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COVID-19 SOCIO ECONOMIC IMPACT ANALYSIS FOR GUINEA-BISSAU



United
Nations

GUINEA-BISSAU



COVID-19
RESPONSE

United Nations Development Programme
(UNDP), as the technical lead in
the socio-economic recovery efforts.



EXECUTIVE SUMMARY

The COVID-19 pandemic forces the global economy into its worst recession since World War II. The full impact of health related economic and social consequences is yet to be seen, but Guinea-Bissau is ill-prepared to absorb this major exogenous shock and risks a major setback of some of the development gains obtained during the past decades. The disease accentuates the weaknesses of the public service provision and institutional setup in Guinea-Bissau as well as the overall vulnerability of the economy, exposing its dependency and lack of diversification. The little progress on vital reforms and institutional strengthening caused by political instability for the past decades are a heavy burden on the country, becoming ever more visible during this crisis.

The domestic ability to cope with the health crisis is very limited. The prevalence of many diseases and poor infrastructure makes the outbreak of COVID-19 a complex emergency for Guinea-Bissau. Low testing capacities and under-resourced hospitals will quickly push the health system to its limits. Economic activity is highly informal and substantially driven by exports of raw cashew nuts. Lockdowns delayed the annual cashew campaign, the main economic event of the year, affecting the incomes of 80% of the population. The very limited existence of social protection schemes and depleted public finances leave the government with little ability to provide a safety net for its population or to deliver a stimulus to the economy.

THE LITTLE PROGRESS ON VITAL REFORMS AND INSTITUTIONAL STRENGTHENING CAUSED BY POLITICAL INSTABILITY FOR THE PAST DECADES ARE A HEAVY BURDEN ON THE COUNTRY.

Lower incomes and rising poverty in Guinea-Bissau are the immediate consequences of the pandemic. Triggered by a poor performance of the cashew campaign, fewer resources for the subsequent agricultural season will reduce its output. Aggravated by increased food import dependence and potential ruptures of international supply chains, food access constraints and an increase in prices will intensify food insecurity in the country and, worse, Bissau-Guineans might face a cycle of poverty. Women are disproportionately affected, and efforts made in the recent past to reduce gender inequality are likely to reverse: Women work substantially in the hard-hit informal sector and confinement measures may increasingly lead to gender-based violence. Addition-

ally, sexual and reproductive health support will be limited during the pandemic. While school closures for children are temporary, they bear long-term risks for higher drop-out numbers. Child work, teen pregnancy or wedlock are likely hazards especially for girls in vulnerable families.

This multifaceted crisis unveils – not only for Guinea-Bissau – that there is no going back to the pre-COVID-19 times. The forced lockdown of entire countries and economies has provoked profound changes to global systems and human behavior, which will affect the country's prospects for sustainable growth. The country's inability to build enough momentum for reform and its missed opportunities to embark on a path towards sustainable development came at a time of a deep and ongoing political crisis, exacerbating the effects of the pandemic while making recovery harder. We therefore emphasize the importance of accountable, democratic governance and the investment in institutions as a condition to better navigate this crisis. It is equally important that all stakeholders, both in the public and private sectors, take on this challenge as a collective responsibility.

This impact analysis argues that the response cannot be achieved in a linear fashion by successively addressing first the health and humanitarian aspects while waiting for the socio-economic response to start. Undoubtedly, the health crisis claims our first and foremost attention throughout the response. This, however, does also mean that we need to expand

the conversation and actions on mitigating the socio-economic impact this pandemic will have on the livelihoods of Bissau-Guinean citizens. We see this moment of crisis also as an opportunity. It is a chance to start a path to structural reform, overcoming old habits and building a future where the focus is the sustainable human development.

CHILD WORK, TEEN PREGNANCY OR WEDLOCK ARE LIKELY HAZARDS ESPECIALLY FOR GIRLS IN VULNERABLE FAMILIES.

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01 THE COVID-19 PANDEMIC MEETS AN ILL-PREPARED GUINEA-BISSAU

Guinea-Bissau recently entered a severe epidemic, affecting health care workers, revealing the weakness of providing adequate responses for a growing number of infected citizens. On March 25, the first two COVID-19 cases were officially identified in Guinea-Bissau. Within less than three weeks, confirmed cases increased from 50 to more than 1000, with a transition from local to community transmission (see Figure 1). A significant number of health staff, including all ICU personnel, are already infected, putting strain on the scarce personnel. Border closures and economic activity restrictions imposed for more than one month and previous experiences and lessons learnt stemming from managing other epidemics like Ebola have not led to the desired response to this pandemic. Guinea-Bissau is one of the West African countries with a worrisome evolution of COVID-19 cases.

The health crisis brought about by the COVID-19 pandemic will have an unprecedented impact on the global economy hitting the least developed countries, such as Guinea-Bissau, in a particularly hard way. The socioeconomic impact of the ongoing crisis is very vast because it has a considerable effect on both the demand and supply side of an ever more integrated world economy. A country's capacity to mitigate the impact of the crisis is determined by three central factors: its health response capacities, national economic structures, and the ability to provide for an adequate social protection response, while factoring in resilience, equity and sustainability to each dimension.

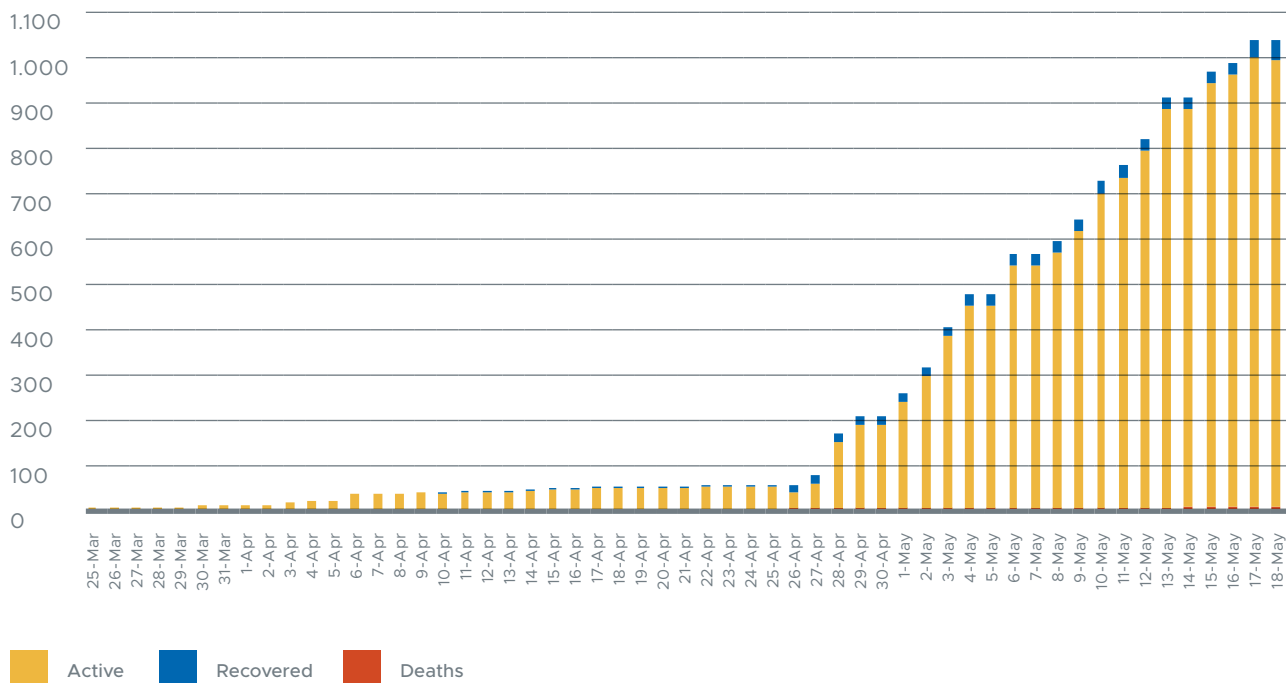
GUINEA-BISSAU IS ONE OF THE WEST AFRICAN COUNTRIES WITH A WORRISOME EVOLUTION OF COVID-19 CASES.

