



COVID-19: CRISIS EVOLUTION IN SOME OF OUR COUNTRIES OF INTERVENTION

2022

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Sources:

European Center for Disease Prevention and Control
International Monetary Fund
French Ministry of Foreign Affairs
French Ministry of Public Health
Organisation for Economic Co-operation
and Development
World Bank
World Health Organization

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EDITORIAL

COVID-19: CRISIS EVOLUTION IN SOME OF OUR COUNTRIES OF INTERVENTION

Since the beginning of the pandemic, the Grameen Crédit Agricole Foundation has been monitoring the evolution of the health crisis in its countries of intervention to better understand its effects on supported microfinance institutions and their clients. After “Covid-19: the impact of the crisis on microfinance”, this new publication compiles data and analyses from some of the countries where the Foundation works. Publications about other countries of intervention can follow this first edition.

The Foundation has chosen to use accessible, quantitative and qualitative measurement tools. The quantitative indicators focus on the number of Covid cases and the number of deaths, which are analysed on average over 7 days and as a proportion of 1 million inhabitants in order to have comparative data. The percentage of fully vaccinated inhabitants is also taken into account to assess the effectiveness of the vaccination campaign in the country. The qualitative measurement tools are based on the government’s actions in response to the crisis, the pandemic’s impact on the economy and the health mapping (red, orange or green countries) developed by the French government.

Sources are exclusively from relevant entities: European Center for Disease Prevention and Control, International Monetary Fund, French Ministry of Foreign Affairs, French Ministry of Public Health, Organisation for Economic Co-operation and Development, World Bank and World Health Organisation.

With this publication, intended for policy makers, funders, operators and microfinance institutions, we hope to contribute to the understanding of the effects of Covid-19 on the microfinance sector in order to better prepare, innovate and respond to the crisis.

BOSNIA



> Classification by French authorities: **ORANGE**

> Health risk: **MEDIUM**

CURRENT RESTRICTIONS:

> Lockdown or Curfew: None

> Other: None

KEY INDICATORS*

 **105,882 cases** per 1 million people

 **42 deaths** (7-day average)

 **2,131 new daily cases** (7-day average)

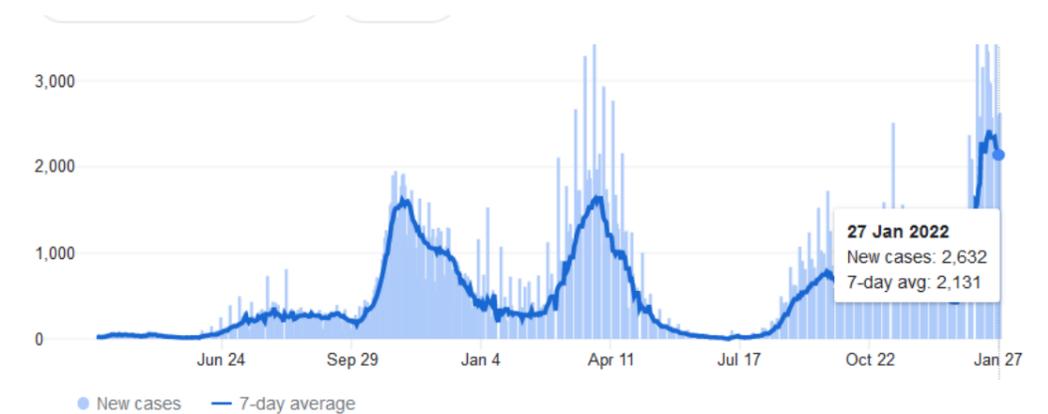
 **4 waves**
Nov-20, April 21, Sept-21 and Jan-21

 **4,405 deaths** per 1 million people

 **25.7%** of population is fully vaccinated

As of January 27th
* Cumulative

COVID-19 NEW CASES



GOVERNMENT/INTERNATIONAL ACTION

› **Bosnia is suffering from a third wave and is struggling to contain it**, due to poor respect of distancing measures and a lagging vaccination campaign. The Omicron variant amplified it greatly since the beginning of January and cases are increasing rapidly.

for banks was extended until jun-21. **USAID and UNICEF have provided \$4,8M** to support pandemic relief in Bosnia.

