

BRIEF#2:
PUTTING THE UN FRAMEWORK
FOR SOCIO-ECONOMIC RESPONSE
TO COVID-19 INTO ACTION:
INSIGHTS

JUNE 2020

BRIEF PREPARED BY THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP),
JUNE 2020.



The United Nations has mobilized the full capacity of the UN system through its 131 country teams serving 162 countries and territories, to support national authorities in developing public health preparedness and response plans to the COVID-19. Over the next 12 to 18 months, the UN's support will be delivered through the UN global framework for the immediate socio-economic response to COVID-19. The socio-economic response complements the UN health response, led by WHO, and will deliver support to countries across five pillars of action. The SG has entrusted UNDP as technical lead for socio-economic response to COVID-19 at the country level, supporting the RC to elaborate the United Nations response and leverage the wider system to implement the socioeconomic work.



To date, UN programmatic countries have prepared 63 country-level socio-economic impact assessments as follows: 31 in Africa, 11 from Latin America and the Caribbean, 9 from Asia-Pacific, 6 from Arab States and 6 from Europe and the CIS region.



Most countries have launched rapid assessments of the socio-economic impacts of COVID-19, with a focus on trends and potential scenarios. Some have moved beyond forecasts, to policy needs and response assessments. Most countries have also indicated that socioeconomic assessments will continue to be carried out as the impact of the pandemic is unfolding. Additional impact assessments are underway, with many countries noting the need for sectoral or thematic deep-dive assessments to better inform their socio-economic responses.

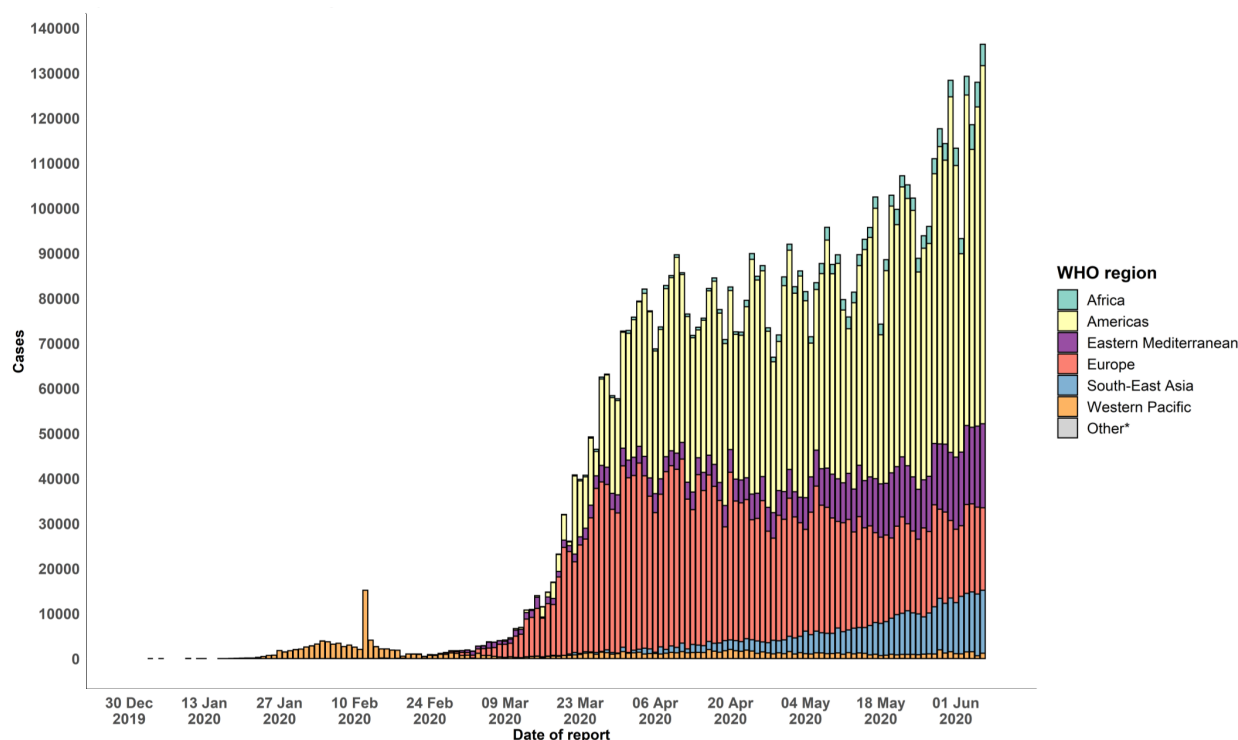
GLOBAL SNAPSHOT: COVID-19 HAS NOT PLATEAUED

The number of newly reported cases continues to grow. The five-day moving average reached 130,400 cases on 3 June 2020, the highest since the beginning of the global pandemic. The new epicentre of the crisis is in Latin America.

Globally, the number of newly reported cases continues to grow. The five-day moving average reached a high of 130,400 on June 3.¹ There have been 6,416,828 confirmed cases of COVID-19, including 382,867 deaths.² The Americas region is now the epicentre of the pandemic with over 3 million cases – mainly due to the rapidly growing number of confirmed cases in Latin America which houses more than half of all new cases worldwide.

This wave is breaking precisely as many countries in the region are reopening their economies after months of lockdown measures, which indicates a likely worsening of both the epidemiological and socio-economic situations in the short to medium term. The UN's work on socio-economic impact assessments and recovery frameworks must therefore be viewed as a fluid process, responding to national contexts and evolving over time.