Health response capacities: Guinea Bissau's health system is one of the world's weakest

Even in normal times the local health system is highly fragile, and with COVID-19 it might collapse. According to the Global Health Security Index, Guinea-Bissau has the second most fragile health system in the world - only Somalia fares worse.¹ Now and in the past, Guinea-Bissau has suffered from various infectious diseases, such as malaria, meningitis and cholera. The country has one of the highest prevalence of HIV and tuberculosis infections in West Africa and one of the highest maternal mortality rates and lowest life expectancies in the world.² This is the result of decades of poor investment in the health system. During the last ten years, domestic general govern-

¹ GHS Indicator 4: Health System; Guinea-Bissau scores 4.6/100 and ranks 194/195, see: Global Health Security Index (2019, October). Building Collective Action and Accountability. Retrieved from: <https://www.ghsindex.org/wp-content/uploads/2020/04/2019-Global-Health-Security-Index.pdf>

² Multiple Indicator Cluster Survey (MICS) 2014



SOURCE: PUBLIC HEALTH EMERGENCY OPERATIONS CENTER IN GUINEA-BISSAU (COES)

ment health expenditure averaged 3.5% of total expenditure (or 0.7% of GDP), most of which went to salary expenses and negligible investment levels. Prevalence of many diseases, poor infrastructure and recurrent strikes in the public sector make the outbreak of COVID-19 a complex emergency, and constitute substantial obstacles to adequate response interventions to prevent the spread of the virus. As the fragile health system does not reach the bulk of the population, it is bound to collapse once the virus spreads through community transmission.

The health workforce is scarce and under-resourced to face COVID-19. Italy, one of the countries hardest hit by the pandemic, has one doctor for every 243 people. In Guinea-Bissau, there is one doctor for every 5,964 inhabitants and one nurse for every 1,223 inhabitants.³ The country has no intensive care unit (ICU) specialist, no fully equipped ICU bed, and continuous supply of oxygen is not ensured in the main public hospital in Bissau, the Simão Mendes Hospital. Two missionary hospitals in Bissau offer some response capac-

ity to COVID-19, but still lack equipment and better coordination with the overall response to the pandemic. The international community is spearheading to equip the country with the necessary equipment facing the pitfall of supply shortages in the international markets. Outside Bissau, where lack of any medical treatment usually prevails, no hospital is yet prepared to treat COVID-19 cases.

The spread of COVID-19 in the country is difficult to contain. Due to limited staff availability and constraints of COVID-19 diagnostic capacities, the National Public Health Laboratory, the only laboratory in the country, is struggling to keep up with daily testing, given the rapid spread of the disease. Fueled by high social stigma associated with the disease and the economic inability of the population to comply with isolation or quarantine, patients continue to show little interest in testing. With physical distancing measures in place, closures of economic activities, and the approaching rainy season, financial and geographical barriers to testing and treatment will further increase. Furthermore, the political crisis and the deeply rooted distrust in public systems and controls make rigorous testing and case tracking more difficult.

³ Multiple Indicator Cluster Survey (MICS) 2014

Economic Structure: Raw cashew nuts are the primary source of economic activity in Guinea-Bissau

The authorities responded to the pandemic with an early nationwide lockdown with short notice. Even before the first case was reported, authorities of Guinea-Bissau had shut down the airport and land borders, markets, bars and restaurants, and restricted public transport, emulating the response of other countries around the world with little time for the population to prepare for these important restrictions in their daily lives and livelihoods. What followed was a national state of emergency allowing only essential businesses to open beyond the imposed curfew.⁴ Due to the restrictions, overall economic activity slowed considerably since measures were introduced.⁵ There has been little discussion so far about how to adapt measures to the reality of Guinea-Bissau.

The pandemic hits Guinea-Bissau at a very delicate time, both politically and economically. After the legislative and presidential elections in 2019, hopes for a new path to development were not met as the political crisis continued and deepened. The effect of the post-electoral scenario on the institutional capacity to respond to the pandemic is a further element of grave concern. Simultaneously, the pandemic hit Guinea-Bissau at the end of March, just weeks before the usual start of the marketing campaign for the country's main export product, raw cashew nuts (RCN), and with the shortly approaching rainy season.

Raw cashew nuts are Guinea-Bissau's economic lifeline. Agriculture, forestry and fishery accounts for around 34% of GDP.⁶ As a Small

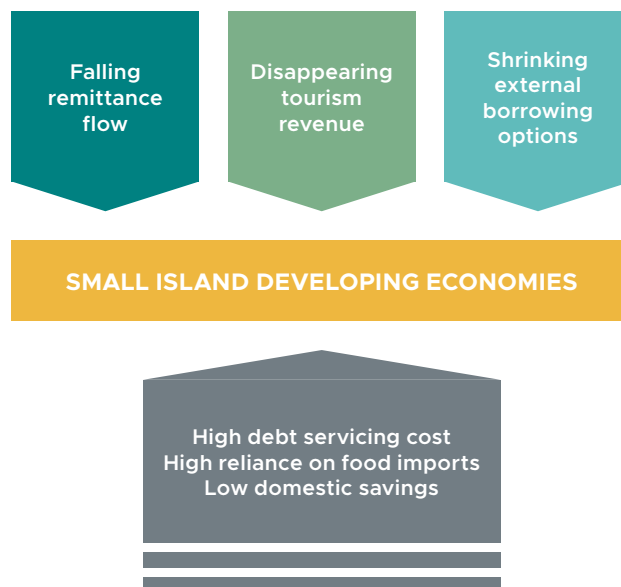


Figure 1: Transmission channels of COVID-19's economic impact on small island developing economies

SOURCE: UN DESA

THE PANDEMIC HIT GUINEA-BISSAU JUST WEEKS BEFORE THE USUAL START OF THE MARKETING CAMPAIGN FOR THE COUNTRY'S MAIN EXPORT PRODUCT, RAW CASHEW NUTS.

⁴ Open hours were initially 7 to 11am, later extended to 7am to 12 noon and then 7am to 2pm.

⁵ Due to poor prevalence of smart phones in Guinea-Bissau, only indicative: Google (2020, April). COVID-19 Community Mobility Report. Retrieved from: https://www.gstatic.com/covid19/mobility/2020-04-30_GW_Mobility_Report_en.pdf

⁶ National Statistics Institute (INE) and Ministry of Finance: Between 2015 and 2019, value added by the primary sector averaged 33.7% of nominal GDP.

