Implementing the Emergency COVID-19 Support Programme

*We will either beat COVID-19 worldwide or not at all*
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1. The COVID-19 pandemic remains a global challenge

The COVID-19 virus is still spreading throughout the world:

- confirmed infections exceed 170 million people;
- more than 3.8 million of these have died;
- 192 countries and regions are still in the grip of the pandemic

We are still struggling to cope with the impacts of the pandemic, now in its second year. Developing countries and emerging economies are particularly dependent on global support as they deal with the long-term consequences. The threat of new mutations spreading from country to country is a drastic reminder of how interdependent our world is. In view of this dynamically evolving situation, fast and flexible action is critically important.

The pandemic is already having devastating consequences – and all the more so in developing countries and emerging economies.

The pandemic’s impacts have reversed many of the advances in development made over recent years. The United Nations (UN) predicts a fall in its Human Development Index across the globe for the first time since its introduction in 1990. It is estimated that COVID-19 will set the world back seven years.

The crises triggered by the pandemic concern poverty, food security, inequality, violence and education, presenting us with major challenges over the long term.

### World Bank prediction of the effect of the COVID-19 pandemic on the number of people living in extreme poverty (<1.90 US dollars per day)

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<td>Number living in extreme poverty</td>
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Source: World Bank report on Poverty and Shared Prosperity 2020, own presentation
The COVID-19 pandemic as a “polypandemic” – a global setback for societies and economies

SDGs 1 and 2 – Poverty & hunger

The pandemic is hitting the poorest of the poor hardest. Experts reckon that in many developing countries more people will die from the impacts of the pandemic than from catching the virus itself. More than 90 per cent of these countries have seen per capita incomes fall, in some cases wiping out the income improvements of the last ten years. The pandemic is pushing millions of people back into extreme poverty.

It is predicted that an additional 143 to 163 million people will be living in extreme poverty (i.e. on less than 1.90 US dollars a day) by the end of 2021. In 2020, some 60 per cent of these “new poor” were in South Asia, followed by 27 per cent in sub-Saharan Africa and 7 per cent in East Asia. Many sources of income have dried up with the onset of the pandemic, as millions of people lose their jobs. The International Labour Organization (ILO), in its Global Wage Report 2020–21, describes the severe downward pressure on wages worldwide. According to the 7th ILO Monitor, in 2020 global working hours were down 8.8 per cent on the fourth quarter of 2019, equivalent to a loss of 255 million full-time jobs.

On the latest estimates, the COVID-19 pandemic will result in up to 130 million more people facing hunger, undernourishment or malnutrition, especially in countries such as Burkina Faso, the Democratic Republic of the Congo, Ethiopia, Myanmar and Somalia.

The United Nations Development Programme (UNDP) has calculated for 2020 that the number of people facing hunger rose to 820 million. And UNICEF reported that by the end of 2020 an additional 6.7 million children were suffering malnutrition and wasting. The rate of child poverty will increase by around 15 per cent in developing countries.

SDG 3 – Health

Fragile health systems are not adequately prepared for the task of containing the virus and maintaining health care services. With patients unable to receive medical treatment and supply chains being disrupted, we can expect to see up to two million excess deaths from illnesses such as AIDS, tuberculosis and malaria – that is to say, people dying not from COVID-19 itself but from pandemic impacts on wider health issues.
Surveys conducted by the Global Fund show that HIV testing rates in the Least Developed Countries of Africa and South Asia fell by 41 per cent between April and September 2020 relative to the previous year. Referrals of tuberculosis patients for further diagnostics and treatment fell by 59 per cent, malaria diagnoses by 31 per cent, and visits to the doctor for antenatal care by 43 per cent.

Important vaccine chains have been disrupted and rates for basic immunisation of children have seen a fall of up to 20 per cent. The breakdown of supply chains leads to delayed access to sexual and reproductive health services. Consequently, pregnant women and newborn babies are not receiving adequate care – including professional obstetric care, which has also been heavily curtailed according to the initial findings by the World Health Organization (WHO). This situation is causing a rise in maternal mortality and declining numbers of live births. Health systems in many places have been hardly able to offer family planning services. The United Nations Population Fund (UNFPA) estimates that the pandemic has deprived around twelve million women of access to contraceptives. Untold numbers of women are being robbed of the opportunity to have control over their lives. In 2020, some 4,000 women a day were getting pregnant unintentionally, amounting to 1.4 million additional unplanned pregnancies per year, since they no longer had access to contraceptives.

**SDGs 4, 5 and 10 – Education, gender & inequality**

The COVID-19 pandemic has laid bare pre-existing inequalities and can make them even worse in the long term.

Growing inequality within and between countries is having a drastic impact on the education sector. More than 168 million children worldwide have not been to school for almost a year. It is predicted that in West and Central Africa alone the pandemic will force some 3.6 million children to discontinue their schooling – followed by around 2 million children in South Asia and 1.8 million children in East and Southern Africa.

The pandemic has particularly severe consequences for women and girls. The World Economic Forum (WEF) has found that, due to the ongoing pandemic and following last year’s trend, it will now take longer than 130 years to close the gender gap. Previously, in 2019, the WEF estimated that gender parity would have been reached in 95 years.
Another factor is that more women than men work in the informal sector and in other areas of life worst affected by the pandemic. Women and girls, especially when poor, were already performing 12.5 billion hours of unpaid care work a day before the pandemic. This figure is likely to be rising. Moreover, some 70 per cent of workers in health services and in care facilities are women and their risk of infection is up to three times higher. Women are also facing growing violence, especially domestic violence, and the pandemic has brought about a rise in child marriages: more than 30,000 girls were being forcibly married per day in 2020, amounting to around 12 million such marriages a year.

Migrants and migrant workers are hit particularly hard by the pandemic: at least three million people worldwide were recorded by the International Organization for Migration as “stranded” in July 2020.