› **1,8% of the country's GDP** was allocated to households and firms in response to COVID-19. A 6 months loan moratorium

› The country received 3 M doses from donations and **destroyed some of them because of the lack of interest (55 000 doses at the beginning of September-21)**.

ECONOMIC IMPACT OF THE PANDEMIC

› **Economy contracted by 4.3% in 2020** due to the drop in consumption, investments and demand from abroad. But **growth is expected to increase to 2,8% in 2021**.

› 33.% of unemployment in feb-21 vs 19% in 2019.

DEMOCRATIC REPUBLIC OF CONGO



> Classification by French authorities: **ORANGE**

> Health risk: **LOW**

CURRENT RESTRICTIONS:

> **Curfew:**
10:00 pm – 4:00 am

> **Other:**
Schools, colleges, universities and bars are closed

KEY INDICATORS*

 **885 cases**
per 1 million people

 **146 new daily**
cases (7-day average)

 **14 deaths**
per 1 million people

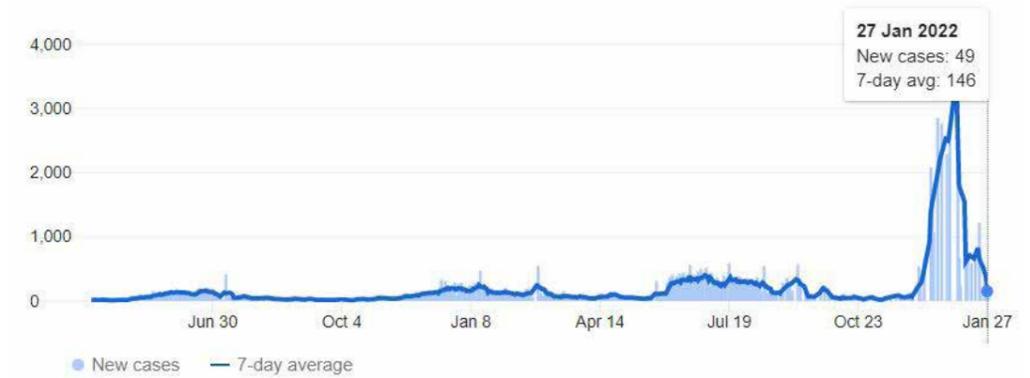
 **53 deaths**
(7-day average)

 **4 waves**
of infection : June-20,
Jan-21, June-21 and Jan-22

 **0.3%** of population
is fully vaccinated

As of January 27th
* Cumulative

COVID-19 NEW CASES



GOVERNMENT/INTERNATIONAL ACTION

› The DRC was severely hit by the measures to curb Covid-19, with a first wave in March 2020 that led to the lockdown of the capital city, Kinshasa, and a second and third waves that led to global curfews. While a curfew is still in place, certain restrictions had to be cancelled in the face of social protests. Thus the situation remained stable despite the new wave due to Omicron, that is now passed its peak. The curfew also intends to discourage the protests preceding the elections that are taking place since August. Additionally, Ebola is resurging since October 2021.

› A 9-month multi-sectoral response plan against the pandemic (PMUAIC-19) was launched in May 2020, but only represented 0.3% of GDP. The country receive a USD 1.52 B loan from the International Monetary Fund to recover.

› DRC received its first vaccine doses through COVAX in early March 2021, with a first shipment of 1.7 million doses. However, as of November 2021, only 0.3% of the population received the first dose, because of mistrust towards the government and the lack of infrastructure in this very vast country. 1.3 million doses were sent to other countries to ensure usage before the expiry date.

