

African Development Bank



Your Excellency Minister Ahmed Ould Teguedi, President of the Executive Council

Your Excellency Dr Nkosazana Dlamini-Zuma, Chairperson of the African Union Commission

Honorable Ministers

Distinguished Ladies and Gentlemen

All protocol observed,

Dr Donald Kaberuka, the PRST of the AfDB takes a great interest on this issue. On the 26th and 27th, the AfDB delegation led by Dr Donald Kaberuka arrived in Liberia and Sierra Leone to hear firsthand of the challenges and convey the AfDB's institutional responsibility to engage in the response to Ebola. As the premier financial institution on the continent, the AfDB stands ready to do all that is required within its mandate to combat this disease and to ensure post-ebola recovery.

The spread of Ebola has continued to escalate in West Africa and the AfDB is deeply conscious of the multifaceted challenges in the response and recovery stages.

There are critical shortages of Ebola treatment center beds in Guinea, Liberia, and Sierra Leone. Patients seeking treatment are turned away daily and care centers in Liberia and Sierra Leone are overcrowded. People continue to become ill and are dying in their communities.

The Bank has prepared several operations to combat the Ebola crisis. A \$60 million regional operation has been approved to help strengthen West Africa's public health systems in response to the Ebola crisis. An MOU was signed between the WHO and AfDB on 26 August. The WHO will implement the funds, which will be used to help recruit and train health workers, purchase equipment and medicine, and ensure that the necessary logistics are in place at the local level to provide emergency health services to Ebola patients. The first tranche of this support, for \$23 million, has been disbursed with record speed to the WHO, on September 4th.

Additionally, the AfDB will invest an additional \$150 million to assist its regional member governments through budget support operations in order to pay health workers, equip health centres, and create jobs. It is considering regional budget support packages that would support financing towards the health sector.

The Bank disbursed a grant of \$3.1 million in July to the WHO in response to a call by the Economic Community of West African States (ECOWAS) to fight Ebola in Guinea, Liberia, Sierra Leone and neighbouring countries. The Bank has also prepared country specific responses with grants of \$1 million each to Guinea, Sierra Leone, Liberia and Nigeria to address short-term needs which should disburse by 15 September.

While the health impact has been shocking, the economic and social impact will affect many more lives and will increase the longer the pandemic continues. Liberia's earlier projected growth rate of 5.9% will be reduced by at least 2%, although projections will depend on the length and depth of the crisis. In Sierra Leone, its projected growth rate of 11.3% may fall to 8%. In Guinea, its initial GDP growth forecast for 2014 of 4.5% may fall to between 2.4 and 2.8%.

Agricultural production is being affected by the death of farmers and limited planting and harvesting, as well as quarantines of the countries' bread baskets, which will limit the trade of crops. Services are being hit hard by the crisis, with retail and wholesale trade decreasing considerably, as well as transportation, and sales at restaurants and hotels. Mining exports may only see a limited effect, with the top mining companies continuing production, although some investment is being postponed. Increased uncertainty is reducing investment by smaller businesses, as well. Increased levels of stigma could affect investment into the future, as well as the return of the diaspora that was just returning after the civil conflicts.

Quarantines and reduced food production are affecting food supplies, and prices for food and other essentials are increasing, which, combined with reduced income, affects the poor the most. Poverty rates are already high in the three countries--57% in Liberia, 55% in Guinea, and 53% in Sierra Leone. These rates will be expected to increase.

The majority of Ebola cases and fatalities are women – some 55 to 60%. This ranges from 52% of deaths in Sierra Leone, to 55% in Guinea, and a staggering reported 75% in Liberia. Women are more at risk due to their role as caregivers both in the home—to their families—and professionally—as the majority of nurses and health care workers, who are on the front line of this disease. By losing so many women, these countries are also losing the engines of economic and social development that will help them rebuild.

There is an urgent need to mitigate the economic losses of women during the pandemic and to position them for economic recovery and eventually, economic empowerment in the aftermath of the pandemic.

To address this, the Bank is considering a Social Fund on the Gender Dimensions of EVD.

It cannot be overstated that EDV has exposed the weakness of the institutions and systems. The response to the disease to date has been inadequate, and as Africans, this is an opportunity for Africans to be upfront and respond in a coordinated comprehensive. The African Union plays a special role in preparing a unified African response to the crisis. This is the time for a united response that shares the cost of the crisis to stop the spread of Ebola, and to ensure that West Africa, and all of Africa, survives, and thrives once again. Beyond the health, economic, and social crisis, this is also a threat to the continent's image, which could create a new stigma, and which could reduce the flow of investment, just when Africa is taking off.

I thank you.