**SDG 8 – Economic growth**

Whereas many economies might expect to return to their pre-crisis level by the end of 2021, the International Monetary Fund (IMF) does not expect developing countries and emerging economies to achieve a comparable recovery until 2023. The gross domestic product (GDP) of these countries contracted, according to the World Bank, by 2.6 per cent in 2020 as a result of the COVID-19 pandemic, among other things. The IMF has calculated that the world’s poorest counties will have to spend around 200 billion US dollars in the next five years to deal with the fallout of the pandemic. While the wealth of billionaires worldwide surged by an estimated 3.9 trillion between March and September 2020, earnings from work have fallen: the 2020 estimate for global labour income is expected to show a fall of 3.7 trillion US dollars on the 2019 figure – a loss equivalent to about 4.4 per cent of global GDP in 2019.

Lockdown measures have caused severe damage to many industries around the world, bringing about a considerable decline in demand for many products and services and a massive reduction in income. The COVID-19 pandemic caused global foreign direct investments to shrink by 38 per cent in 2020, down to 846 billion US dollars, which is the lowest level since 2005.

There is still a major threat of a new debt crisis. Capital totalling 100 billion US dollars has flowed out of developing countries, with many currencies losing a third of their value and raw material prices collapsing.
The debt moratorium agreed in April 2020 helped 46 of the poorest countries in 2020 to avoid about 5 billion US dollars in interest payments and to use this money to tackle the COVID-19 pandemic. Yet the current pledges by financial institutions and bilateral creditors will cover less than a quarter of the funding needed. Consequently, the IMF expects to see an emerging funding gap of more than 345 billion US dollars by 2023.
Impacts of the “polypandemic” on our partner regions

The virus is wreaking havoc all around the world, but its impacts differ considerably from region to region:

- **Africa** would appear to have done better than initially feared, with COVID-19 incidences staying below the global trend for infections. At least this is what the official statistics say. They show around 3.7 million confirmed cases and 90,741 confirmed COVID deaths (as at 18 June 2021). However, the real figure is likely to be far higher owing to low testing rates. The indirect impacts are seriously weakening the pandemic response: the health systems in numerous African countries have broken down, laboratory capacities for diagnosing COVID-19 are overstretched, hospitals are full, and supply lines for urgently needed medicines have been disrupted.

- **South and South-East Asia** is ranked third among the world’s worst affected regions, with currently some 33.7 million confirmed cases, including 464,932 mortalities (as at 18 June 2021). The most acute situation is now unfolding in India where over two million new confirmed cases were recently recorded within a week (as at 17 June 2021), equating to a surge of 52 per cent and accounting for four out of every ten cases worldwide. India has, like the Philippines and Indonesia, suffered very heavily. The economic consequences of the lockdown have impacted above all the millions of migrant workers and the workers in industries that are highly integrated in international supply chains, such as textile production. Since earnings from tourism have almost dried up everywhere, a severe recession has set in. For the region as a whole this has meant losses on a scale of 1.25 trillion US dollars, or 5.4 per cent of regional GDP (2020).

- In the **Middle East**, strict rules restricting contacts, along with investment in health services, proved fairly effective in flattening the first wave of COVID-19 by international comparison. The region has so far recorded around 10.6 million confirmed COVID-19 cases and approximately 210,000 deaths (as at 18 June 2021). On the other hand, the Middle East is also marked by violent conflicts, creating enormous demands for humanitarian and development assistance, especially in the “arc of crisis” around Syria (Lebanon, Jordan, Iraq and Turkey). With regard to Lebanon, Jordan and the Kurdish areas of Iraq, it is estimated by the World Bank and the UN Refugee Agency (UNHCR) that 4.4 million people in host communities, along with another 1.1 million refugees and internally displaced people, have slipped below the poverty line. The countries riven by civil war, Syria, Yemen and Libya, are more than ever dependent on international support in the crisis. As a result of forced displacement as well as poverty and hunger there are large segments of the population that have become highly vulnerable – in particular women, the young and the elderly, informal sector workers, and refugees.

- **Latin America**: Since the COVID-19 virus first took hold in March 2020, the region has developed into the global hotspot of the pandemic. No other world region has recorded such dramatic infection rates and surges in mortality from COVID-19. Despite months of lockdown in many countries, the region is still wrestling with the virus. The incidence and mortality statistics again
hit new, distressing records in spring of 2021. Three of the world’s fifteen countries worst affected by the pandemic are located in Latin America (as at 18 June 2021): Brazil (approximately 17.6 million confirmed cases and some 493,000 deaths), Colombia (3.8 million confirmed cases and 97,000 deaths) and Mexico (2.46 million confirmed cases and 230,000 deaths). The situation in Brazil, in particular, worsened dramatically through the spread of the P.1 virus mutation, leaving fragile public health services unable to cope. More than 20 million people could slip into extreme poverty. Long-term school closures and few learning alternatives on offer mean that most of Brazil’s young people now have no access to education. Overall GDP in Latin America and the Caribbean contracted by 7.7 per cent in 2020.

In Eastern and South-Eastern Europe, Armenia, Moldova and North Macedonia have particularly high infection rates measured against the size of their populations. Economies have shrunk right across the region, as have the remittances from migrant workers on which so many households depend. The relatively weak health care systems suffer from a shortage of medical professionals and equipment.
Essentially, Germany’s entire development budget serves to help its partner countries tackle the COVID-19 pandemic and its impacts, above all by reinforcing health systems, providing essential services for refugees and displaced people, fostering food security and supporting crisis management.

Based on current figures, the BMZ expects to have provided around 4.7 billion euros to developing countries and emerging economies under its Emergency COVID-19 Support Programme for the whole period 2020/2021. This funding covers measures for the prevention, early detection and containment of COVID-19 as well as initiatives to mitigate the pandemic’s social and economic impacts. Under this programme the BMZ is intensifying its efforts in the following areas:

1. Health and pandemic control
2. Food, securing basic food services to prevent famines, upholding food production
3. Stabilisation of fragile regions affected by displacement
4. Social protection, securing jobs in global supply chains
5. Additional economic support for enterprises in key industries
6. Emergency direct funding for national programmes
7. Strengthening international cooperation

Working together with its partner countries and multilateral partners, the BMZ has focused on the social and economic ramifications of the pandemic. This offers an opportunity to contribute significantly to making development in the partner countries both ecologically and socially sustainable.

