

## SESSION 2:

# Approach to assessing Socio-Economic impacts of COVID -19

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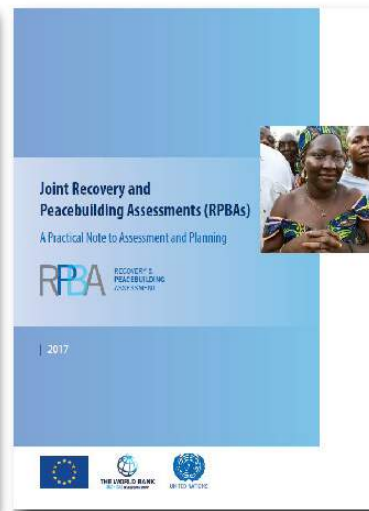
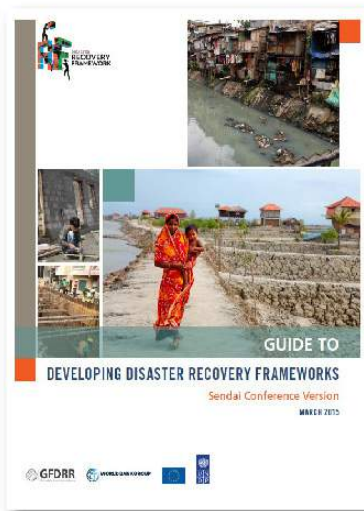
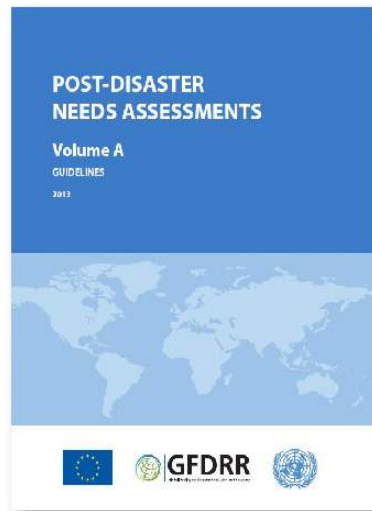


# Objectives

- Introduce the origins of the Pandemic Recovery Needs Assessment tool (PRNA)
- Present scope, challenge, assessment methodology
- Review the process, sectors and actors in a PRNA
- Delve into the macro-economic impact and recovery
- Present the principles and benefits of a PRNA
- Provide case studies of its application

# Origins of the PRNA

## THE PARTNERSHIP OF THE CRNA



BASED ON THE UN, EU AND WB JOINT DECLARATION ON POST-CRISIS ASSESSMENTS AND RECOVERY PLANNING SIGNED IN 2008

- PDNA VOLUMES A AND B
- DISASTER RECOVERY FRAMEWORK
- RECOVERY AND PEACEBUILDING ASSESSMENT GUIDANCE

- PRNA derives from both (PDNA + RBPA)
- PRNA was developed in early 2020 to support countries with pandemic assessment and recovery

# Key features of a PRNA

- **Socio-economic assessment tool** adapted from UN,WB, EU developed methodology for **joint assessment and planning after a crisis**
- **Flexible tool (scope/timing)** to assist Governmnets identify specific **socio-economic challenges** presented by the pandemic
- Identifies **economic and social effects and impacts, conflict sensitive resilient recovery needs**, helps develop a **comprehensive recovery strategy**

# Scope of a PRNA

## EPIDEMIC CURVE FLATTENING

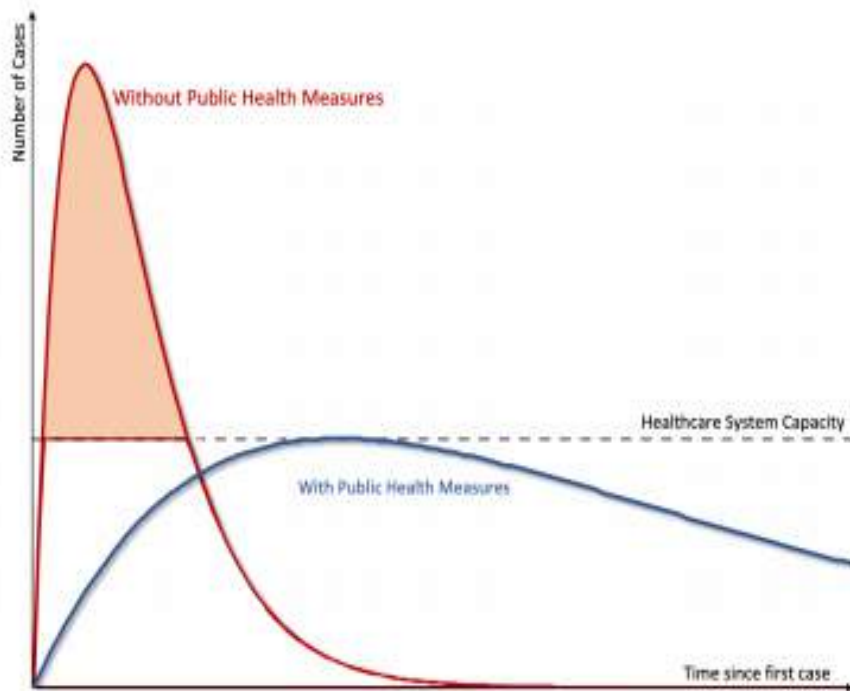


Figure 1: Flattening the Pandemic Curve

## AVOIDING ECONOMIC LOSSES DIP

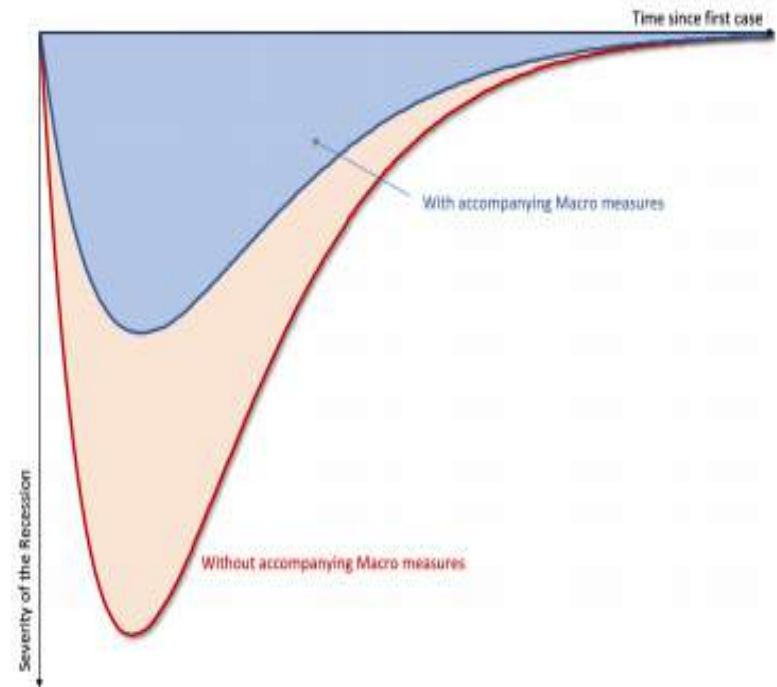


Figure 2: Flattening the Recession Curve

# The uncertainty factor

A pandemic has a clear initiation point but an unclear evolution and end-date

## ACCOUNTS FOR THE **DYNAMIC NATURE** OF THE PANDEMIC

**Flexible timeline:** phased approach with sequenced assessments starting after the lockdown with an end date defined by the government

