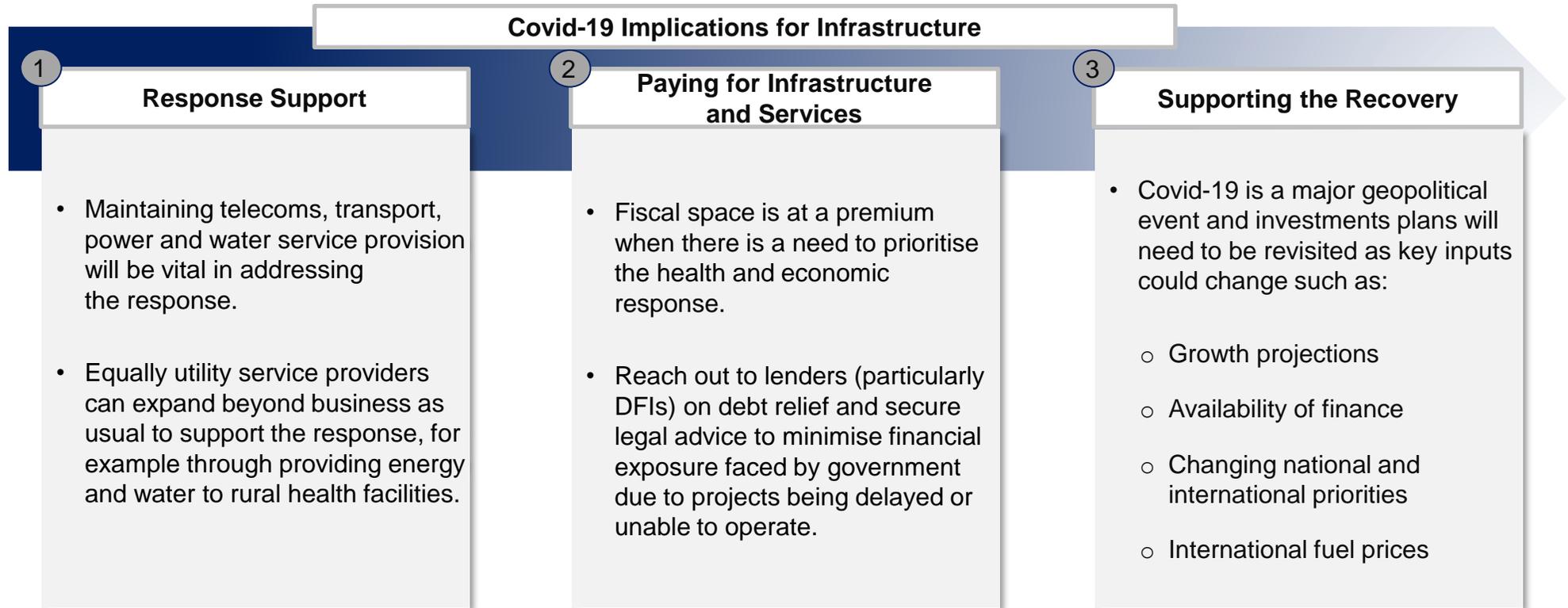
# COVID-19: Africa Infrastructure Guide

April 2020





# The Covid-19 implications for critical transport, telecoms, water and power infrastructure can be considered in three phases





