



INSOL International™



WORLD BANK GROUP

2020 Virtual ART

Insolvency Reform in Africa in the Context of COVID-19

November 23, 2020 from 12.00 – 2.30 pm GMT

Due to COVID-19, the Africa Round Table on Insolvency Reform (ART) will pause in 2020. However, after 10 years of consecutive ARTs, we want to keep the conversation going – especially now, at a time when so many countries are facing waves of insolvencies as a result of the measures adopted to curb the health crisis. With this in mind, we invite you to a shorter online virtual ART, which we hope will help policymakers from Africa with their COVID-related insolvency plans and enable our vibrant community to reunite at this difficult time.

The two and a half-hour interactive virtual ART will focus on insolvency reform in the context of COVID-19. The meeting will begin with a discussion of COVID-19’s effect on Africa’s economy and what could be coming. The event will then explore what the major insolvency-related issues are for the continent and conclude with examples of what select countries have done and are doing from a policy perspective to respond to the pandemic.

An unprecedented increase in insolvencies is coming as a result of the pandemic. COVID-19 has already pushed the Sub-Saharan Africa region to its first recession in a quarter-century. Allianz Research forecasts a 35% surge in business insolvencies from 2019 to 2021, an increase over the two-year period even greater than the one recorded during the global financial crisis (when there was an increase of 27% from 2007 to 2009). Absent government support, the IMF predicts that SME bankruptcies could triple from an average of 4 percent before the pandemic to 12 percent in 2020. A Facebook/OECD/World Bank global survey of 30,000 small businesses found that over 25% closed between January and May 2020.

The sessions, which will be conducted interview style, are designed for policymakers and the judiciary and will be held online live for 2 ½ hours and will subsequently be available as a recording. Private sector participants are welcome to participate as well.

Agenda – all timings are GMT

12.00-12.05pm **Welcome from INSOL International and World Bank Group**
Adam Harris, INSOL Past President and Chair of ART, Bowmans, South Africa
Will Paterson, World Bank Group

12.05-12.30pm **Africa’s Economy & COVID-19**
Goolam Ballim, Chief Economist, Standard Bank, South Africa

The IMF forecasts that output in sub-Saharan Africa will contract by a record 3% in 2020 and it will take at least until 2022 for the region to return to pre-crisis economic growth levels. To set the context for the event, this session will

provide an overview of the economic outlook for the continent in light of COVID-19.

12.30-1.30pm

Country Perspectives – Major Insolvency-related Issues in SSA

Chair: Antonia Menezes, INSOL Fellow, World Bank Group
Juliette de Hutton, Bowmans, South Africa
Okorie Kalu, INSOL Fellow, Punuka Attorneys, Nigeria
Zuberoa Mainz, IFC
Sonal Sejpal, Anjarwalla & Khanna, Kenya

Large-scale financial distress is likely to be very challenging for many SSA countries due to weak insolvency frameworks and debt recovery rates. Given the economic outlook and the situation on the ground, this session will explore the major issues related to insolvency and debt resolution in specific countries and the continent that will require attention from the public and private sectors.

1.30-2.30pm

Insolvency-related policy responses to COVID-19

Chair: Kathleen van der Linde, University of Johannesburg, South Africa
Scott Atkins, INSOL Vice President and Fellow, Norton Rose Fulbright, Australia
Prof. Jason Kilborn, UIC John Marshall Law School, University of Illinois, USA
Aurelio Gurrea Martinez, Singapore Management University, Singapore

Many countries around the world enacted extraordinary temporary measures to prevent a tsunami of insolvencies during the pandemic. This session will draw upon experts from Australia, Singapore and the United States/UK to explain their country's emergency insolvency reforms in the context of COVID, while highlighting their relevance to the African context.

2.30pm

Conclusion & Plans for 2021

Adam Harris, INSOL Past President and Chair of ART, Bowmans, South Africa
Mahesh Uttamchandani, World Bank Group