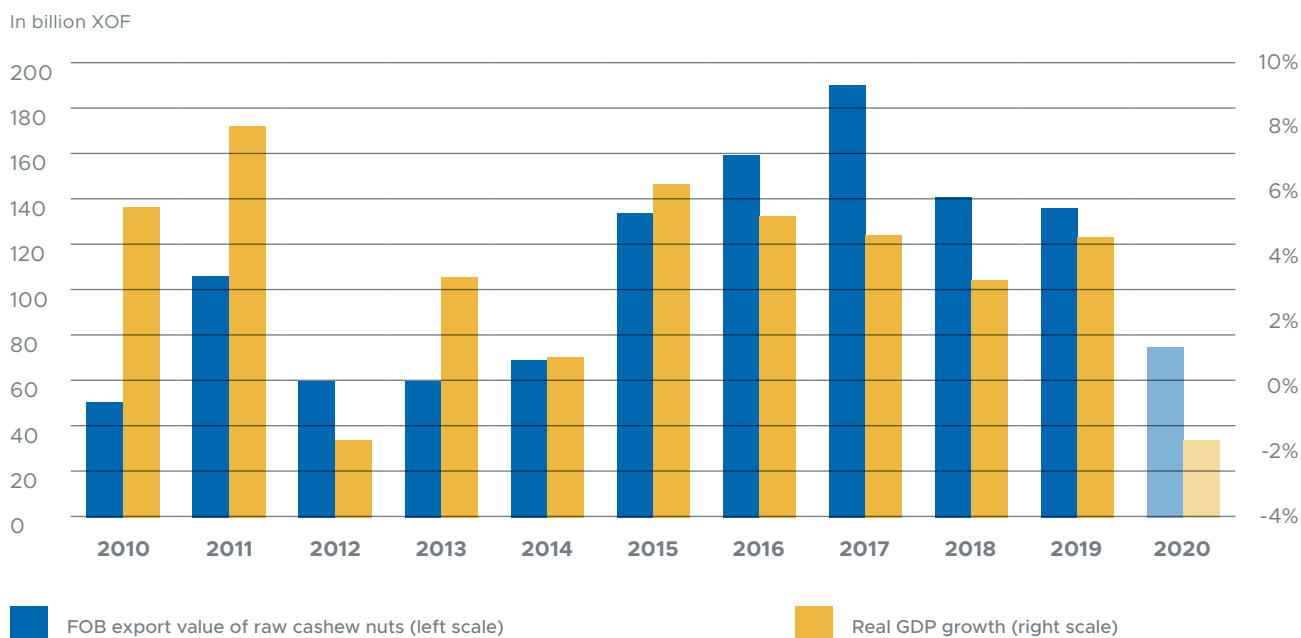


Figure 2: High economic dependence on raw cashew nut exports and spillover effects

SOURCE: BCEAO AND MINISTRY OF FINANCE

Island Development State (SIDS), the economy characteristically depends on a single sector: Raw cashew nuts make up more than 90% of total goods exports⁷ and the government generates around 13% of their revenue from cashew-specific taxes and fees.⁸ Cashew involves 80% of the country's labor force in form of smallholder farming and seasonal daily labor.⁹ Revenues from cashew nut sales during the marketing season, between March and July, are an important component of the yearly household income, particular in rural areas. While cashew accounts directly for only around 11% of the GDP,¹⁰ other domestic services in the value chain, such as trading and transport, and the revenue received by households, provide substantial economic stimulus to other sectors and investment. Hence, cashew provides important spillovers to the economy. Macroeconomic forecasts carried out in April 2020 point to a contraction of output be-

tween 1.5% and 1.9% in 2020, considering the impacts of the pandemic.¹¹

COVID-19 jeopardizes the 2020 cashew campaign and poses risks for 2021. The shutdown of the two main export markets for cashews from Guinea-Bissau, India and Vietnam, put the cashew campaign under acute stress as demand for the nuts fell sharply. Like other international commodities, the price for raw cashew nuts dropped significantly. Early indicators are the already low prices for raw cashew in Ivory Coast. Despite some indication of a recovery,¹² market uncertainty continues to be very high. National movement restrictions and border closures do not only prevent international and regional cashew value chain agents from entering the country, but also limit the movement of seasonal workers and the farmers' ability to manage the labor-intensive collection of cashew nuts. Worryingly, the lockdown situation has delayed the start of the cashew campaign, which was originally envisioned to begin on March 30.

7 Central Bank of West African States: Between 2015 and 2019, FOB Raw cashew nut exports averaged 90.4% of total goods exports.

8 Ministry of Finance: Between 2015 and 2019, the three cashew related taxes/fees (IEEC, CPR and ACI) accounted for 13.4% of domestic (fiscal and non-fiscal) revenue.

9 African Development Bank (2018). Country Gender Profile: Guinea-Bissau. Retrieved from: https://www.afdb.org/fileadmin/uploads/afdb/Documents/Generic-Documents/Guinea-Bissau_-_Country_gender_profile.pdf

10 National Statistics Institute (INE) and Ministry of Finance: Between 2015 and 2019, the weight of cashew in total nominal GDP averaged 10.6%.

11 The Central Bank of West African States estimates -1.9% for the 2020 real GDP growth and the International Monetary Fund forecasts -1.5%, see: IMF (2020). April 2020 Regional Economic Outlook: Sub-Saharan Africa. Retrieved from: <https://www.imf.org/en/Publications/REO/SSA/Issues/2020/04/01/sreo0420>

12 Market Prices for cashew are slightly increasing as demand from India and Vietnam is slowly picking up, see: N'kaló cashew market bulletin (2020, May 7). Issue 334.

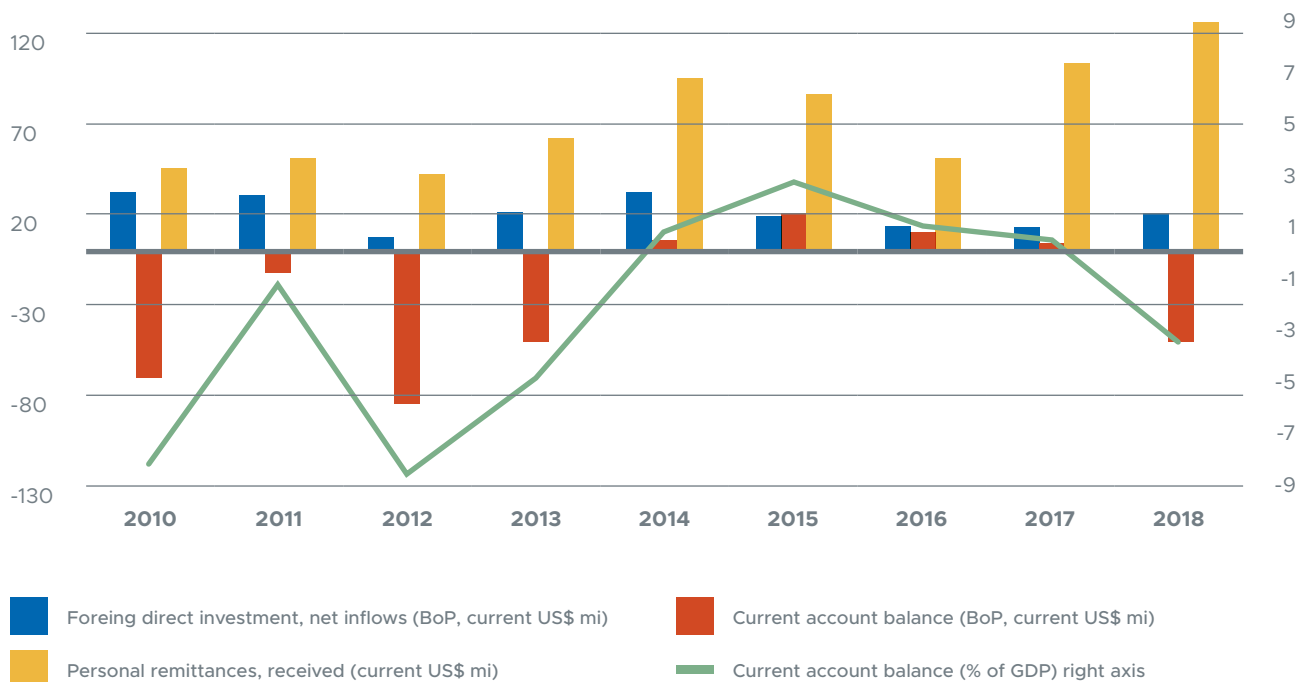


Figure 3: Balance of payments and the importance of remittances in Guinea-Bissau

SOURCE: WORLD BANK DATABASE

Under normal conditions, remittance inflows help alleviate negative income shocks, but forecasts say otherwise. Reaching 9.4% of GDP in 2019,¹³ remittances have become ever more important for household income during the past decade (see Figure 3). A study conducted by UNDP and IOM¹⁴ indicates that remittances operate counter-cyclically, increasing in times of greatest need for families, either in times of strong political instability or in years of low yields from the cashew harvest. However, migrant workers in diaspora communities are especially vulnerable to the loss of employment and wages during times of crises. The forecast points at a decrease of remittances to Sub-Saharan Africa by around 23%, impacting especially the vulnerable rural population.¹⁵