# 1) Response support: keeping essential services operating during the crisis

A

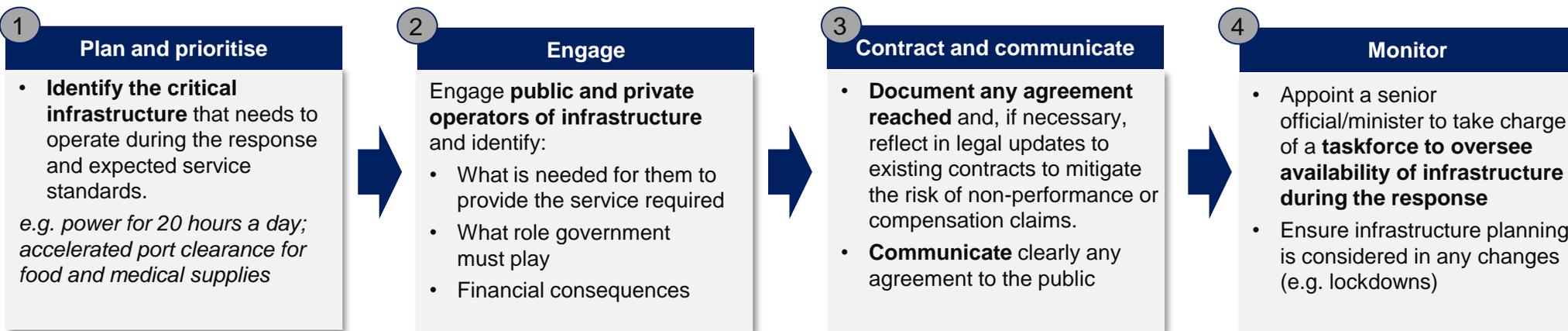
## Key considerations in maintaining service provision

	Transport	Power	Telcos	Water
Identify <b>key field workers</b> and establish protocols to enable them to work safely	✓	✓	✓	✓
Stock <b>sufficient fuel and essentials to operate and maintain the systems</b> in the event of delays in global supply chains	Include review of strategic fuel reserves		✓	✓
<b>Safeguard critical supply routes including ports/airports</b> and accelerate processing of critical supplies (including customs inspection)	✓			

B

## Systematic prioritising, engaging with public and private operators and monitoring

Managing infrastructure through the crisis involves actors public and private and will require a systematic approach to coordination





# 1) Response support: transport and telecoms

## Bus and City Transportation

Buses are the dominant form of transport in most African cities and will continue to provide critical services during the crisis. They are also points of close contact so provisions must be made.



### Prioritise Bus Use

Reduce non-essential travel and enforce distancing measures both on and whilst waiting for buses. Also consider prioritising some buses for those directly involved in the crisis response.

### Restrict Routes

Restrict routes to places where large congregations can gather with limited potential for enforcing social distancing.

### Facilitate Deliveries

Help minimise the needs for travel by encouraging home deliveries – for example through relaxing restrictions on parking to pick up and drop off, and on businesses allowed to deliver.



Ghana is providing three months free transport for key workers in cities



Mozambique is enforcing bus capacity limits and considering a transport fund to cover operators' losses

## Communication and Mobile Money

Around 50% of African households have access to a mobile phone which can form a vital role in both communications and financial transfers during the crisis.



### Mobile Money

Encourage mobile money use through making it the preferred channel for government payments and reducing the transaction costs. This will reduce the need for travel and cash handling.

### SMS Delivery of Government Messages

Use the phone system to deliver government messages such as those relating to lockdowns or access to food or other government support.

### Surveying Households

Mobile surveys of households physical and financial health can provide critical insights to guide the health and economic response.



Ghana and Rwanda have waived fees on mobile money transactions



World Bank regularly surveyed households in Sierra Leone through SMS during Ebola



# 1) Response support: access to energy and water

## Access to Energy



Access to energy will continue to be vital for households and medical facilities. Consider cooking fuels, electricity affordability and rapid connection of health facilities.

### Access to Cooking Fuels

- 90% of Africans rely on wood/charcoal for cooking. Ensure wood can be collected and supply chains for charcoal remain operational.

### Support Electricity Affordability

- The ability of families to afford electricity will fall at a time when they are expected to stay at home. Targeted subsidies could be considered (for those both on- and off-grid).

### Deploy Off-Grid Solutions

- Off-grid solutions (solar and diesel) can be deployed rapidly to health centres and hospitals where needed to provide emergency power (e.g. enabling lighting and cooling for blood/vaccines).



Ghana and Guinea are providing free electricity up to a maximum amount per household



\$25m has been allocated to pay electricity bills of the poorest households for two months

## Water Access



In sub-Saharan Africa, 42% of people are without basic water supply and 72% without basic sanitation. Providing access to clean water through the crisis will be essential.

### Household Level

- Mobilise water trucks where necessary to fill household/community supplies.
- Alternatively, in rural areas, distribute disinfecting kits and personal water storage containers to allow households to disinfect water from rivers/rainwater.

