

Development Cooperation and the COVID19 Pandemic

Post-COVID-19: Implications for International (Development)
Cooperation

Webinar Series – UNDP/SPC

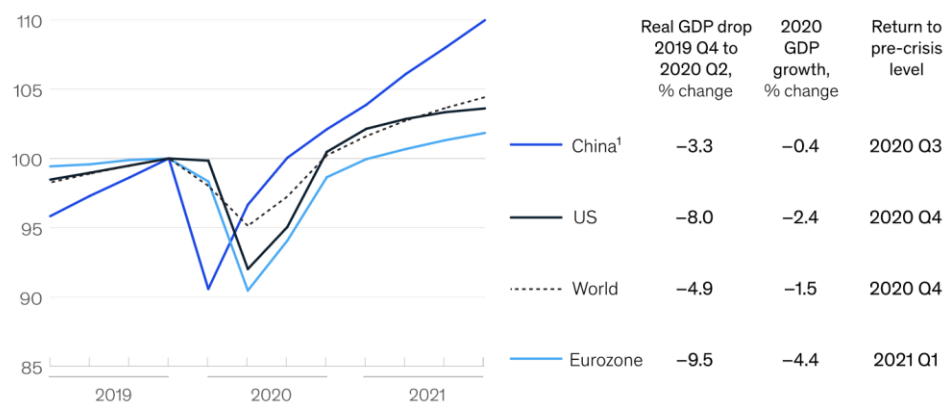
Paulo Esteves



Scenarios

EU / US reopen in May/June (Temporary Blow)

Real GDP growth: COVID-19 crisis, index (2019 Q4 = 100), local currency units

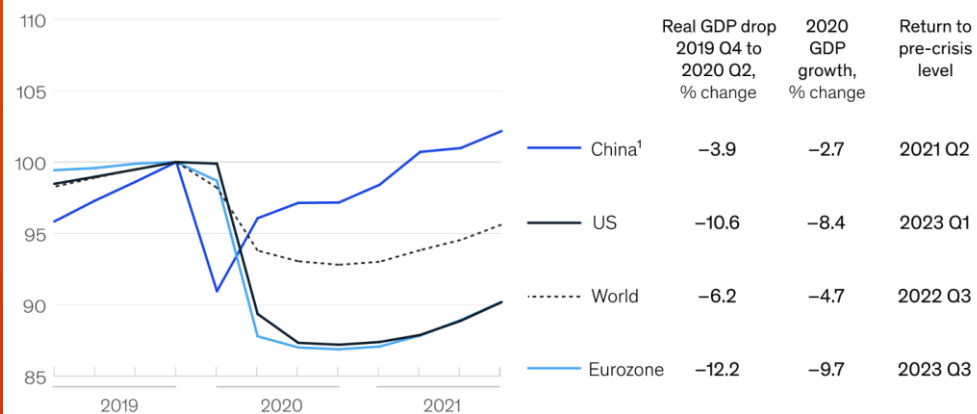


¹Seasonally adjusted.
Source: McKinsey analysis in partnership with Oxford Economics

McKinsey & Company

EU / US fails in mitigating (Domino)

Real GDP growth: COVID-19 crisis, index (2019 Q4 = 100), local currency units



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Source: McKinsey analysis in partnership with Oxford Economics

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Scenarios

- Either Way...
- COVID19 exposes and deepens existing inequalities:
 - Within countries;
 - Among countries;
- COVID19 is a coupled crisis: a Humanitarian Crisis followed by an Economic Crisis.

Doctors Are Concerned That Black Communities Might Not Be Getting Access To Coronavirus Tests

Approval for testing for COVID-19 is particularly vulnerable to implicit biases, doctors say.

Coronavirus could push half a billion people into poverty, Oxfam warns

Nearly half of all jobs in Africa could be lost without urgent action, says charity

Bangladesh Garment Makers Say \$3 Billion in Orders Lost Due to Coronavirus

WORLD • BANGLADESH

US's digital divide 'is going to kill people' as Covid-19 exposes inequalities

Exclusive research shows drop in connectivity is impacting rural and urban areas with populations already underserved by the medical system or racked with poverty

Scenarios

New Normal: Competition

- International Competition;
 - National competition;
- Multilateral / Club Paralysis;
- Regional Failure;
- Decreasing in ODA and Grant commitments;
- The crisis will fuel US x China rivalry.



Scenarios

Old Normal: Coordination

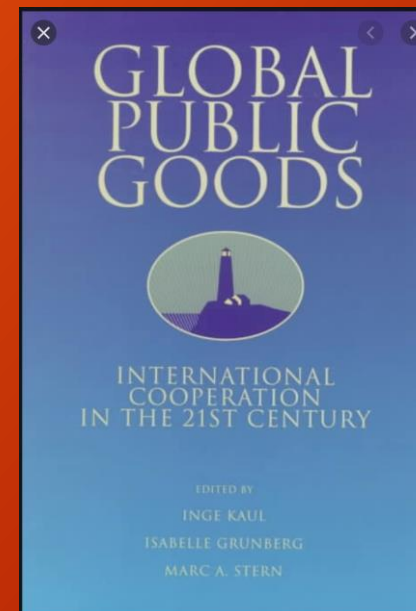
- International Response:
 - G20 action plan - coordination in mitigation and recovery includes: stimulus packages, quarantine coordination and an exit strategy.
- Multilateral Reform led by IFIs: World Bank and IMF:
 - Strengthening a Global Health Security Regime;
- Stability in ODA and other Grant flows;
- The crisis will trigger coordination among developed countries.