Counteracting resources: Fiscal situation is too poor to respond adequately to the crisis

A drop in revenue reduces the government's ability to support the most vulnerable. Tax revenue in Guinea-Bissau is generally low - it has never reached 10% of GDP.¹⁶ In 2019, current government expenditure surpassed total revenue by 20%, leaving little space for fiscal maneuvers and causing delays in public salary payments and a fiscal deficit of 4.1%.¹⁷ In 2020, shop closures, a low performance of the cashew campaign, and less demand for imports are set to substantially further decrease government revenues, at a time when increased government spending for recovery is highly needed.

Debt relief will free up some fiscal space, but the budget deficit is forecasted to rise to 10% of GDP. The International Monetary Fund (IMF)

¹³ World Bank (2020, April). Migrant remittance inflows (US\$ million). Retrieved from: <https://www.knomad.org/sites/default/files/2020-04/Remittance%20inflows%20April%202020.xlsx>

¹⁴ UNDP Guinea Bissau (2020, May).

¹⁵ World Bank (2020, April). COVID-19 Crisis through a Migration Lens. Retrieved from: <http://documents.worldbank.org/curated/en/989721587512418006/COVID-19-Crisis-Through-a-Migration-Lens>

¹⁶ Ministry of Finance. WAEMU convergence criteria require a tax revenue of at least 20% of GDP.

¹⁷ Overseas Development Institute (2020, April). Economic impacts of and policy responses to the coronavirus pandemic: early evidence from Guinea Bissau. Retrieved from: <https://set.odi.org/wp-content/uploads/2020/04/Economic-impacts-of-and-policy-responses-to-the-coronavirus-pandemic-early-evidence-from-Guinea-Bissau-2.pdf>

and the World Bank (WB) agreed to provide debt relief. In the case of the West African Development Bank (BOAD), capital maturities between April and December of around XOF 8 billion were frozen. Some of the resources that the country is considering for financing the deficit are: i) XOF 15 billion from the BOAD at a concessional rate of 2.5%. BOAD is also open to provide some budgetary support, ii) a possible emergency assistance from the IMF, iii) possible support from the AfDB under the COVID-19 Rapid Response Facility (CRF); iv) possible loans from other development banks and additional domestic financing through treasuries placed with regional commercial banks.

Investment spending might decrease substantially. In the likelihood of encountering difficulties to afford their most pressing current expenditure, such as wages, already low expenses for public investment will be the first to be subject to cuts. International partners are the main source of investment in Guinea-Bissau. Some infrastructure projects, such as electricity or road construction, have been suspended due to precautionary measures. The delay of these crucial investments will further hold up economic development and recovery in Guinea-Bissau.

INTERNATIONAL PARTNERS ARE THE MAIN SOURCE OF INVESTMENT IN GUINEA- BISSAU.

02 SOCIO-ECONOMIC CONSEQUENCES

The weak health system, the delay of the cashew trading season as the main annual economic event, and public finances already under stress, leave a worrying picture about the impact of the pandemic on Bissau-Guinean society. These dynamics will undoubtedly exacerbate the extremely limited access to social services and further delay the achievement of the Sustainable Development Goals (SDGs). From poverty reduction to food security, access to health and well-being, a series of negative effects can be expected as outlined below.

Poverty

Confinement measures hit the poor population the hardest. Two in every three Bissau-Guinean citizens suffer from multidimensional poverty, more than half of these in a severe way.¹⁸ The majority of Bissau-Guineans live on less than U\$ 1.90 a day. Due to the high informality of the economy, the curfew hours and the abolishment of public transport translate directly into a high economic burden for the poor population. Both in rural and urban areas, they find it substantially more difficult to sell their produce and earn their daily income.

Almost no one has a social security insurance. Less than five percent of the population has formal social security because of high economic informality, and only a small fraction of

CURFEW HOURS AND THE ABOLISHMENT OF PUBLIC TRANSPORT TRANSLATE DIRECTLY INTO A HIGH ECONOMIC BURDEN FOR THE POOR POPULATION

employers enrolled their staff.¹⁹ Informal financial support structures among the wider family often support those with limited or no income. However, because of imposed prevention measures, many lost their jobs or income opportunities in the informal sector, reducing those allowances with knock-on effects to a wider network of vulnerable citizens.

Urban-rural inequality is significant, leaving the rural population especially vulnerable to the pandemic. Income inequality in Guinea-Bissau is one of the highest in Africa.²⁰ Especially in rural areas, the majority of Bissau-Guineans have no access to basic services (including health), clean water, and do not have adequate living standards.²¹ Lack of social safety nets and

18 UNDP (2019). Human Development Report 2019. Retrieved from: <http://hdr.undp.org/en/countries/profiles/GNB>

19 O democrata Guinea-Bissau (2019, September 30). Retrieved from: <https://www.odemocratagb.com/?p=22023>

20 UNDP (2019). Human Development Report. Retrieved from: <https://sdgindex.org/reports/2019-africa-sdg-index-and-dashboards-report/>