FOCUS ON THE EASTERN PART

› Attacks of civilians by violent militia are increasing, with an estimated 50,000 already displaced people, including 27,000 children. Raids of villages have killed

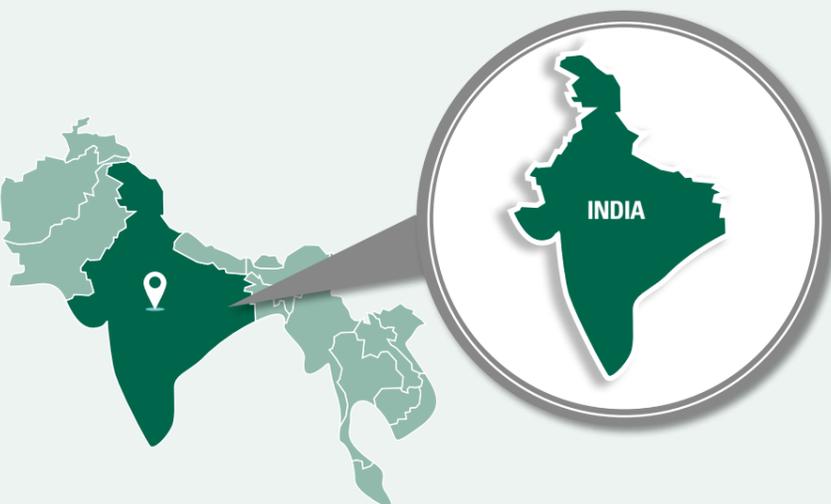
490 civilians since the beginning of 2021, in Kivu only. The last terrorist attack on December 26 in Beni killed 6 people.

ECONOMIC IMPACT OF THE PANDEMIC

› GDP growth was slowed down in 2020 and reached only 0.8%, due to increased consumer prices, reduced fiscal revenues,

and increased fiscal spending. Growth is expected to reach 3.2% in 2021, mainly thanks to a bounce back of the mining sector.

INDIA



- > Classification by French authorities: **ORANGE**
- > Health risk: **RED**

CURRENT RESTRICTIONS:

- > **Lockdown or Curfew:** Very variable localised lockdowns and curfews, mainly in major cities
- > **Other:** Difficult access to hospital care

KEY INDICATORS*

 **28,989 cases** per 1 million people

 **562 deaths** (7-day average)

 **293,812 new daily cases** (7-day average)

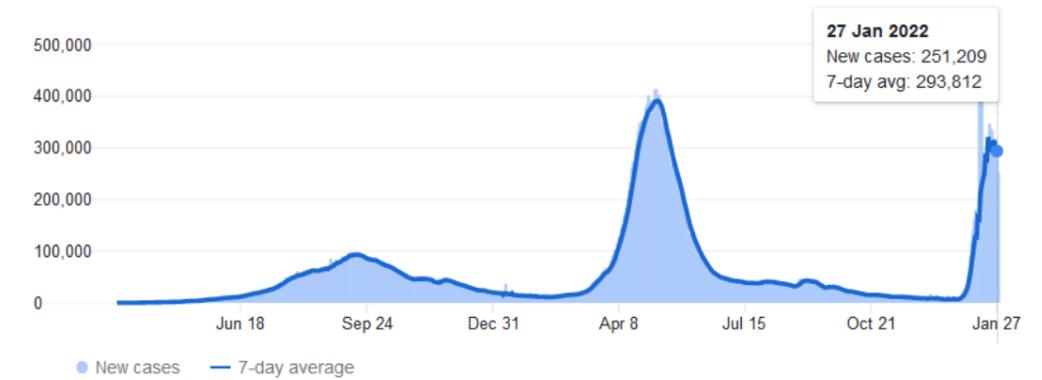
 **3 waves** Sept-20, June-21 and Jan-22

 **351 deaths** per 1 million people

 **50.3%** of population is fully vaccinated

As of January 27th
* Cumulative

COVID-19 NEW CASES



GOVERNMENT/INTERNATIONAL ACTION

- › Public spending in response to the crisis amounts to about **9 percent of GDP** so far, mainly to support low-income households and for health insurance and infrastructure.
- › **India's cases have risen 30-fold in a month**, fueled by the highly transmissible Omicron variant, with the virus spreading in all states and Mumbai and Delhi as major hot spots. The country has been bracing for another wave of COVID-19 activity after its catastrophic Delta surge. **So far, the country is reporting fewer hospital-**

izations and deaths, similar to Omicron patterns in other countries.