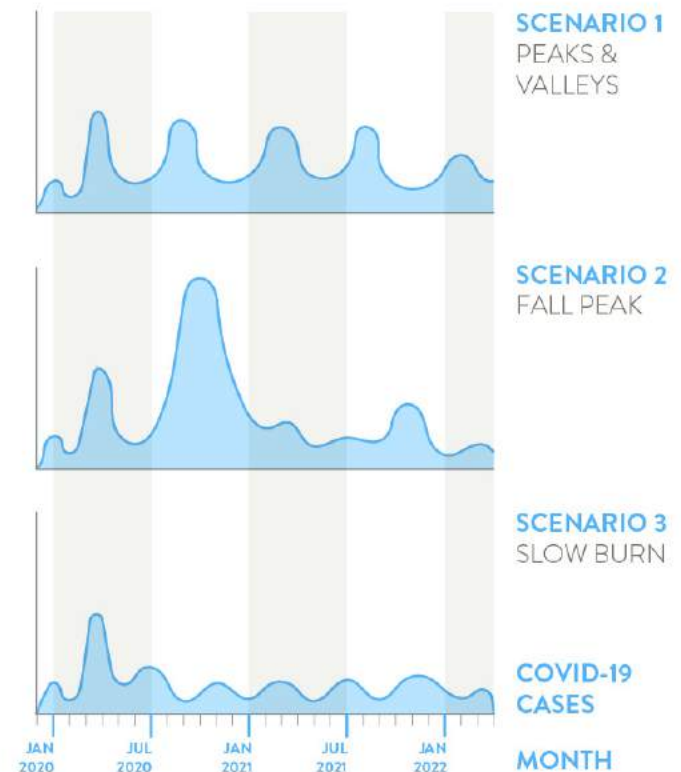
**Adapting methodology** in conducting economic loss assessment

**Selection of sectors** adapted to country needs and context.

Focus on **green recovery & build back better**

RECOGNIZING  
THAT THERE WILL  
PEAKS AND  
TROUGHES WITH  
NO END DATE

## POSSIBLE PANDEMIC WAVE SCENARIOS FOR COVID-19



# The Assessment Methodology



- Pre-pandemic context:
- Overview of performance, structure, and existing gaps
- How each sector has been effected by the pandemic in terms of access to goods and services, governance and risks (losses, additional and unexpected expenditures)
- Macro-economic: GDP, balance of payment, tax revenue, public revenue & expenditures
- Human/social: unemployment, decline in income, consumption, migration, indebtedness, food insecurity
- Rights-based, gender-responsive, conflict-sensitive, sector-wide resilient recovery needs to revive economic activities, employment opportunities, social protection & food security
- Policy Recommendations with strategy for implementation

**This method of analysis is undertaken for each impacted sector and cross cutting issues.**

# Three levels of Assessment

## Epidemiological

- Measure and analyze infection rates, morbidity and mortality data to inform strategies for pandemic response and recovery.

## Economic & Social

- Analyze the effects and impacts of reduced activities in various sectors,
- Job losses and livelihoods; quantify measures taken to alleviate the effects and promote economic recovery

## People's perception

- Be informed of perception and the expectations of the people as a result of changes in the phases of the pandemic,
- Its economic, social and human effects and impacts

**Interwoven together and multi-layered**



# Typical sectors and subsectors

## PRODUCTIVE



## SOCIAL



## INFRASTRUCTURE



## CROSS-CUTTING

GENDER

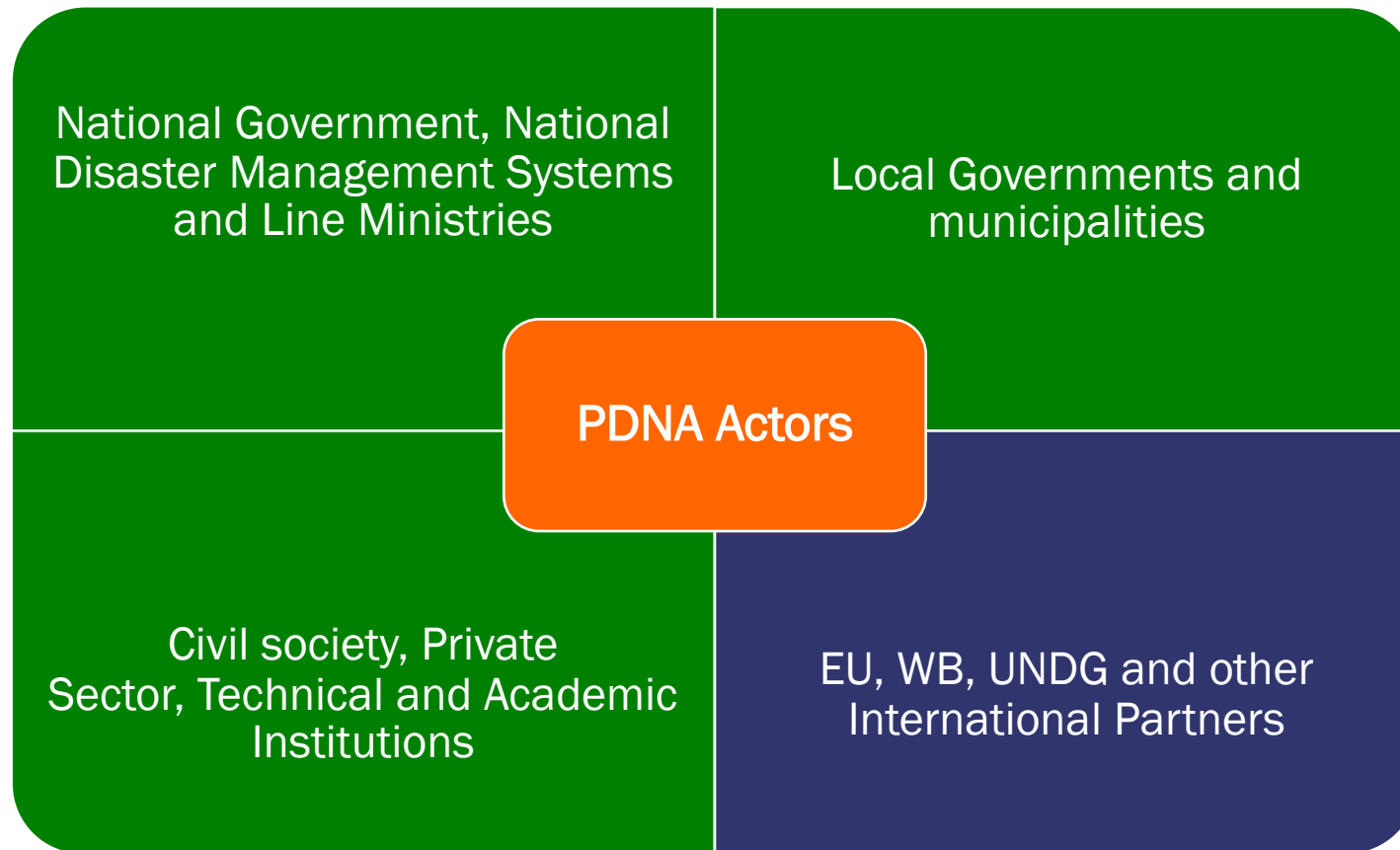
GOVERNANCE

ENVIRONMENT

RISK  
REDUCTION

EMPLOYMENT AND  
LIVELIHOODS

# PDNA/CRNA Actors



# macro-economic and human impact assessments

A GAP analysis undertaken at the national and regional levels for all sectors and all social groups