21 UNDP (2018). Multidimensional Poverty Index

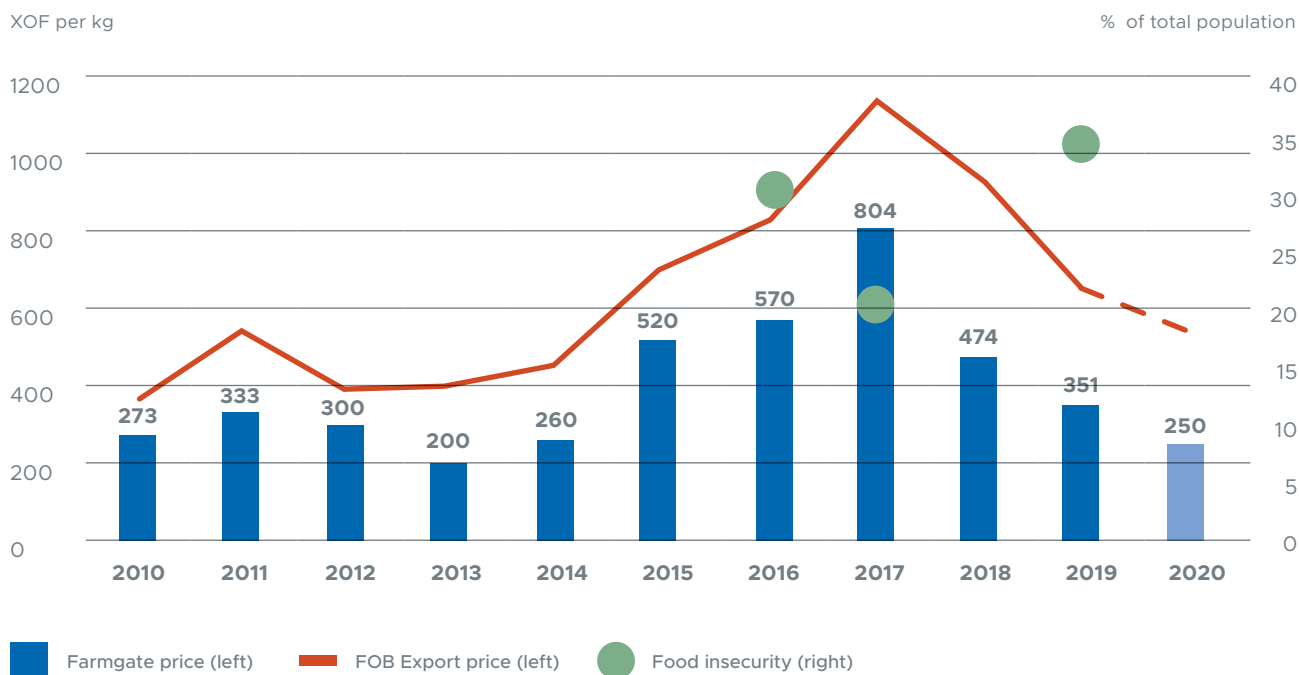


Figure 4: Raw cashew nut prices and food insecurity

SOURCE: MINISTRY OF FINANCE, WFP

little opportunity to protect themselves during the health pandemic aggravates the situation of the most vulnerable. The quality of the public response will have an impact on the already fragile social cohesion in the country.

Food security

A failure of the 2020 cashew-nut campaign will trigger increased food insecurity. Within two years, since its peak in 2017, the farm-gate price of raw cashew has dropped almost 60% to XOF 351/kg (U\$ 0.58/kg) in 2019. Consequently, food insecurity rose from 20.0% of the population in rural areas in October 2017 to 34.2% (around 368,000 people) in September 2019 (see Figure 4).²² In 2019, the export volume was fortunately high, above 2017 and 2018 levels. In 2020, however, despite a good production outlook, Guinea-Bissau could look at its lowest trade volume in years. The uncertainty about the trading season pressures producers to sell with little bargaining power, further aggravated by the inability to ade-

quately store the nuts during the approaching rainy season, which usually starts by the end of May. Despite the announcement of a reference price of XOF 375/kg (U\$ 0.62/kg), producers are currently selling at prices down to XOF 200/kg (U\$ 0.33/kg), as a coping measure to address immediate food security needs.²³

Low revenue from cashew sales will have a significant negative impact on the subsequent agricultural campaign, another crucial resource of income and food. Liquidity shortages from lower cashew revenue will affect the farmers' ability to finance the agriculture campaign, including purchasing inputs, recruiting seasonal workers - many of them being internal migrants or migrants coming from neighboring countries- and renting farming equipment. Many farmers will face difficulties in engaging in production activities during the rainy season with the concrete risk of a significant reduction of the agricultural production in 2020 and 2021, which could lead to long-term effects on the already precarious food security situation in the country. Farmers will face

²² WFP (2019, September). Sistema de Seguimento da Segurança Alimentar e Nutricional (SISSAN)

²³ N'kalô cashew market bulletin (2020, May 7). Issue 334

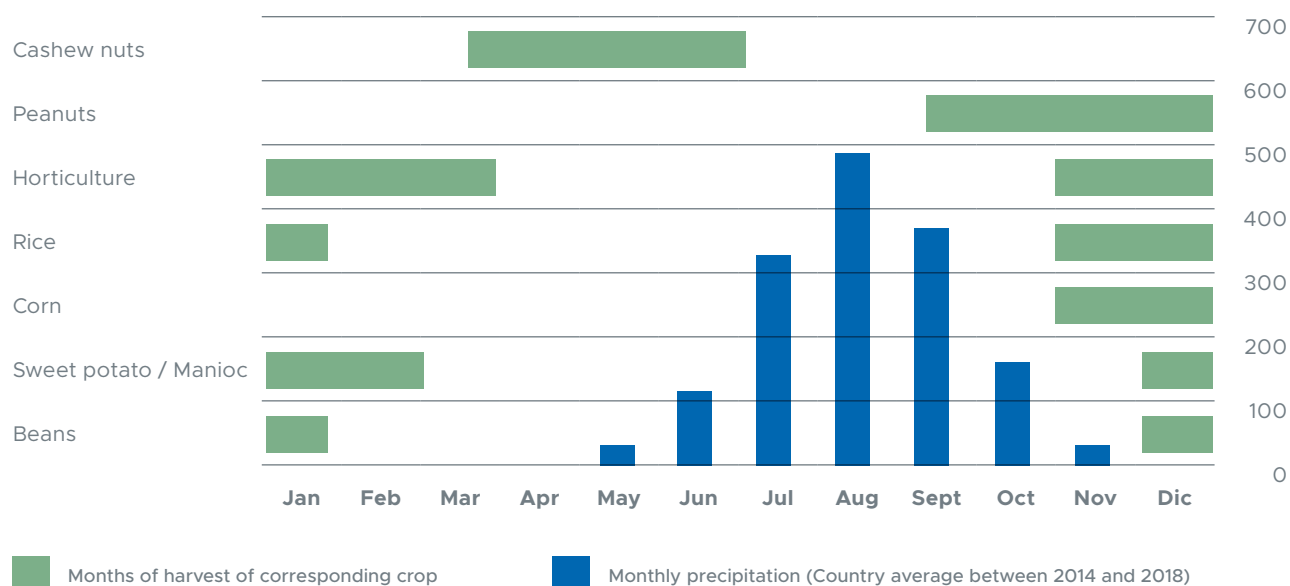


Figure 5: Agricultural Calendar and Precipitation

SOURCE: WFP SISSAN 2019, NATIONAL INSTITUTE OF METEOROLOGY OF GUINEA-BISSAU

a cycle of poverty and will be more exposed to seasonal factors affecting food security. Reduced availability of locally grown fresh foods in the markets is likely to increase Guinea-Bissau's high dependency on food imports.

The risk of increasing prices in Guinea Bissau's markets is imminent and will be fueled by more expensive imports following the depreciation of the country's "export currency", the cashew nut. The terms of trade between rice and cashew are very likely to increase in 2020 as the price of imported rice in Guinea-Bissau has been stable at 350 XOF/Kg since August 2018 and import requirements, estimated at 140,000 tons in 2019, are expected to further increase in 2020. Annual inflation in Guinea Bissau, generally low and stable, averaging 1.7% throughout the last decade, could spike again considering that inflation reached 10.1% during the 2008 food price crisis. The country might see itself confronted with a similar situation if import bans and border closures affect the international and domestic value chains, and if production levels in the upcoming agricultural season cannot be maintained.²⁴

Necessary mobility measures result in reduced livelihood opportunities, affecting household capacity to access food particularly in urban areas. About two thirds of the households in urban areas have no access to stable sources of income to meet their needs, as their daily revenues derive from informal economic activities. They are characterized by a high level of economic vulnerability and high dependency on coping mechanisms. Restrictive measures affect the most labor-intensive, unskilled jobs, such as transportation, construction, small businesses, and informal petty traders, leading to substantial barriers in accessing food and other basic goods and services.

Food access constraints will have a severe impact on the household diet affecting the nutritional status of the most vulnerable, namely women and children. With 26% of the population, Guinea-Bissau has the second-highest prevalence of undernourishment in West Africa after Liberia.²⁵ Under increased economic strain, households are likely to switch to cheaper, less nutritious foods, pri-

²⁴ National Statistics Institute (INE): In March 2020, annual food price inflation rose to 5.2%.