- › **Health officials in India have eased some COVID-19 rules**, such as mandatory testing for most contacts, in an effort to concentrate resources on the highest-risk groups and to ease the burden on healthcare facilities.

- › **Vaccination is progressing rapidly**, with second dose coverage in some states rising to 40%, thanks to the local production of the vaccine **Covishield**.

ECONOMIC IMPACT OF THE PANDEMIC

- › The economy was severely hit in 2020, with a **7.4% contraction of GDP**. Forecasts expect GDP to **grow by 8.2% in 2021**, returning to its level in 2019. These

forecasts include the hypothesis of a third wave of infections before the end of the year, but vaccination is progressing fairly efficiently.

INDONESIA



> Classification by French authorities: **ORANGE**

> Health risk: **MEDIUM**

CURRENT RESTRICTIONS:

> **Lockdown or Curfew:** Localised lockdowns, measures depends on regions

> **Other:** Mandatory vaccination to travel inside the country

KEY INDICATORS*

 **15,533 cases** per 1 million people

 **4,518 new daily cases** (7-day average)

 **519 deaths** per 1 million people

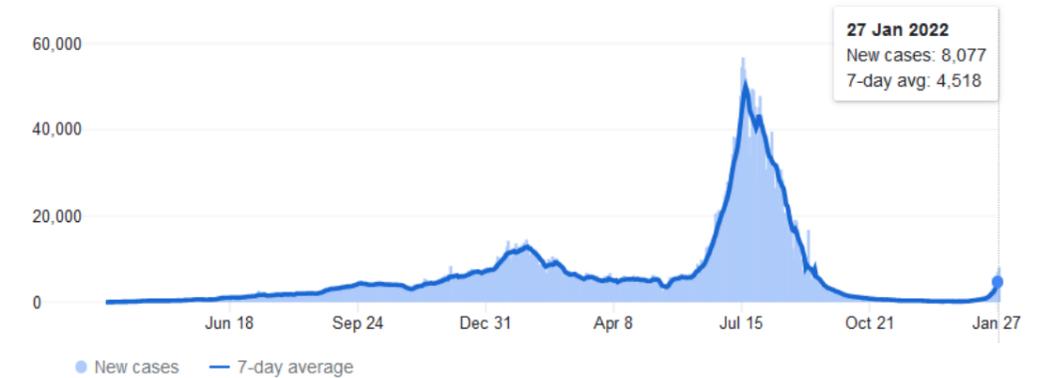
 **9 deaths** (7-day average)

 **5 waves**
Nov-20, March-21, Sept-21, Oct-21 and Jan-21

 **Fully vaccinated**

As of January 27th
* Cumulative

COVID-19 NEW CASES



GOVERNMENT/INTERNATIONAL ACTION

- › A very important wave during the summer of 2021 was devastating for Indonesia. However, since then, the number of daily cases was kept at a low level thanks to sanitary measures. The country closed its borders, and now reopened them but is imposing a 7 day-quarantine to visitors in view of the spread of Omicron.
- › Indonesia took drastic measures since the beginning of the crisis, in particular temporary bans on domestic and international travel, and social restrictions in July. Additionally, the government **disbursed**

about 3.8% of GDP to support healthcare, social assistance and tax relieves.

› It received medical assistance amounting to over **USD 65 M from the US** and help from **Australia through the USD 2M** Indonesia COVID-19 Relief Fund.