## 1. Economic Impact

Measures the temporary cumulative macroeconomic imbalances as well as temporary decline in employment, income and well being of affected individuals and households

## 2. Human Impact

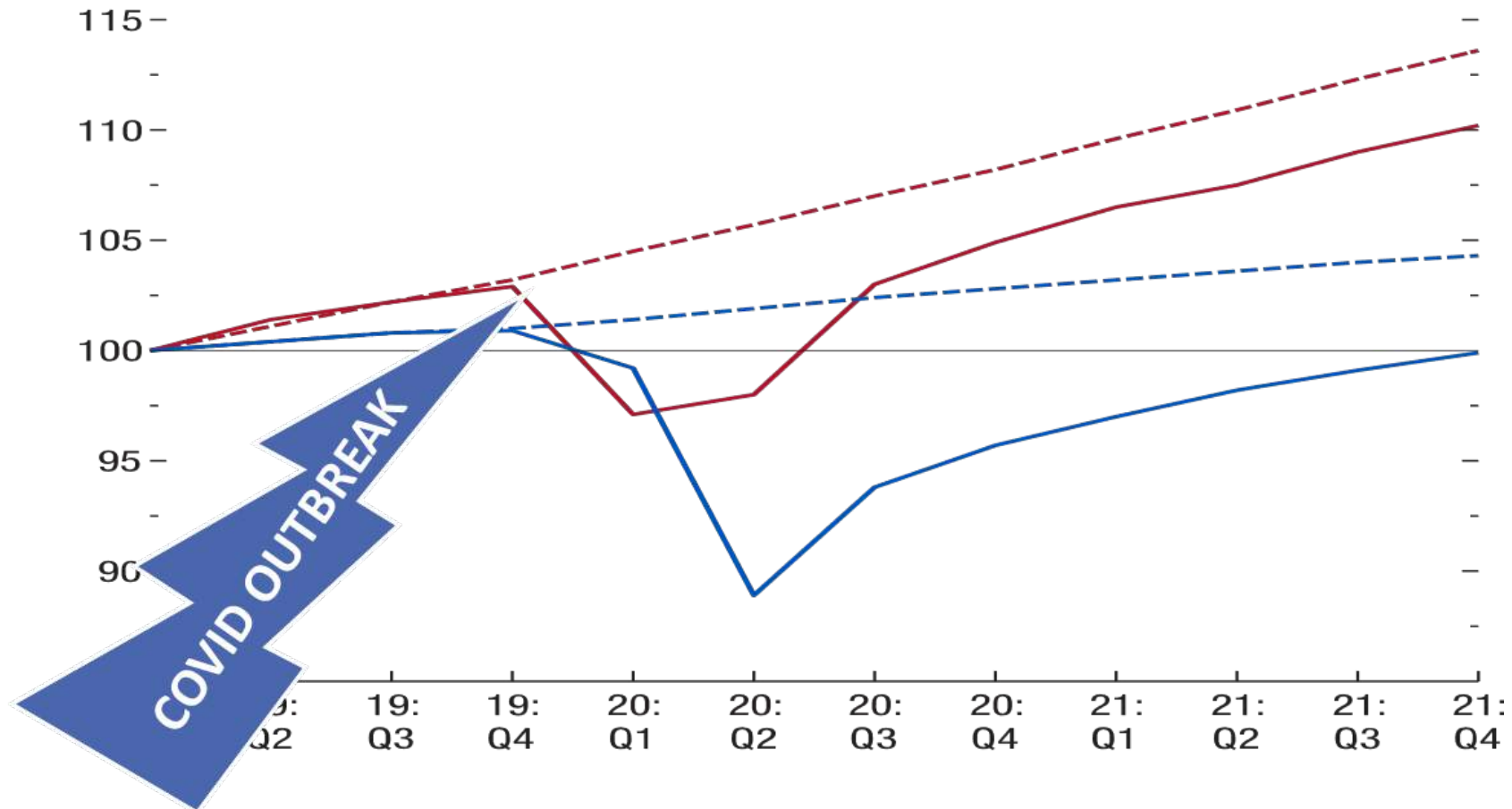
Represents the evolving disruption of the population's normal livelihoods and income, as well as the access to basic commodities and social services.

# Macro-economic variables to be analysed

The macroeconomic impact analysis is done by **comparing**:

- National account statistics of economic performance **(GDP) for the period the event lasts.**
- **External effects** (balance of payments, imports, exports)
- **Public finances** (tax revenue and expenditure and fiscal deficit):
- **Price fluctuations** estimated through consumer's price index or inflation.

# Example: IMF GDP estimates due to COVID-19



Source: IMF staff estimates.

(2019:Q1 = 100; dashed lines indicate estimates from January 2020 World Economic Outlook Update)

