

Zimbabwe gets \$7 million World Bank grant to fight coronavirus

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Tobacco auctioneers and officials wear face masks to protect against coronavirus, on the first day of the tobacco marketing season in Harare, Zimbabwe, Wednesday, April 29, 2020. (AP)

Harare: The World Bank will grant \$7 million to Zimbabwe to help it fight the new coronavirus pandemic that is expected to worsen an already struggling economy and food crisis, a bank spokesman said on Wednesday.

Zimbabwe's finance minister wrote to global lenders last month warning that the country was being driven towards a health and economic catastrophe by the coronavirus because its debt arrears mean it cannot access foreign financing.

That is because the country is more than \$1.2 billion in arrears to the World Bank, African Development Bank and European Investment Bank, making it ineligible for funding or debt forgiveness from global lenders.

The World Bank spokesman said that while Zimbabwe and other countries indebted to the lender could not access regular financing, they could get money from its trust funds to fight the coronavirus that has slowed down the global economy.

"We recognise this is a global crisis that impacts every country and we cannot leave anyone behind in our response," the spokesman said.

Zimbabwe would get \$5 million from the World Bank's global financing facility trust and another \$2 million would be diverted from funds meant to help the country recover from a devastating cyclone in 2019.

The amount is nowhere near the \$200 million that Finance Minister Mthuli Ncube said the country would need to fight COVID-19 in his letter to international lenders.

The World Bank did not immediately say whether its grant was in response to the financial request by Zimbabwe.

A Zimbabwe treasury spokesman did not respond to questions from Reuters.

"The bank's senior management has underlined the need for additional trust fund financing to ensure that Zimbabwe and the small group of other countries in arrears can receive support as part of our global effort to help countries respond to the COVID-19 crisis," the World Bank spokesman said.

The impoverished southern African nation has only recorded 34 cases and four deaths from the coronavirus but analysts say its fragile health system will not be able to handle any surge in infections.

Before the coronavirus outbreak, Zimbabwe was already in the grips of its worst economic crisis in a decade, marked by severe shortages of food, foreign exchange, medicines and electricity.

- Reuters