²⁵ Global Hunger Index (2019). Retrieved from: <https://www.globalhungerindex.org/guinea-bissau.html>

oritizing caloric intake over nutritional value. Recent data shows that already in 2019, only 17.9 % of women met minimum dietary diversity.²⁶ Only 8.3% of children age 6-23 months met a minimum acceptable diet with respect to all three Infant and Young Children Feeding (IYCF) practices (breastfeeding status, dietary diversity and minimum meal frequency). The WFP school feeding program usually provides hot and nutritious meals in 874 out of the 2000 national schools benefiting about 180,000 children in total. With closed schools the parents' hardship to feed their families increases.²⁷

Children, Youth and Education

Human development is one of the lowest in the world and school closures will further strain human capital accumulation. On average, students do not finish the 4th year of school and almost half of the children have never been to school.²⁸ As preventive measures, all schools nationwide were closed for an indefinite period and are unlikely to resume in the current school year. Lack of technological devices and high costs associated with internet access make home schooling not a viable option for the general population.²⁹

Some children will never return to school, and girls are disproportionately at risk to drop out. As many families see their economic activities being stopped, vulnerable families might require child labor or wed their daughters to better cope with the crisis. In Guinea-Bissau, 24% of girls are married by the age of 18 and female primary completion rate is significantly

lower than male's.^{30,31} Low coverage of comprehensive sexual education can expose girls to unwanted teenage pregnancies. During the 2014 Ebola crisis in Sierra Leone, in areas where community activities stopped to prevent the spread of the disease, young girls were more likely to experience out-of-wedlock pregnancies and as a result overall school enrolment post-crisis dropped by 16%.³² These impacts will significantly dim girls' economic prospects.

With a noticeably young population and only one in ten young people being employed,³³ quick action will be needed to levy a high burden off the youth. The closure of schools and the decline in job perspectives during the COVID-19 outbreak may cause increased dependency rates in households, more desire to emigrate or even urge for radicalization.³⁴ COVID-19 prevention and recovery measures need to focus substantially on the Bissau-Guinean youth. Investments in infrastructure and education are critically needed to allow for employment and employability of youth and incubators need to start providing them a voice and the financial means to be protagonists of their own economic success.

Migration

Migration is likely to increase due to COVID-19. The economic set-back and lack of quality services will drive more Bissau-Guineans to search for a better future in other countries. With legal avenues of migration outside ECOWAS and CPLP countries being limited, citizens will seek the services of smugglers and opt for irregular migration while exposing themselves to exploitation and human trafficking during their journey and at their destinations.

26 WFP (2019, September). Food Security and Nutrition Monitoring System (SISSAN)

27 Center for Global Development (2020, March 24). With Schools Closed, Hundreds of Millions of Children Are Not Receiving School Meals. Retrieved from: <https://www.cgdev.org/blog/schools-closed-hundreds-millions-children-are-not-receiving-school-meals>

28 Multiple Indicator Cluster Survey (MICS) (2014). Retrieved from: <https://unesco-wide-production.herokuapp.com/countries/guinea-bissau#?dimension=sex&group=all&year=latest>

29 Center for Global Development (2020). COVID-19 education policy tracking. Retrieved from: <https://docs.google.com/spreadsheets/d/1ndHgP53atJ5J-EtxgWcpSFYG8LdzHpUsnb6mWYbErYg/edit?ts=5e6f893e#gid=0>

30 UNDP (2019). Human Development Report 2019. Retrieved from: <http://hdr.undp.org/sites/default/files/hdr2019.pdf>

31 41% (female) vs. 55% (male), see: Multiple Indicator Cluster Survey (MICS) (2014). Retrieved from: <https://unesco-wide-production.herokuapp.com/countries/guinea-bissau#?dimension=sex&group=all&year=latest>

32 Bandiera, O. et al. (2019). The Economic Lives of Young Women in the Time of Ebola. Retrieved from: <http://documents.worldbank.org/curated/en/4524515151361923106/pdf/WPS8760.pdf>

33 National Youth Policy of Guinea-Bissau 2016-2020.

34 World Policy (2017, August 15). Youth unemployment and the fight against terrorism in West Africa. Retrieved from: <http://worldpolicy.org/2017/08/15/youth-unemployment-and-the-fight-against-terrorism-in-west-africa/>

Migrants are potentially fearful of reporting health conditions to avoid stigma. Reduced economic activity due to the emergency state substantially limits migrants' income as they are usually depended on informal markets. Moreover, migrants in irregular situations may be fearful of reporting health conditions and accessing needed treatment. Stigma can undermine social cohesion within countries and prompt possible social exclusion of certain groups, contributing to a possible scenario where migrants remain isolated from their host communities and living in conditions in which the virus is more likely to spread.

High population movements and dense living conditions make Guinea-Bissau particularly vulnerable to the transmission of COVID-19. While under the current emergency law decrees, movements within the country are prohibited, the onset of the cashew nut harvesting season and the movement of seasonal workers might further transmit the disease in the country. The social and family structure of households, often aggregating between seven and nine people in the same house, weak health infrastructure, and health seeking behaviors also increases vulnerability.

Gender inequality

The negative impact on women is disproportionate, as their informal economic activity slows down and the burden of domestic care increases. Women engage largely in informal and daily wage activities such as selling fish, preparing food in small restaurants, or trading fruits and other foods through informal networks. Mobility restrictions, closure of borders and of urban markets significantly affect their work and reduce their income. At the same time, the burden of domestic care, which typically falls to women, increases with lockdown measures in place.

Female health workers are more exposed to COVID-19 than men. In Guinea-Bissau, 59% of

THE NEGATIVE IMPACT ON WOMEN IS DISPROPORTIONATE, AS THEIR INFORMAL ECONOMIC ACTIVITY SLOWS DOWN AND THE BURDEN OF DOMESTIC CARE INCREASES.

the overall health workforce is female.³⁵ While 72% of nurses, midwives and community health workers are female, men fulfill 82% of administrative health work. Due to their higher representation in contact care duty, women face heightened risk of exposure to COVID-19. Protection of health workers and their adequate remuneration should be a paramount concern.

Confinement measures and higher stress levels increase gender-based violence. The pandemic has also given rise to threats that extend beyond the risk of infection. Epidemics and their attendant lockdown and higher stress levels increase the risk of domestic abuse and other forms of gender-based violence.³⁶ The economic effects of the Ebola outbreak, for instance, led to exacerbated sexual exploitation risks for women and children. Today, as families face heightened tensions and financial uncertainties, women and girls are confronted with intensified vulnerabilities, including early marriages, trafficking, or other coping strategies involving transactional sex. 45% of females in Guinea-Bissau undergo female genital mutilation (FGM).³⁷ Physical distancing measures and lockdowns

³⁵ National Health Plan 2018-2022

³⁶ UNFPA (2020, April 27). Impact of the COVID-19 Pandemic on Family Planning and Ending Gender-based Violence, Female Genital Mutilation and Child Marriage. Retrieved from: <https://www.unfpa.org/resources/impact-covid-19-pandemic-family-planning-and-ending-gender-based-violence-female-genital>

³⁷ UNICEF (2018). Retrieved from: <https://sdgindex.org/reports/2019-afri-ca-sdg-index-and-dashboards-report/>

preclude successful community empowerment programs to reduce FGM. Many potentially averted cases will now occur during the times of the pandemic, as protection efforts are not being ensured.

Women's access to health has been limited and risks faced by women will further increase. Health centers are often less accessible to women and girls due to their weak decision-making power within a Bissau-Guinean family and the direct and indirect costs attached to it (such as time availability, transportation costs, and childcare responsibilities).³⁸ The need for sexual, reproductive and maternal health care continues to be essential during COVID-19. Burdensome access due to confinement measures, diverted resources to fight the epidemic, or disrupted supply chains of birth control will increase the risks for women. Unmet needs of family planning in Guinea-Bissau are already one of the highest in the world (22%).³⁹ During this crisis, unmet needs are likely to intensify and may lead to unsafe abortion and to an increase in maternal mortality. While still high, the progress in maternal mortality reduction made in the past may see a setback.