— Advanced Economies  
— Emerging Market and Developing Economies

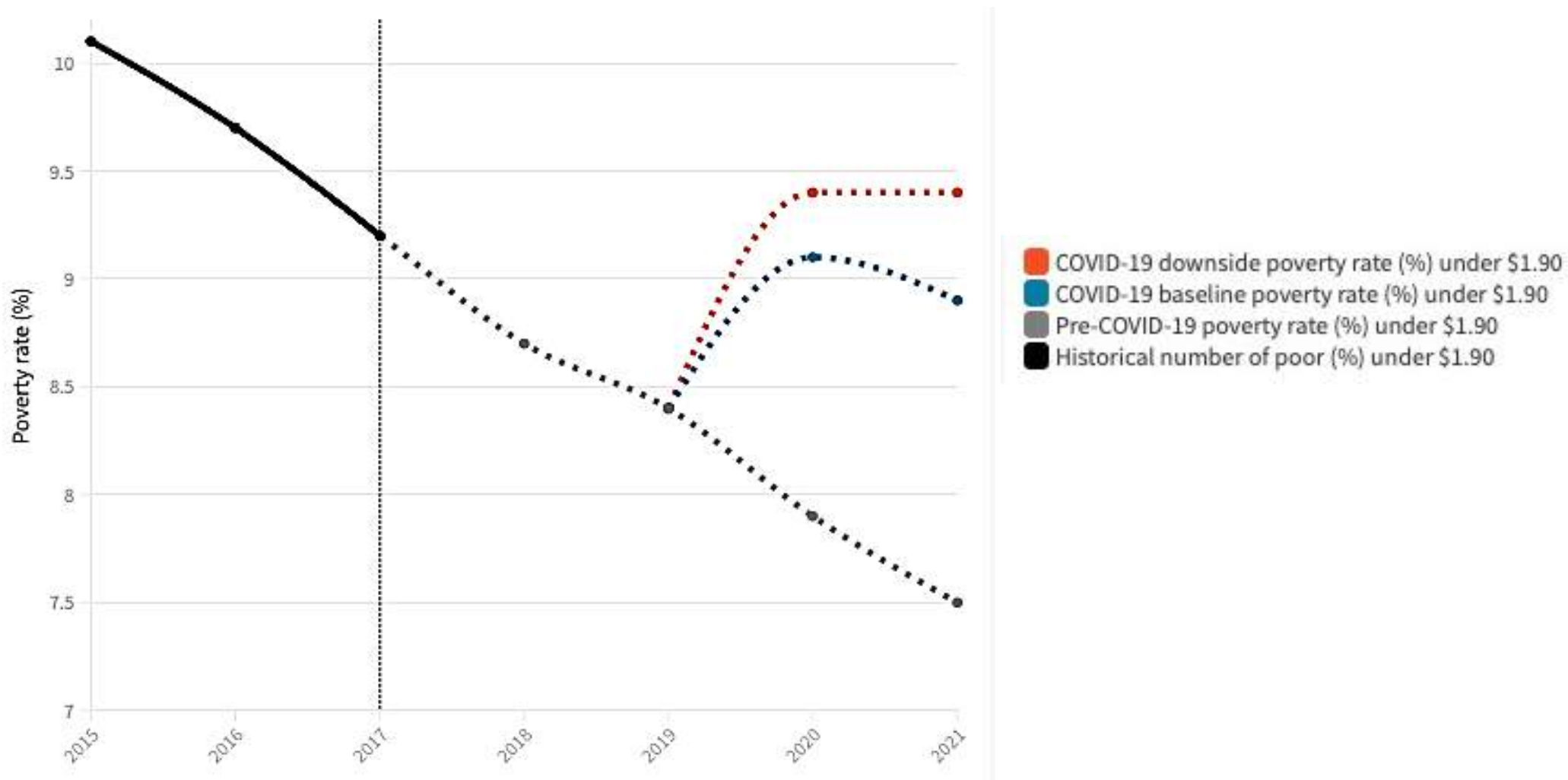
# AUDIENCE QUESTION

What kind of human impact and household coping strategies, have you observed in your country during the outbreak of COVID-19?



Grab the microphone and share your thoughts

# Impact of COVID-19 on global extreme poverty

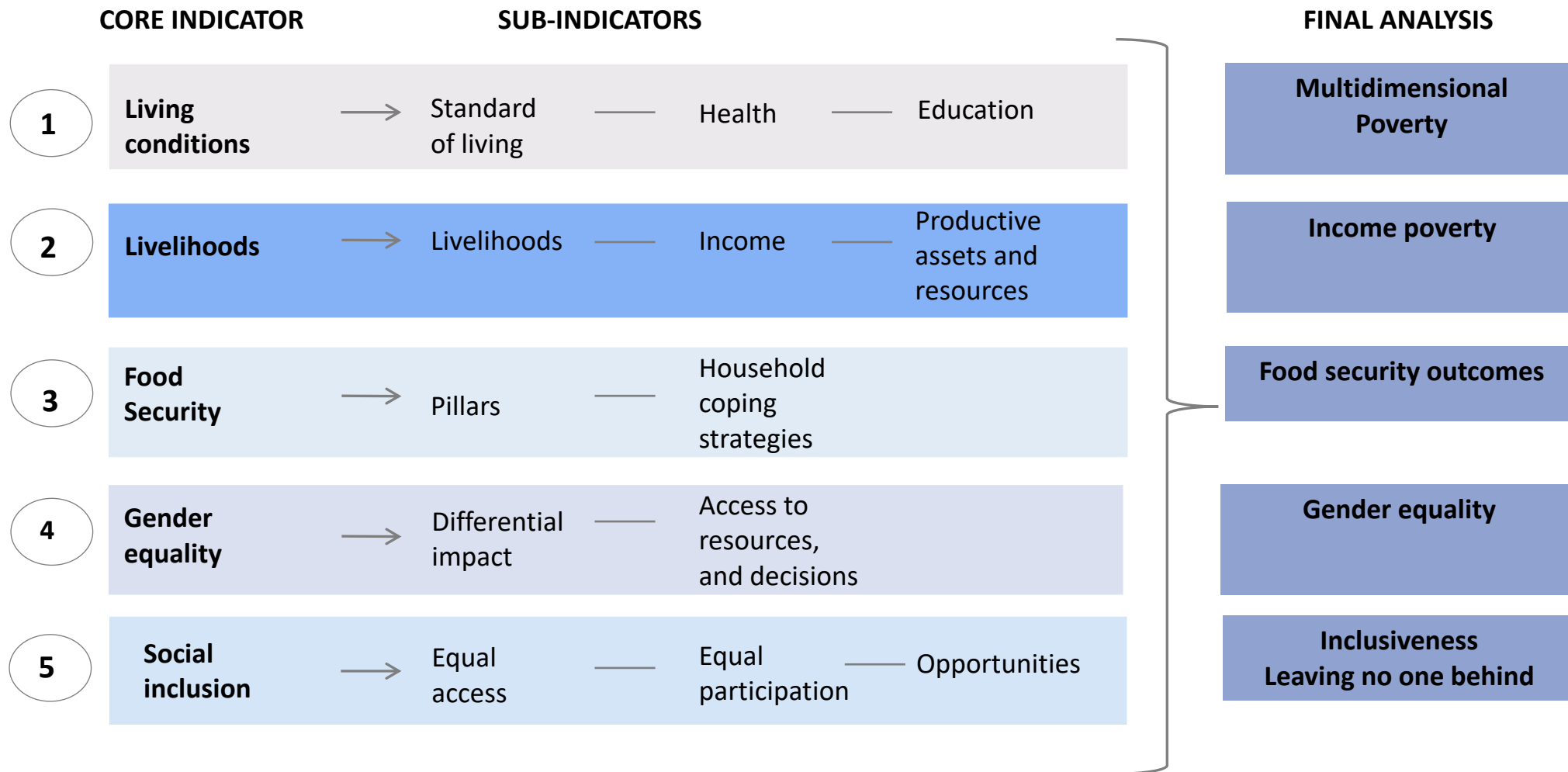


# Importance of Human Impact Assessment

- Understanding human dimension of the disaster's impact critical to design a comprehensive recovery strategy
- HIA informs the recovery strategy, especially with a view of mitigating the worsening of the situation.
- HIA guides prioritization of the recovery actions and population groups, e.g. areas with highest incidence of poverty
- HIA informs adjustment of national development plans, poverty reduction strategies, and social protection programs.
- HIA informs how human impact may compromise achievement of national SDG targets and policy considerations.

