

Africa's coronavirus-induced economic [slowdown could last at least three years](#), Ghana's finance minister Ken Ofori-Atta warned this week.

This comes amid growing concerns about Africa's economic prospects, which is expected to be pushed into its [first recession in 25 years](#) in 2020, costing up to \$79bn of its GDP.

Ofori-Atta's words are a dampener on hopes for a speedy recovery. They could also be optimistic.

As bad as the impact of the pandemic is, it's too simple to blame it for the downward trajectory.

Plummeting growth, soaring debt, and a deteriorating global context - key drivers of the current slump - were already problems in late 2019.

Big resource-dependent economies like Nigeria and South Africa - which account for a sizeable part of Africa's GDP - were struggling to recover from the 2014/15 commodities slump. This had already resulted in sub-Saharan Africa's [lowest growth in 20 years](#) in 2016..

Non-resource economies like Kenya and Ethiopia continued to see healthy growth, but they've been caught up in the [continent's debt crisis](#).

At the same time the global economic context had shifted from generally favourable - characterised by high commodity prices and cheap money following the 2008/09 crash - [to one dominated by uncertainty](#).

This was unfolding against the backdrop of insufficient structural reform by many governments, resulting in healthy GDP growth failing to translate into meaningful development momentum.

The hope was that fortunes could improve in 2020, if global uncertainty and commodity prices made a turn for the better.

This is now a distant prospect.

The pandemic has made things worse, but trouble was brewing before it arrived.

This week's Picks

From The Continent

Kenya is in talks with the World Bank to provide further budget support, on top of \$1bn approved in May, to help plug an expected deficit of 7.5% of GDP for the current fiscal year. This is part of a looming credit crisis in East Africa's biggest economy, which had its risk of debt distress raised from moderate to high by the International Monetary Fund in May. **More:** [Business Day](#)

Uganda's tourism ministry has warned that the industry faces losses of up to \$2bn due to coronavirus travel restrictions, up from a June estimate of \$1.6bn. Tourism has been one of the worst affected sectors globally, with international arrivals expected to drop by as much as 80% this year. **More:** [Bloomberg](#)

THE WEEKLY STAT

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The age of Guinea's president Alpha Condé, who has just confirmed he will seek a third term in elections scheduled for October 18, vowing to represent the country's youth. **More:** [Reuters](#)

The Global Perspective

The Paris Club, which represents major creditor nations, has approved a suspension of debt repayments by Angola from May 1 until the end of 2020, as the oil-dependent economy struggles to cope with the impact of the coronavirus pandemic and the collapse in oil prices. This is part of a G20 initiative set up in April offering a 12-month moratorium on debt service payments to dozens of low income economies. **More:** [Reuters](#)

The U.S. has imposed sanctions on top officials at the International Criminal Court, including its chief prosecutor, accusing it of "illegitimate attempts to subject Americans to its

jurisdiction". This continues a policy of hostility towards the court, which has been most active in Africa, since it was set up in 2002. **More:** [BBC](#)