› Vaccination is lagging behind compared to neighboring countries. Vaccin doses are sufficient with 274 M doses received so far, but the country **lacks healthcare workers and logistical efficiency.**

ECONOMIC IMPACT OF THE PANDEMIC

› GDP **shrank by 2.1%** in 2020 due to social restrictions. Recovery is expected to be slow, with predictions that were revised

downwards due to the very severe second wave, now standing **at 3.3% of GDP growth in 2021.**

MONTENEGRO



> Classification by French authorities: **RED**

> Health risk: **MEDIUM**

CURRENT RESTRICTIONS:

> Lockdown or Curfew: None

> Other: None

KEY INDICATORS*

 **345,207 cases** per 1 million people

 **1,020 new daily cases** (7-day average)

 **4,045 deaths** per 1 million people

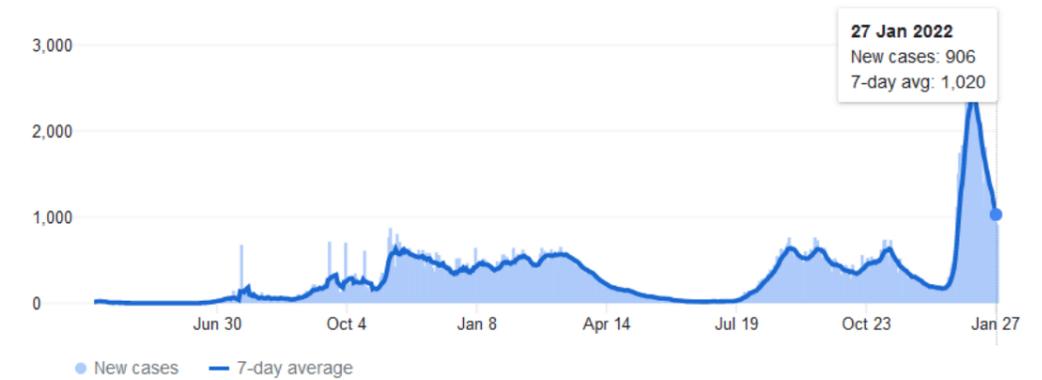
 **6 deaths** (7-day average)

 **5 waves**
Nov-20, March-21, Sept-21, Oct-21 and Jan-21

 **44.6%** of population is fully vaccinated

As of January 27th
* Cumulative

COVID-19 NEW CASES



GOVERNMENT/INTERNATIONAL ACTION

- › Montenegro has **been hit very hard by the pandemic**: After the first wave in March 2020, two-months containment followed. Between September and November 2021, the number of cases was also severe and strongly amplified with the Omicron variant. In January, the number of cases reached a peak but the government doesn't implement new sanitary measures.
- › On April 29, 2021, the Montenegrin government adopted a new package of support measures for businesses and citizens for the second quarter, worth an estimated EUR 160 million. This package includes a reduction of electricity bills for the most vulnerable groups and a new salary subsidization plan.
- › The first vaccines were administered in late February 2021, but **the rollout is slow** and exposes Montenegro to the spread of new variants.
- › The government adopted **five different packages over 2020 and 2021** to support measures for business and citizens to face the crisis. They amount in total to EUR 1.6 billion over 4 years, and **5.9% of GDP in 2020**.

ECONOMIC IMPACT OF THE PANDEMIC

- › The Covid-19 outbreak has caused severe economic challenges for Montenegro, especially for the tourism sector. It registered a **14.8% contraction in 2020**, and the **growth for 2021 is only estimated to be 6.5%**.