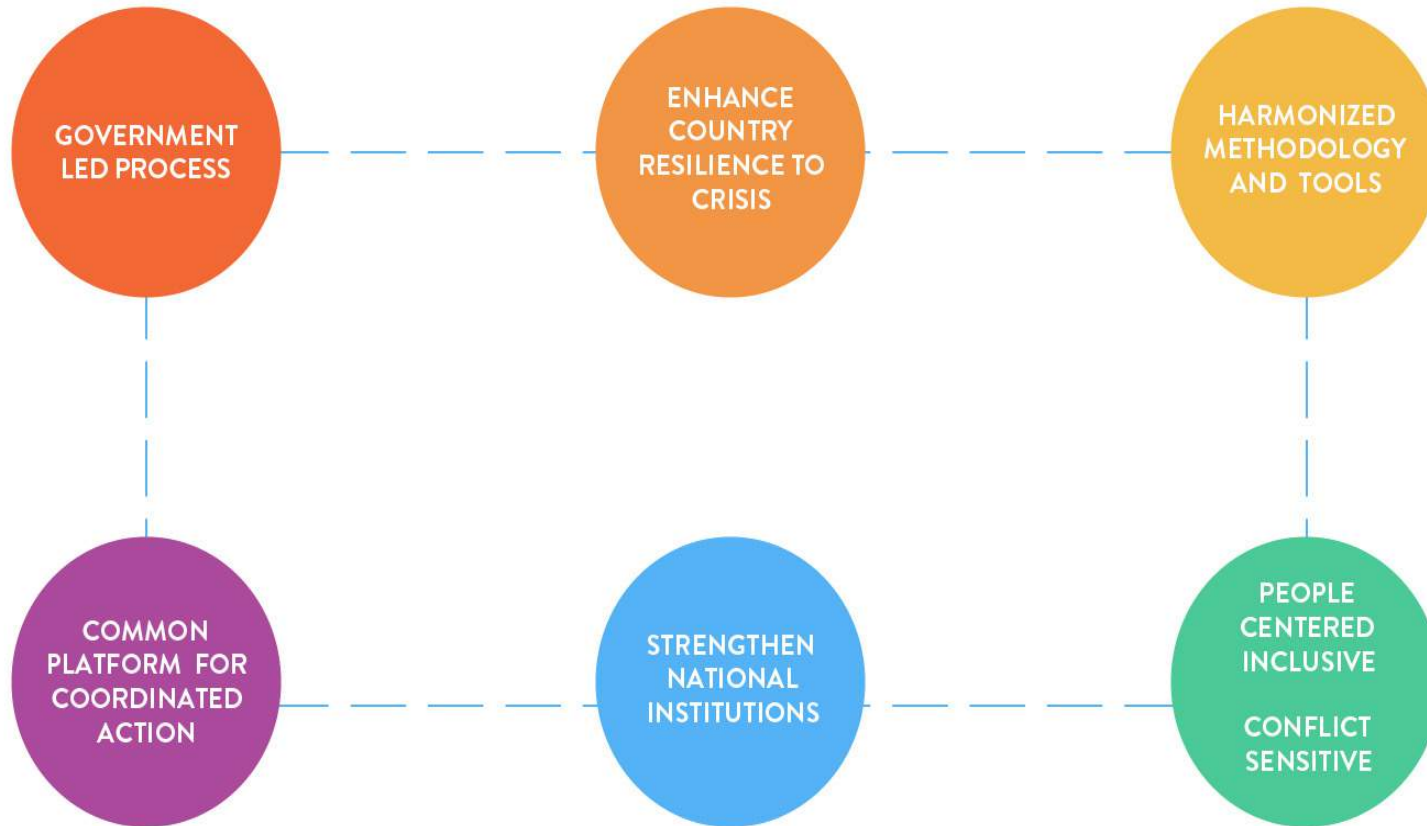


# Summary of Key Indicators to Assess Human Impact



In each disaster, a selected set or all indicators could be assessed based in availability of data and time for conducting the assessment.

# PRNA PRINCIPLES



# Benefits of applying the PRNA



1 Provides **CLEAR STRUCTURE AND PROTOCOL** to assess socio-economic impact for resilient recovery



2 **HIGH QUALITY SINGLE, COLLECTIVE ASSESSMENT**  
mobilizing all institutions, sectors and actors under Government lead