EPIDEMIC CURVE OF CONFIRMED COVID-19 CASES BY WHO REGION Graph shows cases by date of case reporting through June 2, 2020.



Source: Coronavirus disease (COVID-2019) situation reports, World Health Organization.

¹ Johns Hopkins University of Medicine, 'New Cases of Covid-19 in World Countries', <https://coronavirus.jhu.edu/data/new-cases>.

² WHO COVID-19 Dashboard, accessed on 4 June 2020, based on the cases reported to the WHO.

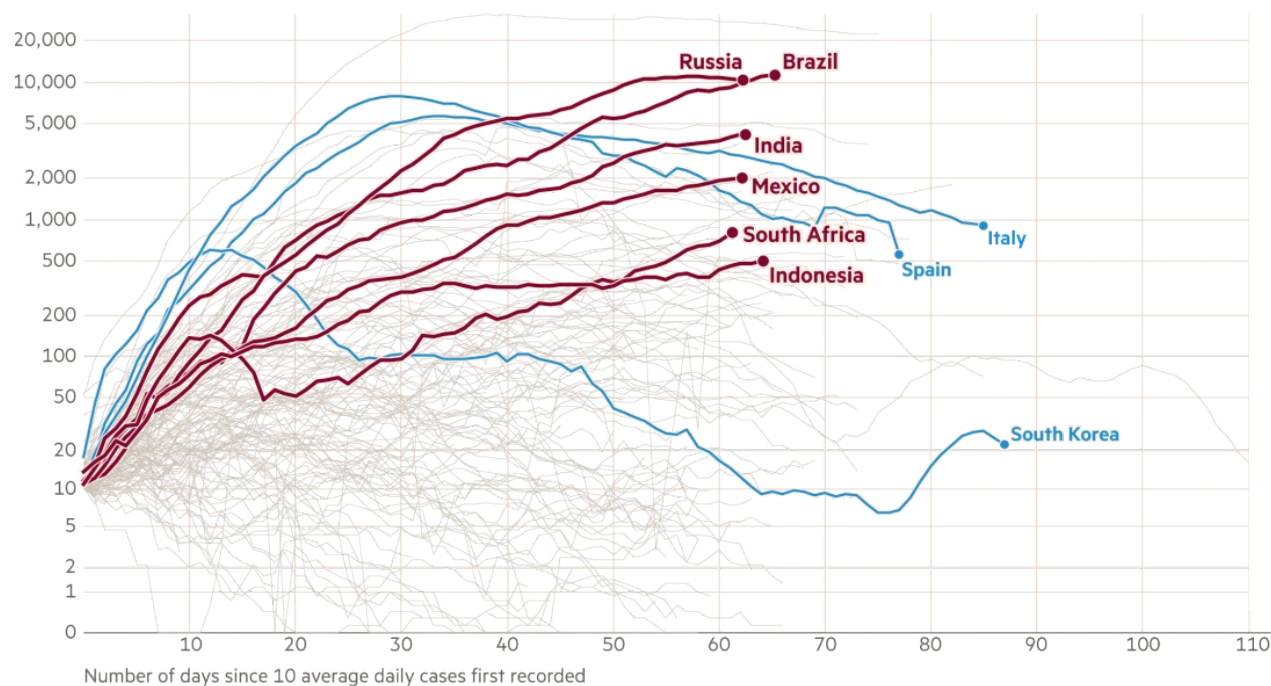
Despite the low incidence of the virus in certain regions, the impact of the pandemic has been felt across countries, societies and the economy. In most places, whereas the incidence of the virus is still prevalent, Governments face the hard choice between public safety and reviving the economy. This is particularly prominent in countries with workforces are comprised largely by informal workers, where (rather than whereas) countries lack in capacities to economically balance the effects of the lockdown, and with the vulnerable and marginalized communities bearing the brunt of the economic and the health losses.

As countries start to ease their lockdown measures in a phased approach to reopen their economies and societies, investments in

personal protective equipment, cleansing and hygiene products, widespread COVID-19 testing, and contact tracing of those with the virus are essential basic measures³, but are often challenging to execute.

Key elements for the immediate re-opening phase include business continuity measures, strengthening public service delivery (including e-services), and building resilience of business and people towards shifting to a new normal that includes safe 'co-existence with COVID-19.' Some countries are now turning their attention to the socio-economic recovery phase and laying-out what the building back better strategy should be.

EPIDEMIC CURVE BASED ON CONFIRMED COVID-19 CASES FOR SELECT COUNTRIES



Source: FT analysis of data from European Center for Disease Prevention and Control and the Covid Tracking Project.
Data updated May 18 2020 10:30am BST

³ WHO updates its guidelines based on the best scientific information available on the COVID-19 – check the “Getting your workplace ready for COVID-19” and “Considerations for public health and social measures in the workplace in the context of COVID-19”.







SNAPSHOT OF SOCIOECONOMIC IMPACTS ASSESSMENTS (SEIA)

63 Socio-Economic Assessments are informing government action, 31 are from Africa. All SEIAs are showing strong partnerships between UN development system agencies and IFIs and bilateral donors.

SEIAs: THE CORNERSTONE OF A UN RESPONSE

The pandemic has changed the lives of the 7.8 billion people in the world prompting governments and citizens to start rethinking how life should be in a new normal.