PALESTINIAN TERRITORIES (AND ISRAEL)



PALESTINIAN TERRITORIES (AND ISRAEL)

- > Classification by French authorities: **RED**
- > Health risk: **MEDIUM**

CURRENT RESTRICTIONS:

- > Lockdown or Curfew: None
- > Other: None

KEY INDICATORS*

 **89,621 cases** per 1 million people

 **4,220 new daily cases** (7-day average)

 **910 deaths** per 1 million people

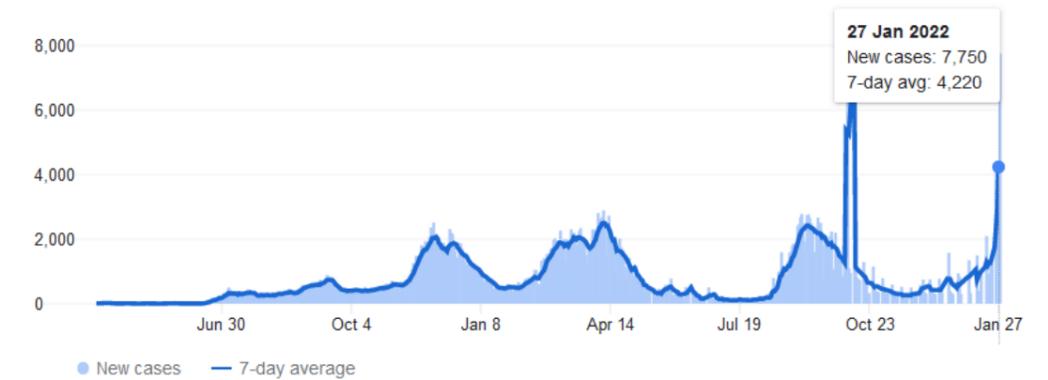
 **9 deaths** (7-day average)

 **4 waves** of infection : Dec-20, April-21, Sept-21 ans Jan-22

 **31.9%** of population is fully vaccinated

As of January 27th
* Cumulative

COVID-19 NEW CASES



GOVERNMENT/INTERNATIONAL ACTION

- › Palestinian territories were severely hit by multiple waves, that triggered several curfews, the closure of businesses and a full lockdown from the end of 2020 to July 2021. **Cases in Israel and Palestinian territories are closely linked due to cross-border trade, so the latter is expected to be hit by Omicron soon (current spike in Israel).**
- › The largest vaccination drive for Palestinians has been conducted by **Israel, which inoculated workers employed in Israel or settlements.** Israel is rolling out the fourth dose. In addition, Israel has donated Moderna vaccines to the Palestinian Authority (PA, West Bank). Donors to both the West Bank and the Gaza strip include Russia, the UAE, China and the COVAX program.

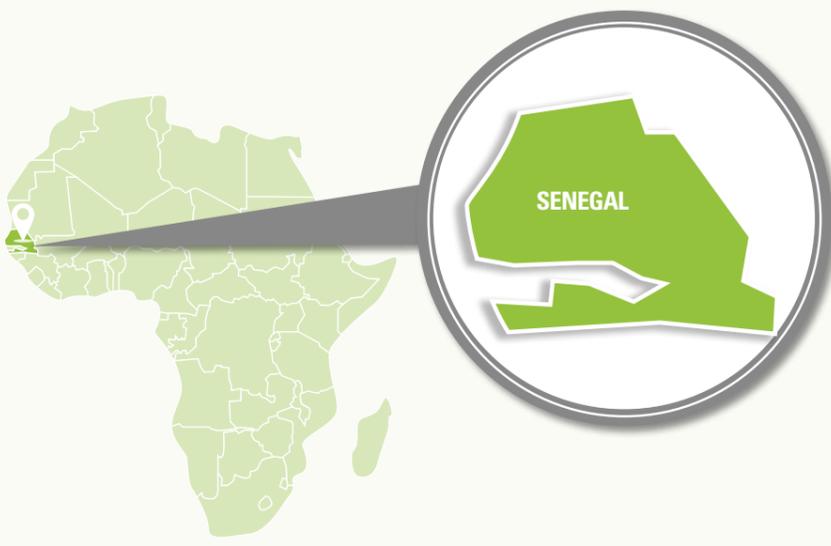
ECONOMIC IMPACT OF THE PANDEMIC

- › Economy was severely hit as it is mainly services-driven and dependent on exports and because of sanitary measures. **GDP contracted by 11.5% in 2020.** The growth remained low in **2021, at 6.2%, and is forecasted at 4.1% for 2022.**

SECURITY

- › The postponement of elections (indefinitely postponed since July 2021) by the PA, its inability to stop the growth of Israeli settlements and the slow down of international aid are causing a **crisis of legitimacy for the PA and a rise in the tensions with Hamas (Gaza strip). Relations with Israel are worsening and caused a number of back and forth attack with casualties during May 2021.** Risk of terrorist attacks is high.