The global “Access to COVID-19 Tools Accelerator” (ACT-A) network was established to ramp up the development and production of COVID-19 tests, treatments and vaccines and ensure more equitable distribution worldwide. Germany has supported ACT-A from the outset, allocating some 2.2 billion euros to the organisations involved for the period 2020 and 2021, so that Germany is currently the second largest donor to the network. An important part of ACT-A is the COVAX Facility vaccine platform. By the end of 2021 the plan is to have supplied 1.8 billion COVID-19 vaccine doses to the world’s 92 poorest countries. Of the overall sum of 2.2 billion euros allocated by Germany to ACT-A for 2020/2021, 1.31 billion euros comes from the BMZ budget. This sum is made up of 350 million euros from the BMZ Emergency COVID-19 Support Programme and 960 million euros of supplementary funds added to the BMZ budget in February 2021 from precautionary funding set aside by the government to cover extra pandemic-induced costs that may arise before the next budget.
In Africa, the focus lies on the six countries with which the BMZ has established “reform partnerships”, namely Côte d’Ivoire, Ethiopia, Ghana, Morocco, Senegal, Tunisia (regional anchor), on the Sahel region and Horn of Africa (stabilisation), the Republic of South Africa, Rwanda, Kenya and Nigeria (economic relevance), as well as on cooperation with the African Union. Our objectives are to curb the spread of the pandemic (not least by means of rapid-response prevention measures and contributions to the WHO and UNICEF), to strengthen health systems over the longer term, and to mitigate the economic and social damage (above all by securing liquidity, stabilising the financial sector, protecting jobs, and facilitating social protection).

In Asia, the BMZ’s rapid-response measures have centred on health care (support for hospitals, test centres), social protection and food security, as well as on programmes to provide emergency financing to safeguard small and medium-sized enterprises (SMEs). We have also taken steps to alleviate the impacts of the crisis in the context of bilateral development cooperation, including measures to assist the textile industry and its workers. Efforts are underway to support displaced people and their host communities, such as in the case of Rohingya refugees in Bangladesh. Building on these emergency measures, in 2021 we are also pursuing structural approaches to the pandemic’s impacts designed to support and rebuild battered economies and protect the social fabric of countries.

In the Middle East, our focus remains on the immediate response to the crisis afflicting the region, in order to reduce the disastrous impacts of the COVID-19 pandemic on mortality rates, counter social and economic instability and prevent further population displacement. In view of the ongoing crises and conflicts afflicting the region, we are increasingly complementing and combining our rapid response initiatives in support of the health care sector with measures aimed at social protection, stabilisation of crisis-torn, displacement-affected regions, and sustainable economic development.

Regional focuses of the BMZ Emergency COVID-19 Support Programme in 2020/2021

Germany has assumed a special position in the international community thanks to the wide-ranging and additional initiatives it has launched. Alongside its support for national measures being rolled out in partner countries in response to the pandemic and its social and economic impacts, Germany also plays a leading role in the efforts of the European Union and UN agencies.

Under the Team Europe initiative, the European Union has redirected approximately 40.5 billion euros into the COVID-19 response, thus sending out a clear signal of European solidarity with developing countries and emerging economies (Western Balkans, the Eastern Partnership (EaP) countries, the Middle East, Africa, parts of Asia and Latin America).
2. Successful roll-out of the BMZ Emergency COVID-19 Support Programme continues

- **In Syria, Yemen and Libya**, countries riven by civil war, the real case numbers of the COVID-19 virus are impossible to determine. Here, the pandemic is creating an additional crisis that deepens the existential crises people already face on a daily basis. Consequently, these have become more than ever dependent on international assistance. As a result of forced displacement as well as poverty and hunger, large segments of the population – above all women, the young and the elderly, workers in the informal sector, and refugees – are now highly vulnerable.

- **In Latin America and the Caribbean**, our efforts in 2021 build on the rapid-response measures instigated in 2020 in the areas of health and migration. We are prioritising structural approaches to sustainable recovery and economic reconstruction, with the focus on SMEs and job retention. An additional problem is the drastic worsening of the food security situation, especially in Central America and Mexico, which makes special measures there a matter of urgency. We are also expanding our activities in the areas of biodiversity and One Health. Our support for vulnerable groups across the region remains in place, including help for migrants and refugees in Central America and in countries bordering Venezuela, and for indigenous communities in the Amazon region.

- **In Eastern and South-Eastern Europe** our focus is on fast-acting programmes to protect broad sections of the population from economic and social collapse and to bolster small and medium-sized enterprises. We are also directing special assistance at particularly vulnerable and underprivileged communities hit hard by the crisis.
Implementing the Emergency COVID-19 Support Programme

**The BMZ Emergency COVID-19 Support Programme at a glance**

Based on current figures, the BMZ expects to have provided around 4.7 billion euros to developing countries and emerging economies under its Emergency COVID-19 Support Programme for the whole period 2020/2021. This funding covers measures to tackle the pandemic worldwide and to mitigate its social and economic impacts. To meet the costs of the programme some 1.6 billion euros were redirected at short notice from within the BMZ’s 2020 budget. This money was topped up with an additional 1.55 billion euros from the second 2020 supplementary budget and another 1.55 billion euros from the 2021 budget. The 1.55 billion euros from the second 2020 supplementary budget have already been fully deployed.

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**Focus 1: Health and pandemic control**

**Focus 2: Food, securing basic food services to prevent famines, upholding food production**

**Focus 3: Stabilisation of fragile regions affected by displacement**

**Focus 4: Social protection and securing jobs in global supply chains**

**Focus 5: Additional economic support for enterprises in key industries**

**Focus 6: Emergency direct funding for national programmes**

**Focus 7: Strengthening international cooperation**
In 2020, priority was given to implementing measures specifically designed as a rapid response (including emergency COVID-19 funding for national programmes and the increasing and early disbursement of German contributions to UN agencies and organisations). The BMZ has also begun rolling out measures funded from the 2021 allocation. There is no end in sight to the impacts of what is a “polypandemic”. Since the situation remains dynamic and its ramifications are far from predictable, the Ministry may still have to make budgetary shifts and adjustments in response to changing demands in each field of activity.