The multifaceted crises have affected the context the UN system is operating globally by directly reversing the hard gains made by countries against the Sustainable Development Goals (SDGs), requiring different sets of policies and solutions to respond, impacting severely the existing infrastructure and services.

 Poverty	 Gender Equality	 Education	 Social Protection	 IDPs	 Slum Dwellers
POVERTY INCREASE 40-60 million people will be pushed into extreme poverty because of the economic shocks from COVID-19 ^a	COVID-19 IMPACT ON WOMEN On average, women make up to 70% of health care workers and social care sector in 104 countries ^b Women already do three times as much unpaid care work as men. With COVID-19, unpaid care work has increased, with children out-of-school, heightened care needs of older persons and overwhelmed health service ^c In developing countries, vast majority of women's employment is in the informal economy – about 70% COVID-19 quarantining has caused a spike in domestic violence levels ^d	STUDENTS OUT OF SCHOOL Nearly 1.2 billion learners (or 68% of the total students enrolled) are affected by school closures ^e 144 countries still have nationwide closures in place	LACK OF ADEQUATE SOCIAL PROTECTION 55% of the world's population (as many as four billion people) are not covered by social insurance or social assistance. Globally, only 20% of unemployed people are covered by unemployment benefits, and in some regions the coverage is much lower	INTERNALLY DISPLACED PEOPLE (IDPS) AT RISK 1/3 of the world's IDPs live in 10 countries most at risk to the COVID-19 socio-economic impacts ^f	SLUM DWELLERS Over 90% of COVID-19 cases are happening in urban areas. With over one billion people living in informal settlements and slum-like conditions, COVID-19 is exacerbating the vulnerability of these population groups ^g

^a World Bank (April 2020), The impact of COVID-19 (Coronavirus) on global poverty: Why Sub-Saharan Africa might be the region hardest hit.

^b WHO (2019), Gender equity in the health workforce: Analysis of 104 countries







^c Data from UN Women and the UN SG Policy Brief on "The Impact of COVID-19 on Women" (9 April 2020).

^d UN Women (2020) Issue Brief: COVID-19 and Ending Violence Against Women and Girls, May 2020.

^e Figures correspond to number of learners enrolled at pre-primary, primary, lower-secondary, and upper-secondary levels of education [ISCED levels 0 to 3], as well as at tertiary education levels [ISCED levels 5 to 8]. Enrolment figures based on latest UNESCO Institute for Statistics data, accessed on 8 June 2020.

^f UN Secretary-General Policy Brief on COVID-19 and People on the move, May 2020

^g Source: UN-Habitat urban indicators database, 2020. Check also: CCSA (2020), How Covid-19 is changing the world: a statistical perspective.

 Jobs	 Remittances	 Trade	 Commodities	 Food insecurity	 Tourism
INCOME AND JOBS LOST About 1.6 billion informal workers lost 60% of their income, with little to no savings and no access to social protection ^h	REMITTANCES FLOWS REDUCTION Remittances to LICs and LMICs are expected to fall by almost 20% cutting off a significant lifeline to many vulnerable households ⁱ	DECLINE IN GLOBAL TRADE Global trade values fell 3% in the first quarter of 2020 An estimated quarter-on-quarter decline of 27% is expected in the second quarter ^j	FALLEN COMMODITY PRICES Commodity prices fell by a record 20% in March, driven by steep drops in oil prices ^k Oil prices remain subdued trading at almost 40% lower than the start of the year ^k	INCREASE IN FOOD INSECURITY COVID-19 will double the number of people facing food crises About 265 million people in low and middle-income countries at risk of acute food insecurity by the end of 2020 unless swift action is taken Most people suffering acute food insecurity in 2019 were in countries affected by conflict (77 million), climate change (34 million) and economic crises (24 million people) ^l	DRAMATIC FALL IN TOURISM Tourism is considered one of the hardest hits by the COVID-19 outbreak Potential loss of 850 million to 1.1 billion international tourists Potential loss of \$910 billion to \$1.2 trillion in export revenues from tourism Estimated 100 and 120 million jobs at risk ^m

^h ILO (April 2020), As job losses escalate, nearly half of global workforce at risk of losing livelihoods

ⁱ World Bank (April 2020) Sharpest Decline of Remittances in Recent History, Press Release, 22 April.

^j Based on UNCTAD estimates. CCSA (May 2020), How COVID-19 is Changing the World: A Statistical Perspective, Committee for the Coordination of Statistical Activities.

^k Estimates by the Federal Reserve Bank of St Louis, accessed on 5 June 2020.

^l FSIN (2020), Global Report on Food Crises, Food Security Information Network.

^m Estimates by the UN World Tourism Organization (UN WTO) projections (7 May 2020).

UN agencies have re-prioritized their plans and re-programmed resources available to better support countries. Many countries are currently putting in place national recovery plans to tackle the socio-economic impacts of the pandemic.

The UN response, in support to national government efforts, recognizes the centrality of government's role and the availability of quality data as the cornerstone of the COVID-19 response. The UN is supporting the preparation of a series of country assessments on the socio-economic impacts of COVID-19, including rapid and in-depth assessments of affected economic sectors and population groups⁴. This effort is expected to continue to be carried out periodically as the impact of the pandemic fully unfolds, with the biggest impact of the global economic depression still to be felt. Many assessments analyze socioeconomic trends and potential scenarios and provide clear recommendations (e.g. Uganda Socio-Economic Impact Assessment, April 2020). Some UNCTs are assessing the crisis' impact on

the overall SDG achievement, conducting financial needs assessments and to evaluating the potential trade-offs countries will be confronted with as they move to a 'new normal'.