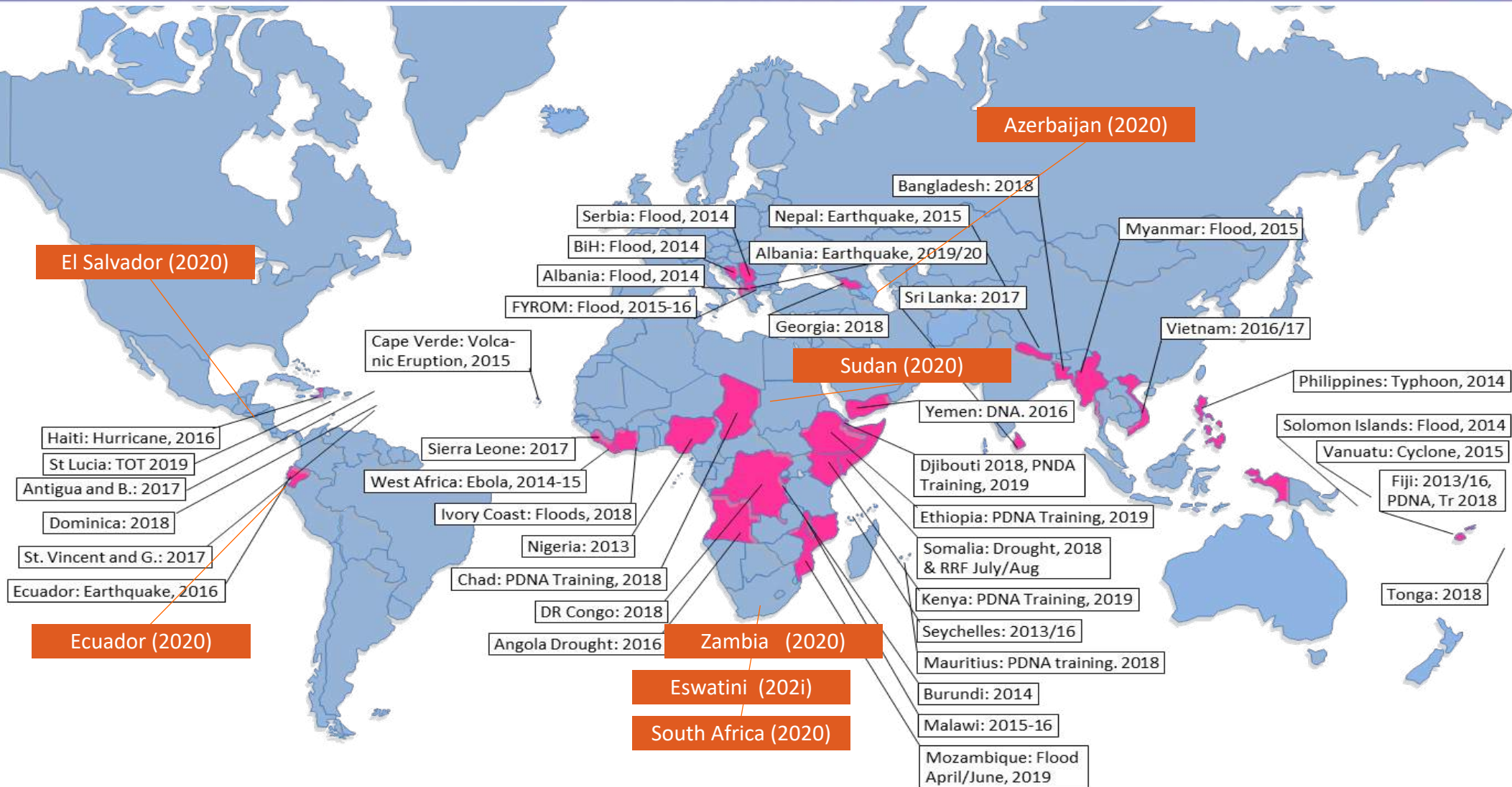


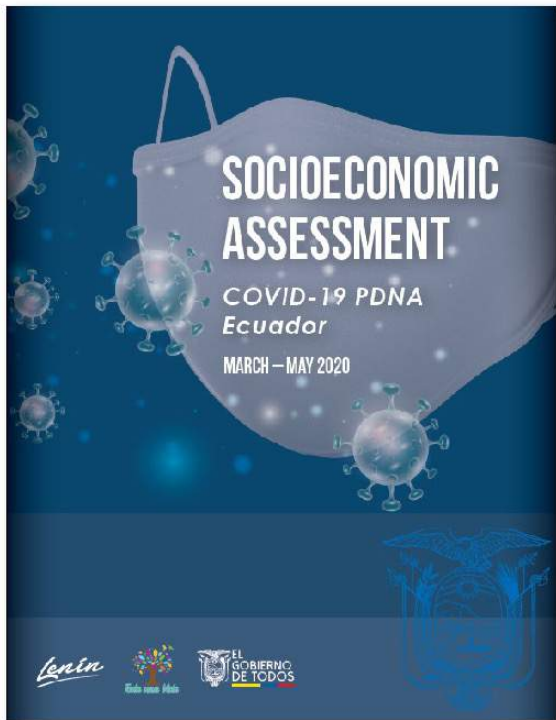
3 Ensures **NO ONE IS LEFT BEHIND** in the recovery process and **SAFEGUARDS SDGS**



4 **FLEXIBLE METHODOLOGY**  
adaptable to specific government needs and contexts (incl. fragile states)

# Builds on Worldwide Applied Experience





## ECUADOR CRNA/ PDNA

**Led by** Ministry of Planning with the technical assistance by the UN, EU WB

This study analyzes COVID-19 incidence and national response from March to May in four areas : social, productive, infrastructure, and security. The report informs policy and programmatic response to the pandemic.

Total economic losses at US\$6,420.68 M is equivalent to 6% of the GDP.

The productive sectors as a whole account for 63.8% of all losses.

The total estimated recovery needs are US\$ 2,758.99 M



## ECUADOR

### CRNA

Women constitute 60 percent of general health personnel and 81 percent of nurses in Ecuador, which means they are exposed to additional risk.

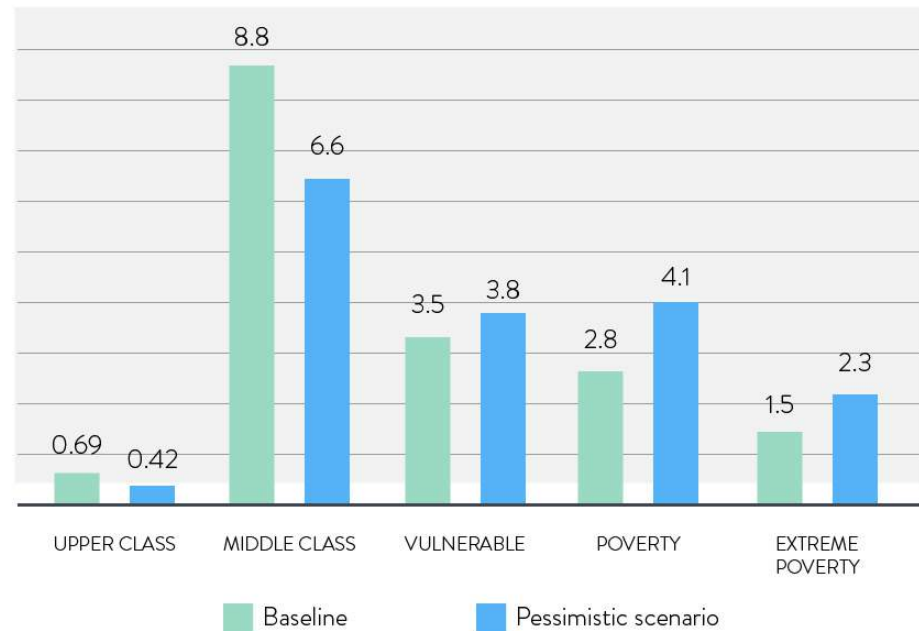
Between March and May 2020, availability of essential sexual and reproductive health care services dropped 45-60 percent from a year earlier, and lockdowns have increased their care work and curbed their ability to report domestic and gender-based violence.

Maternal mortality could increase by 50 percent and an additional 2,282 children under 5 could die absent scaled-up maternal and child interventions, the study finds.



## ECUADOR CRNA INCOME POVERTY

- Poverty could be set back by a decade in three months: income poverty could reach the levels reported in 2007.
- People living in poverty would increase from 4.3 million to 6.4 million.
- People in extreme poverty increase from 1.5 million to 2.3 million.



:INEC-ENEMDU December 2019. Developed by: UNDP consultants



## SOUTH AFRICA

**Assessment commissioned** by Ministry of Social Development  
**conducted by** the UN.

It assessed the social , economic and human impact of the pandemic across seven sectors of the economy.