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Total in billion euros (rounded)
Implementing the Emergency COVID-19 Support Programme

Health and pandemic control

1. Background

Many of our partner countries have been unable to cope with the COVID-19 pandemic because their health systems are weak. Moreover, problems of poor access to clean water and sanitation drive contagion and make prevention efforts more difficult.

The United Nations estimates that less than half of the world’s population have adequate health provision. This also leads to higher rates of mortality from COVID-19.

Although many partner countries are still reporting comparably low numbers of confirmed infections, their health services are often already operating at full stretch. Moreover, experts believe that the real figure for COVID-19 cases is likely to be very much higher.

There has been an improvement in testing capacities in most partner countries, but detecting and tracking infections remains a big challenge. And the vaccine supplies available to our partner countries for immunising their population remain very limited.

2. Selected examples 2020/2021

Another challenge, alongside the COVID-19 response, is to maintain regular health services (dealing with, for example, malaria control, ongoing immunisation programmes, and sexual and reproductive health and rights).

We are helping our partner countries to:

→ maintain their health care systems;
→ secure access to sexual and reproductive health services, including professional obstetrics and contraception;
→ rapidly build additional capacity for tackling the COVID-19 pandemic.
International hospital partnerships for better health provision

Under the “Hospital Partnerships – Partners Strengthen Health” initiative, special funding has been made available for 21 projects in seventeen countries in Africa, Asia, Latin America and Eastern Europe. The projects focus on the fields of intensive medicine, laboratory diagnostics, HIV/AIDS, malaria, tuberculosis, and maternal and child health with the aim of alleviating the direct and indirect impacts of the COVID-19 pandemic.

Moreover, of the thirteen partner organisations operating with BMZ support in nine African countries (Rwanda, Ghana, Uganda, Kenya, Gabon, Republic of Congo, Tanzania, Ethiopia, and Liberia), three German hospital partners are receiving additional funding under the Emergency COVID-19 Support Programme to supply equipment and materials (protective clothing, masks, disinfectants, isolation tents, laboratory diagnostics, etc.) and provide the necessary consultancy in the form of online trainings and video conferences.

Cooperation with the WHO in our partner countries

Increased funding for ongoing health projects conducted in collaboration with the WHO field offices in seven countries (Ethiopia, Kyrgyzstan, Togo, Liberia, Sierra Leone, Guinea and Nigeria) is enabling the provision of advisory services to help local health authorities in those countries improve their pandemic response. These efforts can be illustrated with three examples:

- **In Ethiopia**, the BMZ is, for example, funding the development of action plans for 27 priority health facilities to improve infection prevention and control, including contact tracing. In excess of a hundred staff working in these institutions have received the relevant training.

- **In Nigeria**, five million euros in additional funding was made available in 2020 for the implementation of the national COVID-19 response plan. Since 2005, the BMZ has been working successfully in this country with the WHO and the Nigeria Centre for Disease Control (NCDC) in controlling polio. Now, to contain the pandemic, the COVID-19 control measures have been integrated into ongoing polio projects – an approach that also ensures the continued roll-out of the polio initiative.

- **In Kyrgyzstan**, the WHO is leading the donor community’s efforts to help the national authorities implement their “Contingency Plan COVID-19”. The BMZ has provided Kyrgyzstan, as part of its existing engagement in the health care sector, with half a million euros in special funding for pandemic control purposes. Half of this sum (250,000 euros) was allocated to the WHO on the ground, which used it up to the end of 2020 to coordinate the various development partners and donors involved in managing the national response and to upgrade laboratory diagnostics (including testing facilities at the epidemiological laboratory).
German Epidemic Preparedness Team
The extreme shortage of tests and laboratory capacity in many developing countries has led governments to call for assistance. The German Epidemic Preparedness Team (SEEG) is helping to build laboratory diagnostics and train lab technicians. So far it has provided three million PCR tests, of which 1.4 million have gone to the African Union. Over the 2020/2021 period the SEEG has undertaken a series of missions to assist with the COVID-19 pandemic response. Operating on three continents, teams have assisted in Namibia, Benin and Togo, Nepal, Colombia, Ecuador, Peru, Bolivia, Mexico, Guatemala, Honduras, Costa Rica, the Dominican Republic, Kyrgyzstan, Iraq, Mauritania and Ethiopia (AU).

Strengthening epidemiological services and health systems in West Africa
The BMZ is supporting the creation and expansion of an effective epidemiological monitoring system in West Africa. In funding medical and veterinary laboratories we are working with the West African Health Organization (WAHO) to upgrade reference laboratories – initially in four countries (Guinea, Liberia, Sierra Leone and Togo) – and gradually bring them in line with international standards. Thanks to BMZ funding, WAHO has been able to immediately provide member states of the Economic Community of West African States (ECOWAS) with 200,000 COVID rapid tests and secure access to more reduced-price test kits for a one-year period.

COVID-19 measures in India
Focusing on two of the poorest states in India, Bihar and Assam, Germany is supporting measures there to control the COVID-19 virus, treat the infected, and upgrade hospitals and laboratories. Another initiative, taken last year in collaboration with UNICEF, supplied at short notice 328,000 COVID-19 tests, over 3,000 oxygen concentrators and personal protective equipment (PPE) for around 22,000 people working in the health sector. These are all items urgently needed in Indian hospitals. In collaboration with UNICEF we are helping hospitals in the north-east of India with the procurement and installation of oxygen units and the wider health sector with the task of upgrading medical cold chains (refrigerators and freezers).
1. Background

The COVID-19 pandemic is more than a health crisis. It directly impacts people’s food situation when – due to lockdowns, for instance – incomes dry up or farmers are unable to harvest their crops. In many countries (including Afghanistan, Haiti or Rwanda) people are facing acute shortages, soaring prices and lost harvests.