The SEIAs are expected to position the UN in the policy dialogue with the governments and to eventually inform the development of National Response/Recovery Plans and UNCT Response Plans. SEIA objectives are many-fold including assessing the COVID-19 impact: i) at the macroeconomic level; ii) on the livelihoods of vulnerable and marginalized groups; and iii) on businesses, particularly MSMEs and the informal sector. In some cases, SEIAs have applied computable general equilibrium (CGE) economic modeling. Majority of the assessments include micro household surveys, and assessments focusing on MSMEs. For some countries, such as in **Egypt**, the micro survey will be repeated over time to monitor and assess the impact on MSMEs in the course of the year.

⁴ Some rapid socio-economic assessments have been conducted by several countries (e.g. Morocco, Sudan, Tunisia, and Yemen).

With the UN support, some countries are also conducting sectoral and thematic deep-dive assessments on employment/labour market; remittances flows; tourism sector; the impact of COVID-19 on peace, stabilization and social cohesion; and on specific vulnerable groups (women, informal workers, migrant workers, IDPs, refugees, people with disabilities, unemployed youth, older persons, ethnic minorities, indigenous groups etc).

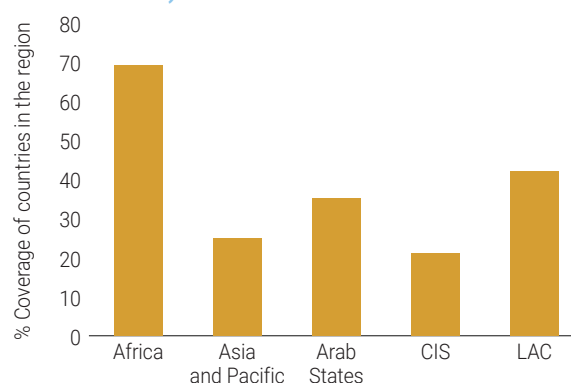
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NUMBER OF SEIAs AVAILABLE PER REGION

Region	SEIAs available	# of SEIAs in the pipeline
Africa	31	14
Asia and Pacific	9	27
Arab States	6	11
Europe and CIS⁶	6	23
Latin America and Caribbean	11	15

Note: Countries with multiple assessments were counted only once.

PERCENTAGE OF PUBLISHED SEIAs (UN PROGRAMMING COUNTRY COVERAGE) ACROSS REGIONS



SEIAs: CHALLENGES AND LESSONS LEARNED THUS FAR

Developing a country-level COVID-19 socio-economic framework within a short-timeframe is challenging, because⁷:

- The assessment is undertaken during lockdown with limited opportunity to meet key-informants, collect real-time data and track-changes over time (e.g. some assessments are innovating in using new sources of data from flash surveys to crowdsourcing data);
- It involves data collection and analysis to understand most recent phenomena especially when the situation is still evolving, and the impact of the pandemic is multidimensional;
- It requires rapid response by the UN system as the Government and donors announce preliminary relief packages;
- It requires intense coordination and agile response, both within the UN system as well as with the Government and development partners; and
- It requires managing governments' expectations in terms of scope, purpose and incremental support requests in a context of uncertainty and volatility.

⁵ UNDP and DCO will establish a ONE joint information repository on the socio-economic response to ensure adequate management and dissemination of COVID-19 socio-economic assessments and other relevant information.

⁶ Europe and the Commonwealth of Independent States (CIS).

⁷ Account based on the experience of UNCT in Pakistan in the preparation of the socio-economic impact assessment. These are common challenges observed in various countries.

In preparing SEIAs, an important challenge faced is how to rapidly leverage skills and assets from a diverse set of UN teams towards an integrated COVID-19 response and breaking the business as usual working modality. This could include setting up temporary and thematic task forces around the UN Framework response pillars. Anticipatory, agile and flexible structures may be required as the crisis evolve with expertise to hand, resources and innovative approaches to address both the crisis and developmental aspects of the response.