SENEGAL



> Classification by French authorities: **GREEN**

> Health risk: **LOW**

CURRENT RESTRICTIONS:

> Lockdown or Curfew: None

> Other: None

KEY INDICATORS*

 **4,863 cases** per 1 million people

 **137 new daily cases** (7-day average)

 **111 deaths** per 1 million people

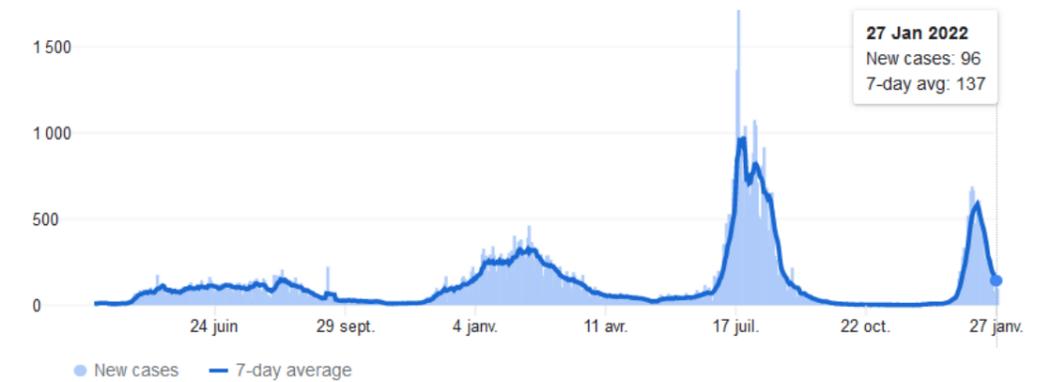
 **3 deaths** (7-day average)

 **4 waves** of infection : June-20, Feb-21, Jul-21 and Jan-22

 **5.8%** of population is fully vaccinated

As of January 27th
* Cumulative

COVID-19 NEW CASES



GOVERNMENT/INTERNATIONAL ACTION

- › The impact of the pandemic in terms of health was curbed thanks to early measures, mainly the closure of borders and a curfew in March 2020. Even though the second (February 2021) and third (July 2021) waves were more important, daily deaths never rose above 20 per day (7 day average). **The fourth wave due to Omicron has already reached its peak and did not cause a rise in deaths so far. Sanitary measures are at a minimum since March 2021.**
- › In 2020 the government implemented an economic and resilience package of up to

7 percent of GDP anchored in a revised budget to improve the health system, strengthen social protection, stabilize the economy and secure basic supplies.

- › The vaccination campaign was launched in February 2021 but is very slow due to the lack of supply and low awareness. **As of January 2022, 8,2% of the population received one dose and 5,9% received two doses.** On January 13th 2021, the government authorized the third dose and vaccination from the age of 12. Sinopharm and Astrazeneca are the most common vaccines locally.

ECONOMIC IMPACT OF THE PANDEMIC

- › Economic growth was **only 0.9% in 2020** against 4.4% in 2019, mainly due to the pandemic impact on the tourist sector and ex-

portation. The **GDP is expected to bounce back and grow by 3.5% in 2021 (estimates) and 5.9% in 2022 (forecasts).**

The Foundation finances and supports microfinance institutions and social and environmental impact enterprises to contribute to the fight against poverty around the world.

Its actions in favour of access to financial services, the autonomy of women through entrepreneurship and the development of rural areas contribute to the resilience of economies and the promotion of a more inclusive world.



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