UNCTAD has calculated that even before the crisis Africa was importing 85 per cent of its food from countries outside the continent. Now, with currencies losing value and supply chains being disrupted, these imports have become more expensive and are no longer affordable for many people. In South Sudan, for instance, people are now having to spend 27 per cent of their daily income just on a simple meal.

2. Selected examples 2020/2021

To prevent supply shortages and widespread hunger the BMZ has advanced its ongoing funding of food security programmes. It has increased its core contribution to the World Food Programme (WFP) and helped finance a joint initiative by WFP and UNICEF to assist up to 150,000 people in the Sahel region with food aid.

The BMZ’s carefully targeted support for agricultural production has also continued. Our focus here is on smallholder farms and SMEs and on maintaining food supply chains, for instance through the Africa Agriculture and Trade Investment Fund (AATIF).
Support for smallholder farmers through an IFAD programme
The International Fund for Agricultural Development (IFAD) is targeting support at pandemic-hit small farmers by offering bridging loans, seeds and other agricultural inputs. Assistance is also provided in the areas of logistics, storage and marketing as well as financing and digital information systems. To date, 53 projects in 68 countries have been approved, with priority given to sub-Saharan Africa and countries in fragile situations. The BMZ contributes to IFAD initiatives designed to reach 3.3 million people (about 660,000 households) with analogue measures and a further one million households with digital measures.

Food security through Welthungerhilfe
Around one million people in eleven countries have received assistance for food security and improved access to water, sanitation and hygiene (WASH) thanks to BMZ support for Welthungerhilfe. In 2021, these measures are continuing in eight countries and will benefit around 400,000 people.

Food security and alleviating the impacts of the COVID-19 pandemic in Mozambique and Zimbabwe
In both Mozambique and Zimbabwe, the number of people living in poverty and finding themselves in a precarious food situation has risen sharply due largely to the COVID-19 pandemic. The BMZ is engaged in two projects, working through the WFP (in Mozambique) and through UNICEF (in Zimbabwe), that aim to provide cash payments to vulnerable families facing food problems as well as to breastfeeding mothers and to mothers with small children. The payments, which should enable recipients to buy sufficient food for their needs, are available for a limited period (six or twelve months) and are flanked by information campaigns and advice on healthy nutrition. Through this initiative the BMZ is helping to secure the food needs of more than 70,000 people.

Food security for women and girls in Afghanistan
In Afghanistan, the BMZ is planning a project in collaboration with UNICEF to improve the difficult food situation faced above all by children under five, pregnant women, mothers and adolescent girls. With this initiative we are responding to a steady worsening of food insecurity in the country and taking preventative action in the light of the drought forecast for 2021/2022.

Africa Agriculture and Trade Investment Fund
Loans made available to enterprises and agricultural banks through the AATIF are helping to sustain the production and processing of foodstuffs and, in so doing, secure the jobs of an estimated 120,000 people.
Stabilisation of fragile regions affected by displacement

1. Background

The pandemic and its impacts have hit people living in crisis-torn, displacement-affected regions particularly hard. The existing crises are being deepened even further. The International Organization for Migration (IOM) estimates that, so far in 2021, there are about 235 million people dependent on humanitarian aid and protection. This corresponds to a rise of 40 per cent on the figure for the beginning of 2020, when 167.6 million people found themselves in this desperate situation. Above all, it is the world’s 80 million refugees and internally displaced people who are most exposed to the pandemic. People in refugee camps live in cramped conditions in which infection is highly likely. Moreover, the imposition of restrictions on movement means that many inhabitants have lost their only available source of income.

2. Selected examples 2020/2021

In many crisis-afflicted regions the impacts of the pandemic will take a while to become fully manifest. In the course of 2021 and subsequent years we can expect, for instance, people’s savings to run down. This is why the BMZ is intensifying its activities in the areas of social protection, food security, income support and access to basic services. These measures have a strong focus on building sustainable structures in the Middle East (countries in the “arc of crisis” around Syria) and in Africa (Sahel, East Africa).

Support for Syrian child refugees in Turkey and Jordan

The BMZ is providing funding for additional teachers and learning materials (learn-at-home kits) for 150,000 Syrian child refugees as well as for children in the host communities. This measure has included the distribution of 30,000 hygiene packs to give children better protection against the COVID-19 virus.

Basic services in South Sudan

In South Sudan, the BMZ works with UNICEF and the WFP to promote resilience for vulnerable households. This programme has been expanded to cover the town of Aweil and the surrounding region. We will now be enabling up to 400,000 people to receive health care, educational opportunities and assistance with their food situation.
Implementing the Emergency COVID-19 Support Programme

Lebanon and Jordan – basic services in the context of the Syrian crisis
Germany supports a project to maintain health care services for Palestinian refugees, enabling approximately 384,000 additional medical consultations, and to uphold access to primary education for roughly 51,000 child refugees during the COVID-19 pandemic. The project is funding health professionals and teaching staff working with the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). Throughout 2020 there were repeated school closures, so UNRWA has, whenever possible, organised the remote teaching of lessons. As for the UNRWA health centres, these facilities have been reorganised to achieve the rapid diagnosis and isolation of patients with respiratory symptoms and to enforce the necessary hygiene and distancing rules.

Supporting families in Yemen
The BMZ is supporting almost three million people through its engagement with the World Food Programme (WFP). On the one hand, it is funding school meals and, on the other, promoting employment schemes to give participants temporary cash transfers for their work in infrastructure projects and offer vocational training courses.