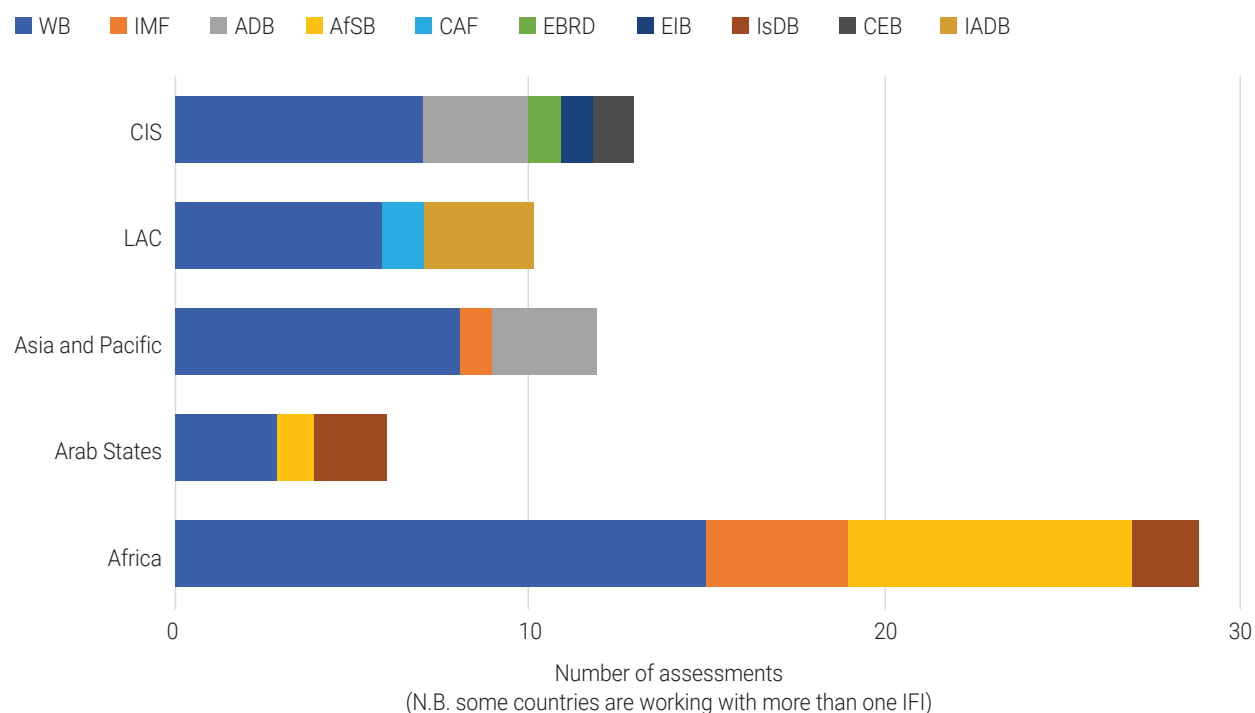
Partners in the preparation of socio-economic impact assessments

Majority of the socio-economic impact assessments are prepared in collaboration with national governments and with UN multi-agency engagement. Where they are not, the assessments tend to have been undertaken before the launch of

the UN Socioeconomic Framework and subsequent guidance. A significant number have involved either an IFI or a bilateral donor at the country level (see graph below). Relevant stakeholders such as academia, NGOs and the private sector have also been engaged.

There is an uptick of work with private sector chambers of commerce and on SMEs/jobs responses and with civil society/NGOs on issues to address the needs of vulnerable and marginalized groups.

Upstream collaboration continues to be the most important first step in building partnerships with international financial institutions (IFIs) at the country level, where joint engagement on socioeconomic assessments and recovery frameworks is underway in 70 countries.



BOX 1

Ethiopia – A ONE UN Assessment

In Ethiopia, a ONE UN Assessment of the socio-economic impacts of COVID-19 was produced by the UNCT by strategically leveraging the technical lead role assigned to UNDP to take forward the development of the assessment, while using the RC's convening power to bring together 16 UN agencies to contribute to the analysis. The development of the ONE UN assessment was supported by a technical secretariat staffed by UNDP and RCO colleagues. Using primarily national official data, but also data from UN Agencies and international data sets, the report includes analysis of pre-COVID baseline, potential transmission channels, reference scenarios and estimation of the impact of COVID-19 on macroeconomic indicators, poverty, employment, enterprises and economic sectors, but also on vulnerable groups, governance and human rights. The comprehensive analysis is concluded by a set of detailed policy recommendations, derived from the impact assessment, with a strong focus on LNOB, building resilience and the need to reduce inequalities to feed into the national response and recovery plans.

In **Ecuador**, the UN agencies, in partnership with the World Bank and EU, are conducting an assessment using a Post-Disaster Needs Assessment adapted methodology to analyze economic losses and impact; the Government is leading this work through the Ministry of Finance and the Ministry of Industry, and the Central Bank. In **Haiti**, the UNCT will lead a recovery framework together with the Government, EU and the World Bank.

In **Moldova**, the socio-economic impact Task Force is a platform which includes overall 25 member entities, including UN entities (RCO, UNDP, UNFPA, UN Women, UNICEF, UNECE, ILO, FAO, UNAIDS, UNODC, UNIDO, IOM, UNESCO, OHCHR), international financial institutions (WB, IMF, EBRD, EIB) and major development partners (SDC, EU, Council of Europe, UK Embassy, USAID, OSCE). To ensure overall synergistic response to the national needs, the platform also comprises government institutions (State Chancellery of the Government serving as a focal point, Ministry of Economy and Infrastructure, Ministry of Health, Social Protection and Labour, Ministry of Finance, and the Prime Minister's Office).

In the Caribbean, UNDP, UNICEF, UN Women and ISGlobal are developing Economic and Human Development Impact Assessments focused on income losses for the private sector, MSMEs, the informal economy actors and the most vulnerable population groups (**Anguilla, Antigua and Barbuda, Barbados, British Virgin Islands, Dominica, Grenada, and Saint Vincent and the Grenadines**).

In **Panama**, a UN multi-agency group produced a socioeconomic impact assessment with recommendations aimed at addressing vulnerable groups in the response and recovery. In **Peru**, the UNCT has produced a socioeconomic impact report, co-led by UNDP and ILO.

In **Turkey**, a rapid survey was conducted in partnership with the private sector (Business for Goals Platform in coordination with TÜRKONFED, TÜSİAD) to collect data on the needs and evolving risks among SMEs and supply chains. The survey will be repeated periodically during the first year and will be integrated into the comprehensive SEIA.