Special attention to vulnerable populations

Pre-existing medical conditions are a high-risk factor among Bissau-Guineans. The median age of only 19 years in Guinea-Bissau may prevent case severity. However, malnutrition, respiratory conditions and chronic illnesses, such as cardiovascular diseases or diabetes are very prevalent. 30% of all deaths in Guinea-Bissau even without COVID-19 were forecast to result from comorbidities.⁴⁰ Without critical facilities in place to manage severe

MALNUTRITION, RESPIRATORY CONDITIONS AND CHRONIC ILLNESSES, SUCH AS CARDIOVASCULAR DISEASES OR DIABETES ARE VERY PREVALENT.

symptoms of COVID-19, it is likely to see higher than average mortality rates among the population with pre-existing medical conditions.

Burden of other diseases may aggravate if not addressed. Lessons from the Ebola outbreak in neighboring countries in 2014-2015 have shown an increase of all-cause mortality data in Guinea-Bissau during this period, mainly driven by vaccine-preventable diseases, malaria, HIV and tuberculosis. Access to chronic medication is key for keeping HIV patients suppressed and achieving higher rates of tuberculosis treatment. Interruptions of net campaigns could see malaria related death surge by 36% over 5 years.⁴¹ It is crucial to strengthen health systems and rapidly reorganize service delivery to respond to COVID-19, maintaining core essential services across the continuum of care so that no one is left behind.

Cases of mental health issues increase during crisis. Guinea-Bissau lacks appropriate legislation protecting the rights of people with mental health challenges, and the provision of mental health care and psychosocial counseling in the country remains substantially inadequate to address the population's burden of mental illness. With the pandemic and the curfews in place, psychosocial and mental health issues may be on the rise and people with mental health and/or psychosocial challenges risk being left further behind.

38 World Bank (2016, June). Guinea-Bissau - Turning challenges into opportunities for poverty reduction and inclusive growth : systematic country diagnostic (SCD). Retrieved from: <http://documents.worldbank.org/curated/en/100721467968248103/Guinea-Bissau-Turning-challenges-into-opportunities-for-poverty-reduction-and-inclusive-growth-systematic-country-diagnostic-SCD>

39 Multiple Indicator Cluster Survey (MICS) 2014

40 WHO (2018). Retrieved from: https://www.who.int/nmh/countries/2018/gnb_en.pdf?ua=1

41 Hogan, AB. et al. (2020, May 1). The Potential Impact of the COVID-19 Epidemic on HIV, TB and Malaria in Low- and Middle-Income Countries. Retrieved from: <https://doi.org/10.25561/78670>.

People with disabilities carry a high burden.

Infectious diseases such as HIV are more prevalent in people with disabilities. The situation of confinement will see their daily adversities greatly deepened. Difficult access to food, hygiene products and the inability to work are some of the obstacles faced by people with disabilities and greatly expose them to the threat of contagion. It is essential to ensure that information about prevention and the course of the disease is available in accessible formats for everybody, including sign language, the use of alternative visualizations in images and graphics, and easy-to-read versions. Special social protection programs catering to people with disability are needed in order to allow this group to navigate safely through the crisis.

Governance is at the heart of recovery

A whole of government approach to the pandemic can have a positive impact on the response to the dual crises affecting Guinea-Bissau, with an increase in effective measures to mitigate impacts on the population while instilling trust in government. Moreover, the ability to advance in delayed reform areas is key in managing a comprehensive recovery for the post-COVID-19 period, ensuring increased political stability and the strengthening of the rule of law while creating basic conditions for sustainable economic growth.

During the COVID-19 response, democratic values and human rights can come under intense pressure. In a fragile context such as Guinea-Bissau, political volatility is already putting strains on democracy, freedom of expression and the press as well as the social fabric in general. The negative socio-economic impacts on livelihoods eroding further social cohesion and creating hardship will raise tension and could provoke civil unrest. The prolonged post-electoral crisis and uncertainty about stable political majorities may further impact the ability of authorities to effectively respect, protect and fulfil their human rights

THE SYSTEMICALLY WEAK JUDICIAL SYSTEM LIMITS THE PROTECTION OF HUMAN RIGHTS AND ACCESS TO JUSTICE.

obligations. Additionally, the lack of a human rights protection system and access to justice, as well as the systemically weak judicial system limits the protection of human rights and access to justice for the general population and especially for those affected by violations of basic rights committed by security forces in times of an imposed state of emergency.

It is in times of crisis that accountability and transparency is crucial. Limited oversight, transparency and accountability, particularly concerning the procurement of medical equipment and food can have harmful effects, especially on the most vulnerable that rely on the access to these goods and necessities to meet basic needs. While civil society organizations, and even citizens, should usually play an active role in holding institutions accountable, the state of emergency poses further barriers to an open and inclusive civic space. In Guinea-Bissau, the already weak civil society struggles more than usual to find mechanisms to increase scrutiny, ensure accountability, and promote open and transparent behaviors for both the public and private sectors. Accountability in managing the funds received by the competent authorities is key in nurturing a trustful relationship between citizens and the state. Especially for long-term prospects of this relationship it is paramount that, during the time of crisis, the competent authorities are able to show that they commit to high standards of accountability and aim at strengthening institutional capacity and delivery of services to citizens.

The state of emergency challenges a whole range of human rights. Freedom of expression and freedom of the press, the right to information and freedom of association and of assembly are being limited. Limitations on press freedom will contribute in the short and medium term also to the shrinking of civic space, which is already limited in Guinea-Bissau. Additionally, the crisis raises the question of how best to support the dissemination of factual information and eliminate misinformation or disinformation.

03

STEPS TO RECOVERY TO LEAVE NO ONE BEHIND

This profound health, economic, social and humanitarian crisis offers an unparalleled opportunity to review past government practices and priorities. As we transition to a post-COVID-19 world, Guinea-Bissau should seize the opportunity to outline more equitable ways of managing resources and be cognizant to strengthen the social contract. It is a propitious time to reverse unsuccessful policies and practices. The pandemic can serve in form of a recognition by those responsible that the time to start building back better starts now.

Policy recommendations should follow two dimensions simultaneously: Firstly, emergency measures to strengthen the health response, minimize health risks and economic losses to livelihoods, and secondly more long-term policies and interventions oriented towards recovery. **All actors involved need to embark on a strategic conversation around how to shape the recovery stage by building back better, more sustainably and more equitably, including a strong lens on the most vulnerable groups among Bissau-Guineans.**

Elements for a short-term action plan

Response coordination for a responsive and resilient system. To prevent an aggravated humanitarian crisis from COVID-19 and its socio-economic impacts, Guinea-Bissau

requires rapid and effective support from all stakeholders while keeping up with required levels of accountability. Whole of government approach is needed to confront the pandemic, while bridging coordination shortages is crucial to respond quickly to the changing crisis environment. Policies to ramp-up the health system including proper funding should be prioritized and focus on the identified needs of the health sector with a priority on health personnel: Sufficient personal protective equipment and a supplementary wage subsidy for health care workers fighting COVID-19 may be considered. It is important to ensure that essential services and operations continue to protect the lives of people affected by malaria, HIV, tuberculosis and in need of maternal and child health or adequate sanitations. Otherwise, we save a few and loose many others. Funding shall therefore be supplementary instead of crowding out of other important medical services.