Supporting communities hosting migrants and refugees in the Venezuela border regions (Colombia, Ecuador and Peru)
In the wake of the humanitarian, political, social and economic crisis in Venezuela more than five million people left their country between 2017 and 2020 (approximately 16 per cent of the total population). Around four million have stayed in South America, fleeing across the border to Colombia, Ecuador and Peru. In the host countries, this level of displacement creates a growing need for basic services, income-generating activities and access to facilities that can offer protection. The COVID-19 pandemic is exacerbating the region’s humanitarian crisis. Responding to this situation, the BMZ has engaged with the EU to initiate the SI FRONTERA programme, which operates at the interface between transitional development assistance and long-term development. The programme focuses on socio-economic integration, access to rights and mechanisms to protect, above all, women and children. Funding from the BMZ Emergency COVID-19 Support Programme has paid for health care services tailored to the needs of the most vulnerable. In total, 41.1 million euros is available for these activities through cofinancing with the EU.

Eastern Ukraine – protecting highly vulnerable people and strengthening health services
In Eastern Ukraine, the living conditions of, in particular, older people had become acutely difficult even before the COVID-19 pandemic, as had health provision for the 800,000 internally displaced people living there. Responding to a worsening situation, the BMZ has been supplying urgently needed medical equipment to non-governmental organisations, primary health centres hospitals and doctors in Eastern Ukraine. In 2021, the BMZ is modernising primary health centres to make them more effective against the pandemic, and it is supporting the COVID-19 vaccination campaign with information material and expert advice on cold-chain management for hospitals.
Social protection and securing jobs in global supply chains

1. Background

Since the pandemic began, capital has been withdrawn from developing countries to the sum of around 100 billion US dollars. The IMF estimates that the global economy has shrunk by 3.3 per cent. Calculated in terms of hours, the equivalent of some 255 million full-time jobs have been lost worldwide. And a further 114 million people have become unemployed.

61 per cent of economically active people worldwide work in the informal sector. That includes many people living in poverty or just above the poverty line. These are people without access to savings or social security schemes who are forced to find their own ways of surviving. 71 per cent of the world’s population – around 5.2 billion people – have no or only inadequate social protection and are facing the impacts of the pandemic unprepared. Indeed, many people living in middle-income countries also find themselves in this situation.

2. Selected examples 2020/2021

The BMZ has responded to the crisis by making funds available to cover basic needs in the form of direct social transfers (basic social protection). Alongside this rapid-response approach, we are also helping to build stable social protection systems that can better cope with future pandemics and crises. Moreover, in partner countries we are funding initiatives to offer basic social protection and keep people in work (for instance, in Pakistan, Bangladesh, Cambodia, and Kenya).

Direct support in the form of cash transfers cushions the impact of lost incomes. As for people still in work, we are continuing our Special Initiative on Training and Job Creation through 2021 in order to help companies retain their workforce. At the same time, we also want to incentivise the creation of new jobs that will offset the adverse impacts on labour markets. These initiatives focus on the partner countries of Ethiopia, Côte d’Ivoire, Ghana, Morocco, Rwanda, Senegal and Tunisia.

Accelerating cash transfers in Malawi

In Malawi, the BMZ is supporting the Social Cash Transfer Programme (SCTP) aimed at offering broad protection for people who have fallen into severe poverty. Responding to the COVID-19 pandemic, the BMZ and its partners have succeeded in adapting the existing arrangements for making cash transfers quickly and with a minimum of bureaucracy. On the one hand, the SCTP has topped up payments to the existing target group with a one-off payment of 20,000 MWK (approx. 22 euros), a measure that has benefited 63,000 households; on the other, the target group has been temporarily expanded. The newly included recipients are to receive 35,000 MWK (approx. 39 euros) for three consecutive months.
Scaling up the social protection scheme in the Sahel region
In collaboration with the World Bank, the BMZ is fast-tracking direct social transfers for at least 700,000 people in Mauritania and Niger who have been particularly hard hit by the crisis. By the end of 2021 this number is expected to rise to 1.3 million. In addition to the beneficiaries in Mauritania and Niger, those badly affected by the crisis in Burkina Faso, Senegal and possibly Mali will also receive financial support. These cash payments are to be accompanied by other social protection measures.

Safeguarding jobs in Africa
As part of the Special Initiative on Training and Job Creation, more than 2,700 enterprises with nearly 120,000 employees – in Morocco, Tunisia, Ghana, Senegal, Rwanda, Ethiopia and Côte d’Ivoire – have already been helped to avoid redundancies. The “Investing for Employment” facility offers broad-ranging support for businesses responding to the COVID-19 pandemic. It works together with partner financial institutions to provide urgently needed liquidity primarily to small and medium-sized enterprises on the ground. Much of this support takes the form of interest payment relief and cash-flow injections. So far, some 200 companies, employing more than 38,500 people, have benefited. Some companies have been able to keep staff working through the crisis by switching to the production of personal protective equipment and hygiene items. For instance, a Ghanaian company that is now manufacturing alcohol-based hand disinfectant has managed to retain some 350 workers. And by converting to mask production, one hundred Senegalese tailoring businesses have kept 750 people in work.

Securing jobs in Northern Iraq
In Northern Iraq, more than 4,000 new short-term jobs are being created by scaling up the cash-for-work schemes. Moreover, grants have been made available to at least five hundred entrepreneurs to promote employment.

Vocational training to counter pandemic-driven unemployment in Vietnam
In Vietnam, a German development cooperation initiative is offering vocational training opportunities to people suffering the economic fall-out of the COVID-19 pandemic. Around 1,000 participants attended training courses in 2020. More training courses, benefiting a total of 5,000 participants, are being prepared.

Social security in India
The BMZ is supporting India’s COVID-19 Social Protection Crisis Response Programme with a concessional loan of 460 million euros. In this way we are helping, alongside the Indian government and other donors, to ensure that food aid and cash transfers are provided to 320 million people who have lost their jobs in the crisis. This initiative is targeted above all at the nine million migrant workers worst affected by the pandemic.
Additional economic support for enterprises in key industries

1. Background

Global supply chains in almost all important sectors were disrupted for a time as the pandemic took hold. In manufacturing, factories closed down and many commodities and production inputs could not be delivered, either by sea or by road. The WTO estimates that the volume of global trade fell in 2020 by 5.3 per cent. Company insolvencies are now expected to rise by 25 per cent in 2021. The BMZ has responded by funding efforts to safeguard the economic viability of companies, ward off insolvency and thus prevent job losses on a massive scale. Our main approach is to help the financial sector in partner countries to keep on performing its vital role of providing businesses with urgently needed liquidity and thus enable companies losing income through no fault of their own to survive the crisis.