In **Iran**, a preliminary impact analysis was prepared by the UNCT Working Group-Technical Assistance Package (RCO-UNDP-UNICEF), focusing on social protection and livelihoods interventions. This includes the next steps for building a socio-economic response scenario, undertaking a rapid assessment, and developing a multi-dimensional integrated framework.

In **Pakistan**, the socio-economic framework aims to provide analysis and recommendations to the Government to feed into the Federal and Provincial budgeting processes, and the preparation of a National Action Plan to mitigate the socio-economic impact of the pandemic on the poorest and most vulnerable. The framework was informed by existing data and evidence, consultations with the Planning Commission, development partners and IFIs, drawing on the expertise of the broader UN System.

In **Bhutan**, UNDP and UNICEF, in consultation with other UN agencies, led a rapid socio-economic impact assessment in the tourism sector. A Multidimensional Vulnerability Index using the data collected through surveys analyzed the vulnerability of individuals and households. In cooperation with WFP, the outcome is being applied to identify 'cash for work' and 'cash for skills' interventions. The UNCT is now using the socio-economic assessment to identify key transformational interventions which will inform the government's vision of a 'economy of the future' for Bhutan.

In **Afghanistan**, a micro-level socio-economic survey with the returnees and hosting communities at the border areas with Pakistan and Iran is ongoing to document how people are experiencing and responding to the COVID-19 crisis. The UN is developing analytical tools to collect information on price spikes and supply shortages of goods in COVID-19 affected provinces, including around border areas; using this data to update a CGE model for impact analysis, poverty estimation

impacts and costs; and to assess the real-world impact of socio-economic shocks and mitigating interventions identified by the CGE modelling. The assessment will feed the electronic social register and visual data platform for recent returnees from Pakistan for future economic recovery assistance and for eligibility determination of livelihood support programmes.

In the **Pacific Office in Fiji**, the socio-economic impact assessment covers 10 countries, with participation of 15 UN entities as well as the World Bank, ADB and other partners to advise the governments on policy options to address the impacts of the crisis. WHO, UNICEF, WFP and UNDP are also working to support the Pacific countries to address critical gaps in COVID-19-specific health care systems, identified by the WHO-led Joint Incident Management Team.

KEY INSIGHTS FROM SEIAs: MOVING BEYOND FORECASTS

Socio-economic assessments are moving beyond forecasts, to needs and response assessments. There is a keen focus on protecting jobs, incomes and livelihoods as well as expanding social protection during the crisis.

Country impact assessments have shown that while the pandemic's socio-economic impact is expected to be sizable globally and affect all countries simultaneously, it will be felt differently across countries depending on their underlying economic, demographic and governance structures with deep impacts at the local level.

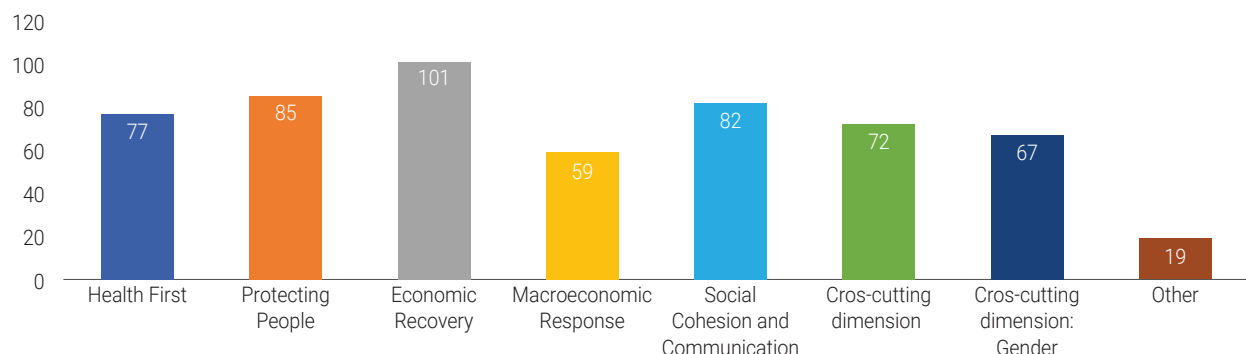
The first wave of the COVID-19 focused on Asia Pacific and Eastern European countries were mostly about the health and containment sides of the crisis with disruptions in supply chains, job loss and impact on SMEs.

The second wave of SEIAs (since May 2020) is heavily focused on Africa, Latin America and the Arab States region. The two key issues highlighted are the continued loss of jobs and livelihoods, the inadequate coverage of social protection and the challenges to address the needs of the informal economy and workers.

The health and economic crises triggered by COVID-19 are essentially affecting all countries by now, near simultaneously. Given a global, synchronized crisis and the total lack of regional/global coordination of fiscal stimulus packages, an absence of such coordination of the health responses cannot be optimal.

SEIAs are now moving beyond forecasting and scenario analyses to needs assessments that will feed the future development portfolio. This is important because it sets the course for response and recovery, focusing for now on issues that are context specific. The graph below shows the focus of SEIAs in countries across the five pillars of the UN Framework (protecting health, social protection and basic services, jobs/SMEs/informal workers, macroeconomic response, social cohesion and community resilience) and the cross-cutting dimensions of environmental sustainability and gender equality.