Strengthen community response. It is crucial that COVID-19 transmission in Guinea-Bissau is restricted as quickly as possible to prevent a surge in cases and deaths. Foremost, this requires awareness raising about prevention and symptoms of COVID-19 among the population by community health workers. Latter shall also scale-up surveillance of suspected cases and their reporting to the nearest health center. Ideally, real time data using technology solutions could support response

efficiency and decision-making. Collective actions within communities are necessary to contain a devastating impact. Behavioral change, such as self-isolation, shielding high-risk groups, adapting markets and everyday life activities in order to function in accordance with physical distancing. Community leaders should also be encouraged to start thinking about the recovery phase and their guidance to shape the communities of the future.

One size does not fit all: Physical distancing policies need to be adapted to the most vulnerable. Lockdowns and long curfews are not sustainable solutions for most Bissau-Guineans, as they increase their economic burden. The adopted policies also increase social contacts during short business hours. Instead, measures should be better adapted to the most vulnerable people. Opportunities to enable physical distance measures need to be created, such as proper queuing measures and market stalls at a safe distance such as at the newly established market in the Green Space. Taxis and *toca-tocas* are irreplaceable for many vulnerable workers in the informal sector, especially women, while policies can be adapted to safe distancing of passengers. Improved access to sanitation and clean water should be ensured. It is important to underline the effectiveness of physical distancing, while designing interventions of lockdowns that pay tribute to the economic and social reality of most citizens.

Provide for a social safety net to counteract rising poverty levels. Shortfall of (cashew) income and remittances require action to avert rising poverty and food insecurity. Safety net measures could go hand in hand with financial inclusion initiatives as they must reach as many as possible, targeting the poor, gender disparities, the informal sector, and food-insecure regions to prevent reinforcing of existing inequalities. Viable options are emergency cash transfers via mobile money networks to households headed by women. To face the declining remittances flows, a collective effort to engage the dias-

pora with a waiver of costs for cash transfers to vulnerable families could be considered in possible partnership with the private financial sector. Additionally, in-kind food assistance and provision of agricultural inputs and cashew storage facilities to most vulnerable farmers should be ensured to alleviate the immediate negative impact on food security, support them during the hunger season (July to October) and improve farm productivity. Special attention should be given to vulnerable groups, for example to people with disabilities.

Provide distance-learning options that can continue as complementary tools for the future. The pre-COVID-19 reality offered only limited education to students due to teacher strikes. Long-term improvement should start through effective crisis-recovery strategies. Providing distance teaching via community radios or even using the state TV channel could be innovative ways to allow for continued education during school closures. Once schools reopen, the system could serve as a complementary teaching tool. For now, on-site feeding modalities should be converted into take-home rations so that schoolchildren will continue benefitting from the largest social safety net in the country.

Provide emergency plans to support the small and medium sized producers. Small and medium producers, vendors and informal workers have a difficult access to credit and to support policies. Tailored programs could provide the upholding of the chain of small producers to vendors, with special attention to gender and harnessing technology through e-platforms.

Continued operations for essential government functions. This is the time, especially with government officials having to operate through telecommuting to maintain the essential functions of government operable through well-structured business continuity plans and equipment. In the long run, this is an opportunity to provide more public services online.

Medium- and Long-Term Planning for post-COVID-19

The short-term recommendations rightly focus on the immediate humanitarian needs. However, short and longer-term solutions need to go hand in hand.

No more 'business as usual' in the health sector: The COVID-19 pandemic has put the flaws and gaps in the Bissau-Guinean health system into the spotlight. Poor public health investment and missing accountability have undermined health and welfare in Guinea-Bissau. The government and its partners should take this opportunity to accelerate health investment not only for medical dimensions of the pandemic but also for immediate, medium and long-term primary health care in all regions of the country. The focus should be on health staff training, infrastructure, and water, sanitation and hygiene, aiming to accelerate progress towards universal health care coverage. Basic treatment should be available to everyone without discrimination, serving the most vulnerable and marginalized. This means addressing pre-existing barriers to access and ensuring that no one is denied timely and appropriate treatment because they lack the financial means to pay for it or because they are discriminated on bases of age, disability, gender, sexual orientation, among others or because stigma prevents them from getting treatment.

Agricultural diversification and promotion of local value chains: Guinea-Bissau's raw cashew nut dependency is exacerbating the socio-economic impact. Food insecurity, malnutrition and poverty can be mitigated by diversifying the local food production. Inclusive food systems⁴² that support smallholders to invest in basic market infrastructure and promote inclusive local agribusiness models present a more sustainable solution. Vulnerable population, especially women, could lead the

agricultural transformation and benefit from employment. Meanwhile, more value addition to the cashew value chain should happen in country and a strategic plan for increased cashew processing should be elaborated, so it does not fail as previous ambitions did.

Focus on micro, small and medium enterprises. Diversification efforts have to go well beyond cashew: sustainable tourism, the blue economy, and solutions to creating conditions for a more formalized economy are all areas that will need to be part of recovery.

Better social cohesion and trust building between government and citizens: The socio-economic impact of the pandemic has exposed key social fissures in the society, where certain communities and groups are simply left behind, and inequality is on the rise. A serious focus on the regions needs to be ingrained in any policy response around COVID-19 and beyond. Social cohesion should be strengthened in and within communities through the creation and support of innovative dialogue platforms, with engagement and empowerment of women and youth. Engaging community leaders, making linkages with national policy dialogue and supporting inclusive dialogue processes will be instrumental. These platforms could also lead to an increase in demand for governmental transparency and accountability.

Accountability is key. With the inflow of resources and rising expectations by citizens as to the response to the crisis, it is paramount to ensure the transparent and accountable use of these resources. It is an opportunity to restore the link of trust between government and citizenry.

Involve the youth in the recovery and give them a voice. The potential of involving young citizens in the recovery should not be forgotten by both authorities and partners. Building in a youth perspective and investing in the creativity and entrepreneurial spirit of the youth throughout the country will lead to innovative solutions to local challenges for the post-COVID-19 recovery.

42 IFPRI (2020, March). 2020 Global food policy report: Building inclusive food systems. Retrieve from: <https://www.ifpri.org/publication/2020-global-food-policy-report-building-inclusive-food-systems>

Better data for better policy advice: Guinea-Bissau is in need of timely data to allow for better policymaking. For example, the most recent published public national account statistics are from 2017 and the results from the Multiple Indicator Cluster Survey 2018 are still to be expected. Such data is essential for good policymaking in order to react properly to crises. An in-depth multisector impact assessment of COVID-19 is necessary to help strengthen the response to the current crisis. Additionally, regular food insecurity evaluations and mapping of real time vulnerability are important to monitor changes and targeting the most vulnerable households. Data should be sex-disaggregated to be able to monitor gender inequalities and include indicators for GBV.

Think regionally! Not only when it comes to health care, many of the capacities in border areas could be strategically shared if designed using a regional approach. As to the pandemic, joint testing capacity, data analysis and treatment, especially in border regions, could be leveraged. The lens of regional integration and cross-border cooperation needs to be ap-

plied when designing the socio-economic recovery.

The national development plan needs to be updated and should be effectively implemented to achieve the 2030 Agenda. The crisis exposes that lagging behind in the implementation of a consistent development plan is detrimental to the capacity to prepare, react and recover. There is both the need to update and accelerate the implementation of the national development plan to allow for some of the above-mentioned recovery to materialize. Strategies should be adapted to its **SIDS reality**, taking advantage of its geographic diversity including islands, waterways and a recognition of the potential of a blue economy and sustainable tourism while prioritizing environmental protection and conservation of its vast biodiversity. Advances must involve sustainable energy independence to allow for increased productivity in many sectors, while also bridging the digital divide. Substantial investment in human development and the delivery of basic public services including health, education, and justice are fundamental.

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