2. Selected examples 2020/2021

The BMZ will continue to support business, especially in Africa, in order to secure jobs and promote innovation. There are plans to provide funding for multi-country financial initiatives that can get companies through the crisis intact. Contributions will be made from the Emergency COVID-19 Support Programme to boost the AfricaConnect pillar of the development investment fund and the “new normal” approach to investing in sustainable supply chains.

Mobile health care units in Brazil in cooperation with Mercedes-Benz

Mercedes-Benz do Brasil Ltda and the BMZ have been engaged since July 2020 in a joint initiative to support the health system in Brazil. We are fitting out trucks (at least seven are planned) as mobile health care units and deploying them in various locations to offer free services. The vehicles can provide a wide spectrum of medical services, from simple examinations to CT scans and minor operations. They are run by local non-governmental organisations and staffed with medical professionals. The priority for the first missions is to alleviate the critical health situation caused by the COVID-19 pandemic. The project period is scheduled to run until March 2024, during which time it is projected that almost a quarter of a million people will have been treated. The vehicles will then be handed over to the non-governmental organisations involved for their further use. The project is being implemented in cooperation with the Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG) with funding of 4.5 million euros from the BMZ Emergency COVID-19 Support Programme, while Mercedes-Benz do Brasil Ltda is contributing 940,000 euros.
Implementing the Emergency COVID-19 Support Programme

**Development partnerships with the private sector**
Making use of existing partnerships, the BMZ has facilitated the production of protective masks and disinfectant, the equipping of hospitals, the training of health professionals and the provision of telemedicine services. Overall, the Ministry will be funding more than 170 pandemic-related projects with private-sector contributions in over fifty countries. Of these, 92 have already been launched.

**Development investment fund for Africa – bridging loans**
The development investment fund is awarding loans to help German and European businesses to cope with liquidity problems not of their own making in order to protect existing jobs in Africa (under the AfricaConnect initiative). To date, some 3,000 jobs have already been saved thanks to these loans.

**Improving the liquidity of businesses in the Western Balkans**
We have made a total of 24.2 million euros available in 2021 to credit guarantee funds serving enterprises in the Western Balkans (Albania, Bosnia and Herzegovina, Kosovo and Serbia) through a dedicated COVID-19 budgetary window. These funds are flexible and tailored to strengthening the liquidity of micro, small and medium-sized enterprises (MSMEs) hit by the pandemic.

**Supporting sustainable recovery in Central America**
To promote a green economic recovery the BMZ has provided a concessional loan of 250 million euros to the Central American Bank for Economic Integration (CABEI or BCIE in Spanish). This money is being passed on to businesses, regions and sectors (e.g. tourism) acutely affected by the COVID-19 pandemic. By fostering climate-friendly investment, both public and private, we are helping not only to mitigate environmental damage and climate change but also to secure jobs.
Emergency direct funding for national programmes

1. Background

In the crisis many developing countries are having difficulties funding health care infrastructures, maintaining supply chains and alleviating economic damage. Indeed, the threat of a new debt crisis has not been averted. This is why the BMZ is directly funding national programmes in some partner countries, including Morocco, Senegal, Jordan, Nepal and Benin, in order to ease the adverse economic impacts on those in acute need and help protect businesses and jobs.

2. Selected examples 2020/2021

In rolling out measures that have a rapid impact we can mitigate longer-term structural damage caused by the pandemic. Our approach centres above all on structural measures to strengthen health systems and support for MSMEs and small financial service providers.

Supporting Senegalese enterprises in the crisis

Working together with the EU through the Team Europe Initiative, the BMZ is helping the Senegalese emergency aid programme to build social and economic resilience in the face of the COVID-19 pandemic. An important pillar of the programme has been the stabilisation of the private sector in order to prevent as far as possible the loss of jobs and incomes, or even a complete standstill in business activities, in the wake of the downturn. Thanks to German support it has been possible to offer SMEs concessional bridging loans and tax concessions and provide direct grants to enterprises in particularly hard hit sectors. Together, these measures have made approximately 590 million euros available to the Senegalese private sector.

Assisting social transfers in Jordan

In Jordan, the BMZ is supporting a government scheme to make direct social transfers available to around 100,000 poor households for a period of one year. The target groups include the many people who through losing their jobs in the pandemic downturn have also lost their access to the country’s social insurance system.
**Supporting textile workers in Bangladesh**

In collaboration with the EU, the BMZ is helping Bangladesh’s national social security programme to provide income support to textile-sector workers made redundant in the crisis. The German contribution alone is giving 215,000 highly vulnerable workers temporary cash assistance for three months, thus indirectly benefiting another 600,000 family members.

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**Introducing benefits for short-time working and unemployment in Georgia**

A loan in excess of 180 million euros enabled the Georgian government to introduce for the first time a short-term benefit scheme for workers facing reduced hours and unemployment. In 2020, this measure helped the country to cope better with the economic downturn. By the end of that year, 54 per cent of non-public sector employees (approximately 400,000 people) were already receiving benefits in the form of compensation for short-time working, while 23 per cent of non-public sector employees (approximately 200,000 people) were being paid unemployment benefit. In this way, Germany helped to sustain the substance of the Georgian economy through the crisis and foster a quicker economic recovery.

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**Supporting the World Bank’s Multi-Donor Trust Fund for Cambodia**

The Health Equity and Quality Improvement Project (H-EQIP), a multi-donor trust fund, receives contributions from Germany, the World Bank, Australia and South Korea. Designed to assist the roll-out of Cambodia’s national health strategy, the project centres on creating equitable access for the poor to basic, quality health services. In addition to providing vitally necessary health coverage, this initiative can prevent the further impoverishment of segments of the population as a result of otherwise unaffordable health bills. Moreover, we are also helping to build capacity at government level for a direct and effective response in the event of future health emergencies like the COVID-19 pandemic. This assistance includes funding for the procurement of laboratory equipment as well as ventilators for clinics and hospitals.
Strengthening international cooperation

1. Background

Many UN agencies and organisations are working tirelessly to contain the impacts of the COVID-19 pandemic. The award of the 2020 Nobel Peace Prize to the World Food Programme (WFP) pays tribute to this commitment in a special way.