FOCUS OF SEIAs ACROSS THE FIVE PILLARS AND CROSS-CUTTING ISSUES OF THE UN FRAMEWORK



BOX 2

Uzbekistan's Socio-Economic Response Plan: A compact for recovery

In Uzbekistan, multilateral partners established a COVID-19 Crisis Management Team (CMT) to coordinate support to the Government of Uzbekistan in addressing the impact of the COVID-19. Guided by the UN Socio-economic Response Framework, the Multilateral Partners' CMT has produced a consolidated COVID-19 Socio-Economic Response and Recovery offer, including a socio-economic assessment. While the report was coordinated by the UNRC and the CMT Co-chairs (UNFPA, WHO, UNDP, ADB, and the World Bank), UNDP and the World Bank were entrusted to lead and coordinate the analytic inputs from participating agencies (5 IFIs and 16 UN entities). The result is a socio-economic assessment and response plan specifically tailored to complement the National Strategic Preparedness and Response Plan (which primarily focused on health emergency), based on a common understanding of the socio-economic priority issues and a costed recovery response plan widely supported by UN agencies and IFIs in the country.

An economic recovery must help SMEs navigate through the COVID-19 crisis

Many country SEIAs highlight that the pathway to recovery is highly dependent on the manner in which a particular economy is embedded in the global value-chain (demand/supply), the lack of economic diversification (dependency on one particular sector, including tourism), the dependency ratio on foreign exchange, commodity dependence (demand and prices), the debt levels of countries and the implications of sovereign credit ratings for a quick economic recovery.

In many developing countries, the informal economy and SMEs are the backbone of the

economy. A key finding is that SMEs bear the greatest burden of the pandemic shocks on the enterprise side. They are predominantly informal. Add to this daily wage earners, migrants – both internal, also mostly informally employed (on the order of 100 million both in India and China, proportionally equally large in several other Asian, African and Latin American countries) and external (bringing in the issue of downward remittances flows). As countries design their stimulus packages, SMEs and not large enterprises need to get the bulk of support.

The SEIAs set scenarios of impact from COVID-19, from low to severe, and estimate the time horizon

BOX 3

Honduras: Early assessment of the socio-economic impacts of COVID-19

While the Honduran Government has taken measures to mitigate the economic impact of the crisis at the national, household and individual level there remains a high chance of economic downturn. The data also indicate that within the current proposed measures, informal workers and firms are being excluded from financial aid, although they represent almost 80 percent of the workforce. Simulations are conducted extending existing cash transfer programmes, supplementing labour and remittance income to households, and considering the possibility of a universal income transfer to all Honduran households. Overall, the findings suggest increases in poverty rates, but also imply that well-targeted policies may help mitigate the negative impact of the COVID-19 pandemic on the welfare of the Honduran population.

for recovery to assess the impact on lives and livelihoods, including the financing required and debt assessment. The assessments, some implicit others more explicit, state that policy approaches, whilst globally informed, must be contextually relevant. The customization of approaches must be supported by the UNCT and backed by best experiences on the ground.

COVID-19 socio-economic impacts feed on pre-pandemic vulnerabilities and inequalities

Most assessments note the disproportionate impact on the poor and women as a cross-cutting theme, including the loss of livelihoods, the inadequacy of coverage and fragility of social protection systems, the high burden on informal workers, the impact of remittances flows reduction, vulnerabilities based on demography, and social stratifications. The fact that pre-existing inequalities make certain population groups less able to cope to the impacts of the pandemic is an underlying theme in various country assessments.

Migrants, IDPs, refugees and stateless people, and the most vulnerable are mostly in the informal sector. As a result, formal social safety nets completely miss them. Many

SEIAs recommend rethinking social protection measures, which in many cases will need to include universal health coverage, a universal basic income (even if temporary), as a means of extending the coverage of the social safety net with well-articulated targeting measures (See **Morocco** and **Vietnam** SEIAs).

A bottleneck for many countries in designing a recovery plan is the need for adequate real-time data, as most affected segments of society are in the informal areas of employment or outside formal help channels which are difficult to identify or target.

Checks and balances: Governance at the heart of the recovery

COVID-19 immediate emergency restrictions set by many countries include enforceable orders, directives or recommendations to shape social behaviours and accomplish public interest objectives within an often human rights-restricted framework. In this context, maintaining a system of check and balances in governance cannot be undermined, especially while the government plans service delivery, builds trust in public institutions, develops clear socio-economic recovery policies and rebuilds social connectivity.

BOX 4

COVID-19 socio-economic impact assessment: Uganda

The socio-economic impact assessment released for Uganda analyses the short, medium and long-term impacts of COVID-19 on poverty dynamics and the SDGs, using scenario analysis and system dynamics modeling. Estimations indicate that between 1.7 and 3.6 million additional Ugandans could fall into poverty in the short term as a result of income losses from containment measures. For the medium- and long-term, the analysis finds potential drawbacks in SDGs related to poverty, food security, decent work, economic growth, industry and infrastructure, and inequality levels. The assessment recommends specific policy measures that could alleviate the adverse effects of COVID-19 on SDG progress. They include the following: ensure that the most vulnerable and marginalized (including the elderly, youth, poor, women, people with HIV/AIDS) have access to social protection; digitalize food supply chains and work with the private sector to guarantee food supply; guarantee the delivery of basic services; partner with IFIs to design adequate fiscal and monetary response to the crisis.

SEIAs in all instances indicate the centrality of government, and good governance being important to the COVID-19 response. It has affirmed the role of the state, given that this crisis impacts directly on its relation to citizens and communities as providers of health services and grants during the crisis and, importantly, policy environments for conducive internal and external economic engagement.