### Hospitals and Health Facilities

- Provide back-up water supplies through storage and portable water tanks (e.g. pillow and bladder tanks) or easily accessible gallon water drums and hand pumps.
- If water supplies are an issue consider using equipment for which water is less essential like alcohol-based hand sanitisers.



South Africa is providing water tanks in rural areas



Ghana is providing free water for three months with a focus on the most vulnerable



Togo is providing free water from public standpipes for two months



## 2) Paying for infrastructure and services: providing subsidies, securing debt relief and mitigating exposure to legal and financial risk

### Offsetting reduced revenues with reduced costs

Governments may need to spend more in infrastructure. Power, transport and water utilities are likely to experience reduced revenue as a result of reduced demand and customers' ability to pay whilst their costs remain relatively fixed. Subsidies need to be targeted and cost reductions through debt relief pursued.

#### Consider targeted subsidies

Governments may wish to subsidise specific customers (e.g. lower cost power to households under quarantine or free power and water to medical facilities) or specific inputs (e.g. sanitiser for public transport). Such subsidies will ultimately need to be paid by government so should be:

- Considered against other priorities such as health supplies.
- Targeted (blanket subsidies are often regressive, benefitting the wealthier who consume more).

#### Reach out to international partners on debt relief to mitigate financial shortfall

Reach out to infrastructure financiers (particularly DFIs) on a potential suspension of financing repayments during the crisis, on the basis of reduced demand and the need to channel finance to address the crisis.

This outreach should include both those lending direct to government or public utilities and those lending to private investments/operators who pass these costs onto government.

### Minimise the government's legal and financial exposure to disruptions in operations and project development



Infrastructure under development is likely to be delayed as work stops or slows during the crisis. This comes at a cost and **governments must secure legal advice prior to engaging investors or contractors to ensure that these delays do not result in significant financial liabilities for the government.**

Legal advice should also be sought when agreeing to changes in the terms on which private infrastructure providers will operate.



### 3) Supporting the recovery: preparing to re-plan

Infrastructure investment plans will need to be reviewed after the crisis as the world will be a different place to what it was previously. A failure to adapt will increase the risk of either inefficient investment or pursuing plans that cannot be financed or delivered.

#### Drivers of uncertainty



**Demand** for utilities and services is likely to change in line with the economic outlook.



**The availability of finance** for infrastructure investment from international markets, DFIs or bilateral lenders (e.g. China) could change.



Changes in **commodity prices** could impact investment decisions such as the need for infrastructure to support exports as well as reducing the available fiscal space for governments to subsidise infrastructure.



Projects already **underway or planned** may not be achievable as finance is directed elsewhere



The **priorities of governments**, both domestic and foreign, and intergovernmental institutions could evolve.



# Resources

Segment	Organisation	Link/Contact
Water	 <ul style="list-style-type: none"> <li>Centre for Disease Control (CDC) provide guidance on water supply for hospitals and health facilities</li> </ul>	<a href="#">CDC guidance</a>
Power	 <ul style="list-style-type: none"> <li>SE4ALL was launched by the UN and can help coordinate donor support in areas like decentralised power for health and cooking fuels</li> </ul>	<a href="#">SE4ALL energy and health information</a>
Transport	 <ul style="list-style-type: none"> <li>National Association of City Transport Officials (NACTO)</li> <li>United Nations Economic Commission for Europe (UNECE)</li> <li>Transformative Urban Mobility Initiative (TUMI)</li> </ul>	<a href="#">NACTO guidance on city transportation</a> <a href="#">UNECE information on border-crossing measures</a> <a href="#">TUMI guidance on Covid-19 prevention</a>
Mobile and Mobile Money	 <ul style="list-style-type: none"> <li>Contact national phone or mobile money providers</li> </ul>	<a href="#">McKinsey article on mobile money</a>
Legal Support	 <ul style="list-style-type: none"> <li>The International Senior Lawyers Programme (ISLP) can provide free assistance to developing countries (e.g. issues with project delays)</li> </ul>	<a href="#">ISLP website</a>
Debt Relief	 <ul style="list-style-type: none"> <li>Engage with multilateral and bilateral lenders; both to the government and private investments that governments are ultimately liable for</li> </ul>	Is in line with <a href="#">recent commitments</a> by the World Bank and G20