Scenarios

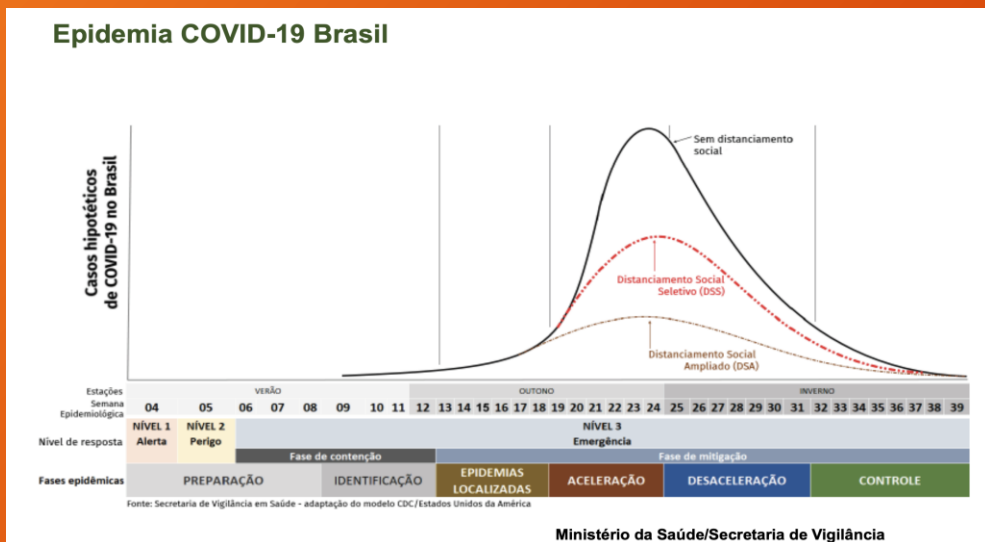
Multilateral Cooperation for Public Goods Provision

- International Response combines:
 - Mitigation strategies in developing countries;
 - Recovering packages;
- Multilateral Reform led by the UNDS includes:
 - Increasing in ODA and Concessional flows;
 - **The crisis will reinvigorate the debates around public goods.**



Mitigation

Humanitarian Response in developing countries

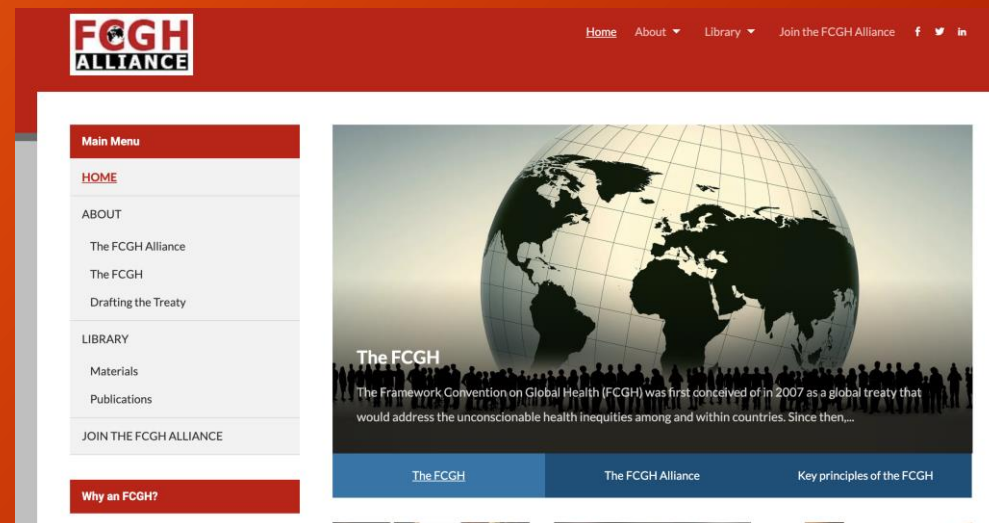


- Humanitarian Access to:
 - Developing countries;
 - Vulnerable groups;
 - Protection of Humanitarian and Health Workers;
- Food Security;
- Social Protection (Emergency Basic Income);
- Conditional support for businesses
- Cancel debt of LDCs auspend debts of LMICs.

Momentum

Setting up a Rights-Based / Global Public Goods Agenda

- Right to Health - Global Health Regime;
- Social Protection - Basic Income;
- Climate and Biodiversity;



Momentum

Setting up a Rights-Based / Global Public Goods Agenda

- Bringing the Global back in:
 - Reinvigorating Multilateral Institutions;
 - Increase concessional flows;
 - Increase core contributions to multilateral institutions;
- Bringing the Public back in:
 - Tax reform;
 - Global Funds;
- Bringing Rights back in:
 - Right to Health;
 - Right to Basic Income;
 - Right to Environment;



Thank You!!!