The estimated loss in employment and livelihoods over the 45 days period of the lockdown is between US\$ 5.44 – 5.87 billion  
Recovery needs estimated at USD 20. billion



# SOUTH AFRICA

## HUMAN IMPACT: THE 4 WORST-HIT PROVINCES

### GAUTENG

POP: 15,2 MILLION

#### PRE COVID-19

**Poverty:** 4,46 million people (29%)

**Food Insecurity:** 925.743 million people are food poor.

#### POST COVID-19

**Poverty:** 203,069 informal workers at risk of poverty.

**Income loss:** ZAR 29.56 to 31.97 billion

### LIMPOPO

POP: 5,98 MILLION

#### PRE COVID-19

**Poverty:** 4,19 million people (70%)

**Food Insecurity:** 1.49 million people are food poor.

#### POST COVID-19

**Poverty:** 102,453 informal workers at risk of poverty.

**Income loss:** ZAR 7.38 to 8.05 billion

### KWAZULU NATAL

POP: 11,3 MILLION

#### PRE COVID-19

**Poverty:** 7,5 million people (65%)

**Food Insecurity:** 2.14 million people are food poor.

#### POST COVID-19

**Poverty:** 118,934 informal workers at risk of poverty.

**Income loss:** ZAR 13.5 to 14.7 billion

### EASTERN CAPE

POP: 6,7 MILLION

#### PRE COVID-19

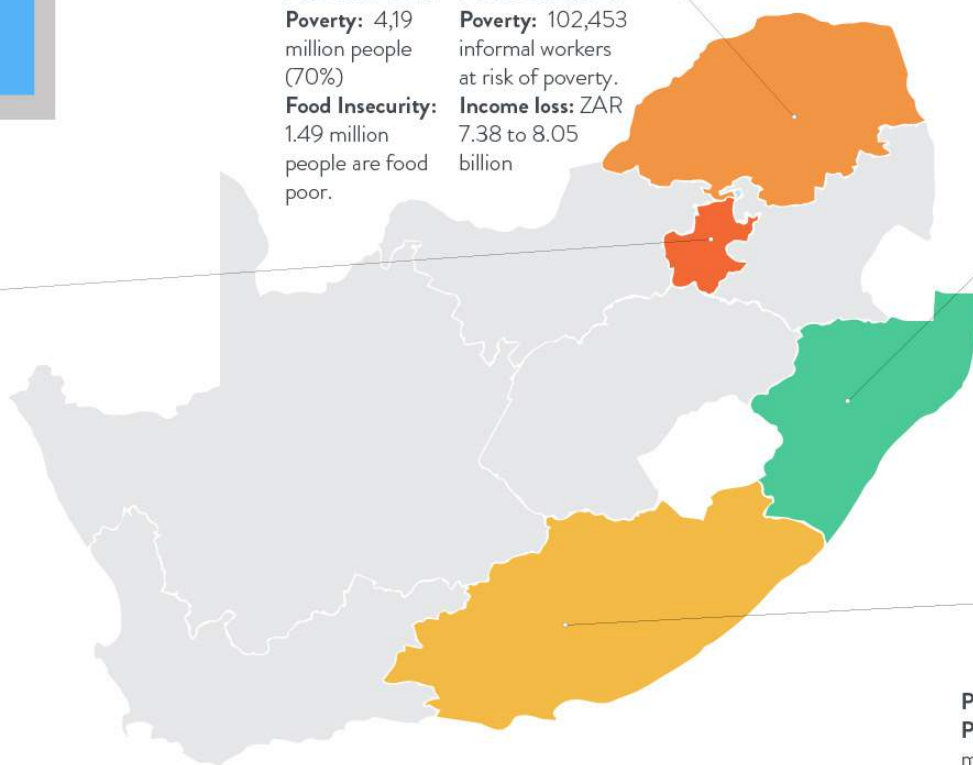
**Poverty:** 5,1 million people (70%)

**Food Insecurity:** 1.48 million people are food poor.

#### POST COVID-19

**Poverty:** 87,563 informal workers at risk of poverty.

**Income loss:** ZAR 6.7 to 7.3 billion



# SOUTH AFRICA RECOVERY STRATEGY

## PRESERVE

- Respond to the health crisis
- Support 8.2 million who are already food insecure
- Remember informal workers, women, children and other vulnerable groups.
- Leave no one behind.

## RECOVER

- Support small, medium and micro enterprises
- Build the nexus between agriculture and food security
- Resume education and provide non temporary sanitation with public works programmes

## PIVOT

- Plant the seeds of growth now
- Use expanded public works to invest in green economy
- Provide sanitation in schools and communities
- Bridge the digital divide. Build back better.

## AZERBAIJAN SOCIOECONOMIC ASSESSMENT FOR COVID-19



01 September 2020

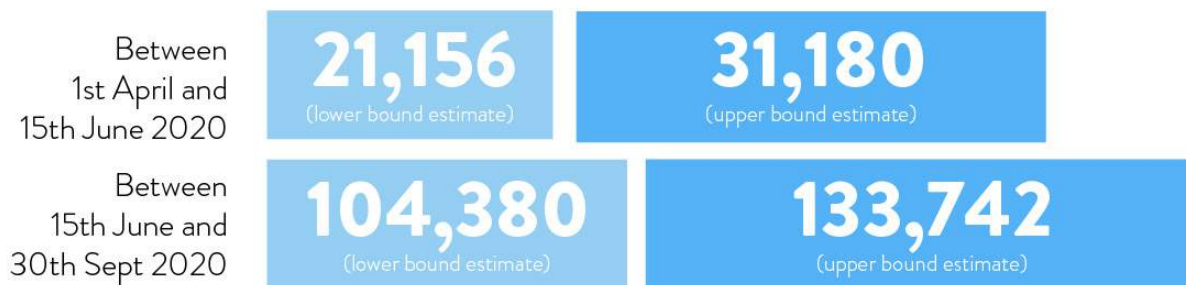
## AZERBAIJAN

**Led by** the UN Resident Coordinator and Resident Representative of the UNDP and UN

**Coordinated by** Ministry of Economy with the participation of eight key ministries.

- Sectors Assessed : Health - Education - Employment & Livelihoods - Agriculture & Food Security
- Gender - Social Inclusion (vulnerable population groups) - Social Protection
- The Human Impact and The Macro-economic Impact
- The recovery needs for the next 18 months are estimated at US\$ 2.1 billion

## PRIVATE MSME WORKFORCE AFFECTED



## INCOME LOSS OF PRIVATE MSME WORKFORCE (MILLION MANATS)



## AZERBAIJAN

### IMPACT ON EMPLOYMENT AND LIVELIHOODS

Income loss of non state work force between 1st June to 30th September could amount to USD 643 million

# AZERBAIJAN

## CRNA

- **Women** business were more affected than men, 22.5% of the MSMEs led by women were out of business and are experiencing more domestic violence and spending more time in childcare.
- **Refugees, migrants and asylum seekers** disproportionately affected due to loss of jobs, lack of access to health, lack of social protection, stigma and xenophobia.
- **Older persons** reduced grants is affecting the capacity of 53,394 older people to meet their basic needs.
- **People with disabilities** experiencing mental health issues due to lack of information, reduced access to health care.



### IMPACT ON VULNERABLE GROUPS

As in many other countries, women and girls are suffering in unique and specific ways.



# AZERBAIJAN RECOVERY STRATEGY

## BUILDING BACK BETTER

*"We need to turn the recovery into a real opportunity to do things right for the future"*

– **United Nations Secretary-General**



### CONSIDER A NEW SOCIAL COMPACT

Focus on people, human rights and equality.

Introduce a universal social protection system in the country that guarantees universal access to health, education, unemployment insurance and a universal income.