The COVID-19 pandemic must mark the beginning of a new and far closer approach to international cooperation. The challenge of tackling the pandemic and its impacts demands that we combine forces internationally and strengthen multilateral institutions and initiatives.

2. Selected examples 2020/2021

Germany has significantly increased its core contributions to the key UN organisations dealing with pandemic (including GPE, UNICEF, UNDP, UNFPA). By paying in its contributions as early as possible in 2020, Germany gave these organisations greater flexibility to take effective and rapid action in the course of the crisis.

The German government has, in this way, sent out an important signal that the multilateral system must be strengthened. In 2021, Germany is again targeting its resources at United Nations organisations engaged in mitigating the socio-economic consequences of the COVID-19 pandemic.

**The United Nations Population Fund (UNFPA)**

In 2020, Germany increased its core contribution to the UNFPA to 70 million euros, becoming for a while the world’s largest core donor. Germany continued its donations to the UNFPA special fund for maternal health and to the UNFPA Supplies Partnership. This support is directed at improving the care of pregnant women and protecting midwives from COVID-19 in order to achieve better antenatal care, safer births and improved aftercare. Moreover, as a contribution to the empowerment of girls and women our funding is helping women to gain access to rights-based family planning.

**United Nations Children’s Fund (UNICEF)**

In 2020, the BMZ raised its core contribution to UNICEF by 30 million euros to a total of 90 million euros, thus advancing Germany to the position of second largest donor. This additional core funding is intended to support school education and health care for children worldwide.
Implementing the Emergency COVID-19 Support Programme

Ramping up support for UN Women
Women and girls are especially impacted by the COVID-19 pandemic. Yet they are also key actors when it comes to recovery and reconstruction. Contributing an additional five million euros in 2020, as well as in 2021, Germany is supporting the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) in its efforts to ensure that economic stimulus packages and emergency assistance measures taken to combat the COVID-19 pandemic will benefit women and girls. For instance, in Mali the widows of soldiers who died in anti-terror operations have been provided with sewing machines and fabrics. Under this initiative the women have produced up to a million masks and items of protective clothing and gained a source of continued income. In South Africa, for example, UN Women has collaborated with partners such as Google and MTN to provide online courses and help some 4,500 women-run enterprises to apply for and access government funding.

Funding the special initiative of the Global Partnership for Education (GPE)
The BMZ raised its contribution to the Global Partnership for Education fund to 75 million euros in 2020. Of this donation, 25 million euros was dedicated to the fund’s COVID-19 accelerated grants programme. The GPE has mobilised a total of 500 million US dollars to help some 350 million school students in 67 partner countries get back to school quickly and safely. For 2021, the BMZ has earmarked a further contribution for the GPE’s COVID-19 programme. In this way the Ministry will strengthen the work of medium-term and long-term crisis mitigation and impact management in 66 partner countries.

Increasing the core contribution to the United Nations Development Programme (UNDP)
In 2020, Germany raised its core contribution to the UNDP by 50 million euros to 110 million euros and has pledged to contribute the same amount for 2021. The UNDP uses its core funding to help partner countries undertake a comprehensive analysis of needs in order to assess, above all, the socio-economic impacts of the COVID-19 pandemic and implement measures to contain the pandemic and protect the weakest in society (subsidies, transfers, social protection instruments, etc.). The socio-economic response plans (SERPs) are developed and rolled out in consultation with the World Bank, the EU, the other bilateral donors and other parts of the UN system. The main focus here is on long-term sustainability and the needs of the most vulnerable segments of the population. The UNDP plays a central role within the UN system as the technical lead for measures designed to alleviate socio-economic impacts and promote recovery and reconstruction.
3. Outlook and sustainable recovery: We will either beat COVID-19 worldwide or not at all

The COVID-19 crisis presents the international community with huge challenges. According to the OECD Development Assistance Committee (DAC), official development assistance (ODA) rose by 3.5 per cent in 2020 to an all-time record high of 161.2 billion US dollars. Twelve billion alone of additional funding have been mobilised as a pandemic response. With an ODA volume for 2020 amounting to 28.4 billion US dollars, Germany is the second largest ODA provider. The crisis remains, however, acute and will preoccupy the international community for a long time to come. At the same time, we must – together with our partner countries and multilateral partners – turn our attention now to the question of social and economic recovery and reconstruction.

For the next few years this means enormous amounts of funding will be needed to tackle the pandemic and its impacts in developing countries and emerging economies. Benchmark figures have already been decided on for Germany’s 2022 federal budget. No additional funding is earmarked here for our response to the COVID-19 pandemic and its impacts. Indeed, it is planned to set the BMZ’s departmental budget allocation (Section 23) slightly below the pre-crisis level. However, Section 60 (General Financial Management) sets aside 1.5 billion euros in precautionary funding that may be called up for international measures to overcome the COVID-19 crisis, above all in the field of development cooperation.

It is possible that additional funding will be needed in 2022, as was the case for 2021, especially in view of the challenge of globally equitable access to COVID-19 diagnostics, therapies and vaccines.

To avoid setbacks on the path to the Sustainable Development Goals (SDGs) in developing countries and emerging economies we must invest in building the industries of the future and in realigning economic systems to the imperatives of resilience and social and ecological sustainability. For this, we need a financial plan that will work.

Our vision and compass in this endeavour is the 2030 Agenda for Sustainable Development, with its seventeen goals, and the Paris Climate Agreement. Together with our partners, we want to ensure that our crisis responses will simultaneously set the world on a course towards low-carbon and inclusive reconstruction and long-term, crisis-proof recovery.