### CLOSE THE DIGITAL DIVIDE

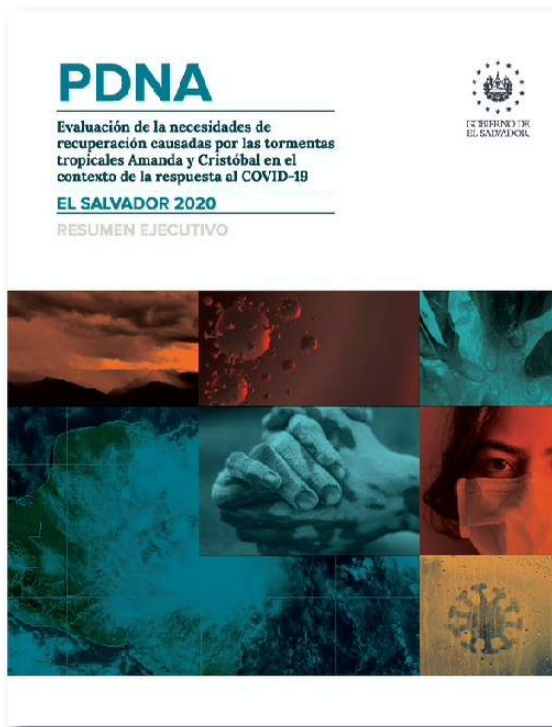
Access to universal Internet can save lives, protect human rights, create employment, protect access to health, education and other services.

Multiply the benefits of its stimulus package, protect the SDGs, and ensure no one is left behind.



### PROMOTE A GREEN RECOVERY AND STRENGTHEN CLIMATE ACTION

- Deliver new jobs and businesses through a clean, green transition.
- Rescue businesses tied to green jobs and sustainable growth.
- Incorporate climate risks and opportunities into the financial system and all public policies



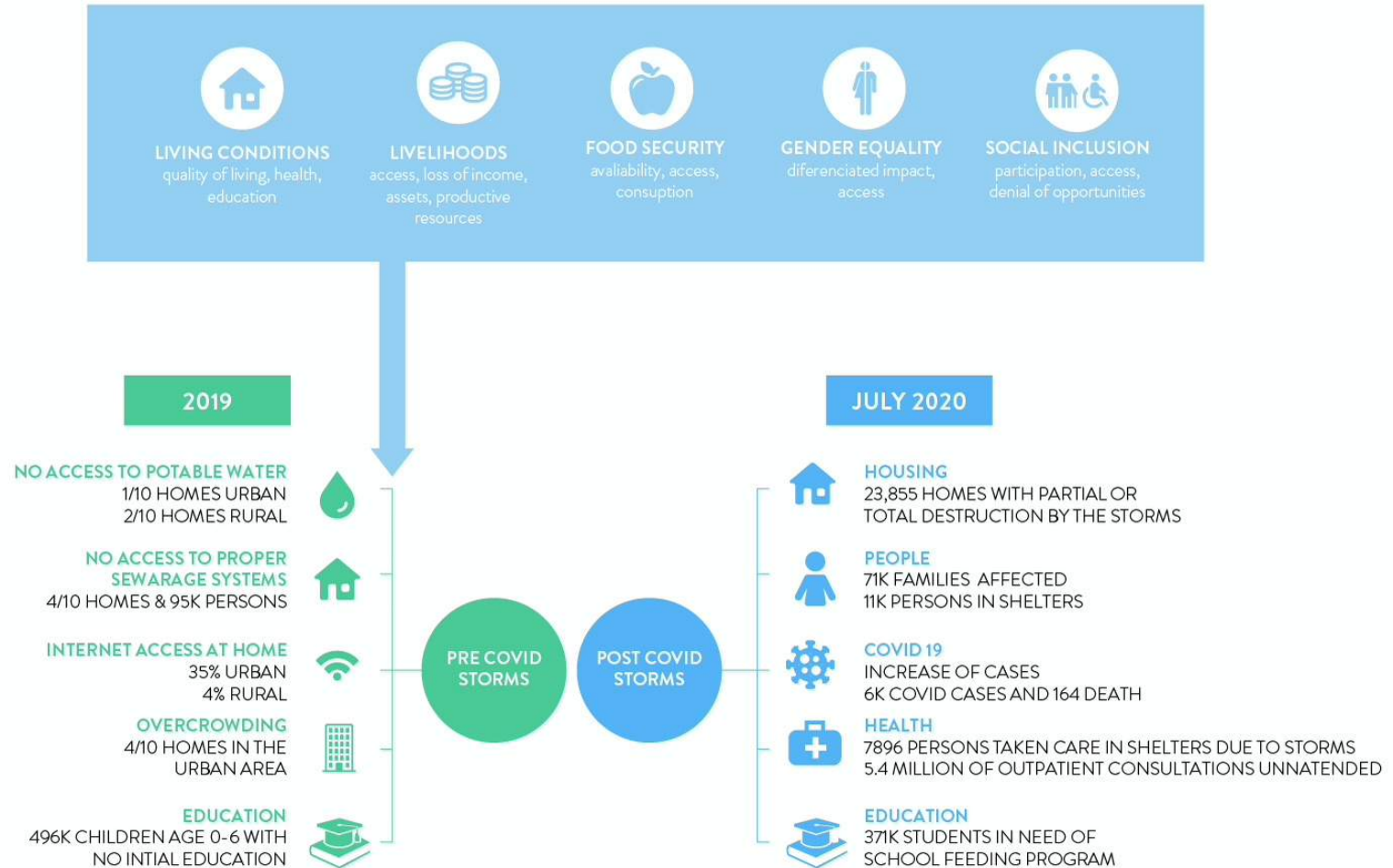
## EL SALVADOR CRNA & PDNA

**Led by** the Ministry of Economy and the Secretary of Commerce and Investments of the Presidency with the technical assistance by the UN, WB & EU

The double impact of COVID-19 and Tropical Storms Amanda and Cristóbal, exacerbated the already critical situation of the most affected populations.

The Recovery needs for  
10 sectors of the  
economy is estimated  
at US\$ 1.211 million

# THE HUMAN IMPACT AFTER STORMS AMANDA AND CRISTOBAL AND THE PANDEMIC





# EL SALVADOR RECOVERY STRATEGY

## VISION

Recovery from COVID-19 and Tropical Storms will strengthen resilience, social inclusion and sustainable development under the 2030 Agenda.

## STRATEGIC AREAS



GOVERNANCE



ECONOMIC RECOVERY



DRR, RESILIENT  
INFRASTRUCTURE AND  
DECENT HOUSING



TECHNOLOGY  
AND INNOVATION



WELLBEING, SOCIAL PROTECTION  
AND INCLUSION

## LINES OF ACTION

Strengthen governance, and territorial coordination and regulatory frameworks, promote investment and SMEs

Provide financial resources, strengthen productive chains and markets, boost diverse labor market and promote clean energy use

Safe reconstruction of infrastructure and housing, policy review, relocation with a focus on diversity, DRR and increased resilience in productive sectors

Strengthening human capital, technological literacy and innovation for social transformation in all sectors

Protect and guarantee basic public services including health, education, food security and the enjoyment of the rights of the most vulnerable

# Questions and Feedback