Many SEIAs clearly recognize that a COVID-19 response must integrate a comprehensive governance response, beyond meeting the public health needs, as an investment into future pathways for recovery, with the vision of leaving no one behind. This is in alignment with the UN Secretary General's urgent call for a whole-of-government and whole-of-society approaches (See SEIAs for **Angola, Guinea and South Africa**). With UN support, many countries are putting in place COVID-19 socio-economic responses that focus on strengthening national

and local core governance functions for crisis management and service delivery; measures to protect rule of law, human rights and security; support to safeguard elections and electoral related consultations; and measures to promote and strengthen inclusion, accountability and voice to counteract the pandemic crisis (See **Afghanistan and Jordan** SEIAs).

As countries pave the way towards recovery, the UN must continue to strengthen the Socioeconomic Framework's links between recovery, rights-based good governance and peacebuilding across all five pillars to build resilience at the heart of how countries can build back better with a whole-of-society lens. Building back better means the COVID-19 response should be risk informed and conflict-sensitive so as not to exacerbate drivers of conflict, and build a clearer understanding of peace capacities crucial for inclusive recovery and sustaining peace during and after the COVID-19 crisis.

SNAPSHOT OF POLICY RESPONSES: BENDING THE CURVE

Country-level UNCT COVID-19 Response Plans show how the UN system is working with governments at bending the curve, using the framework of the UN Response as a platform for action. Several 'no-regret actions' have emerged across the UN Framework pillars.

Based on data and available SEIAs, UNCTs are now in the process of preparing COVID-19 response plans to directly support national recovery efforts. A few have become available (e.g., Uzbekistan Socio-Economic Impact Assessment and UNCT Response Plan).

At global and country levels, the SEIAs and the UNCT COVID-19 Response Plans have shown how the UN system is bending the curve of COVID-19, using the framework of the UN Response as a platform. Several no-regret actions in response to COVID-19 have emerged across the UN Framework pillars, which are multifaceted and interlocked. A few examples are highlighted on next page.

Using real-time and reliable data and information to shape a COVID-19 response

The COVID-19 crisis has provided the impetus to assemble real-time, global interaction and collaboration, that can be agile and responsive to the information and analytical needs of governments trying to chart a way forward. Strengthening global cooperation to share best practices, solutions and innovations will be essential to the response and recovery phases.

To support the Government with an evidence-based approach to mitigate COVID-19 impacts, a Big Data for COVID-19 Platform was established in **Moldova** by the UNCT (UNRCO, UNDP, WHO, UNFPA, UNICEF), in partnership with the European Space Agency, and several core private sector companies in telecommunications and energy distribution in the country. The platform also includes the Central Government, the Cabinet of the Prime Minister, and 112 Emergency National Services. The core objective is to support the Government with real-time situational analysis related to the COVID-19 crisis and provide insights for rapid decision-making processes.

UNDP **China** published an assessment analyzing the impact of the COVID-19 pandemic on privately owned enterprises (POEs) and SMEs, which provides recommendations on crisis response and recovery. The assessment is based on nearly

real-time evidence, as well as an analysis of 10 online surveys covering over 78,000 SMEs and large POEs. This analysis helped to bring the UNCT together on policy interventions for supporting SMEs in the recovery phase.

Building trust in government institutions and fighting COVID-19 misinformation

Regular and adequate public communication of measures taken is a must to strengthen trust of people in government institutions. In support of inclusive crisis management and public awareness raising, there have been several successful collaborations around social media campaigns to amplify public health advisories and combat misinformation. For example, in **Libya**, United Nations Support Mission in Libya (UNSMIL) and UNDP have joined forces to support public information and awareness-raising by mobilizing local networks established through the Stabilization Facility and a social media campaign to support the global call for ceasefires (#peacenowstopcorona).

In **Uruguay**, UNESCO, WHO and UNDP in collaboration with University of Texas, have developed and will be rolling out a Massive Open Online Course to equip journalists around the world with adequate knowledge and safety measures to report accurately during the current pandemic, fighting the spread of COVID-19 misinformation.

BOX 5

Bolivia – Situation Room for mitigating COVID-19 impact

UNDP helped design a situation room to support the Government of Bolivia, staffed with technical experts from UNRCO, PAHO, OCHA, WFP and UNDP. The situation room supports joint decision-making and intersectoral actions aimed at containing COVID-19 and mitigating its impact by making available data and strategic information (e.g., on health systems, economic systems, social aspects), establishing a multisectoral team, integrating and analysing sectoral data for scenario modelling and generating daily information products for the Inter-Ministerial Committee.

COVID-19: Crisis boosting innovation on the ground

The COVID-19 crisis is pushing UN agencies on the ground to rethink development problems, ways of working and use of existing resources, to come up with innovative and scalable solutions to help fight the spread of virus.

With UN support, many countries are developing a new governance offer anchored by digitalization and digital transformation of national institutions (e.g., business continuity of Parliaments in **Timor Leste** and the **Federated States of Micronesia**); the set up and functioning of online courts for small claims in the **Maldives** and **Bangladesh**; piloting of e-payment systems for social transfers (e.g., **Cambodia, India, Philippines**); e-health (e.g., **Bangladesh**, with a virtual network of around 4,000 volunteer doctors mobilized in the Doctor's Pool mobile app and about 2,500 doctors responding to calls from citizens on COVID-19 on a daily basis).

In **Viet Nam**, the UNCT is supporting the Government in engaging civil society to promote a shared mission of fighting COVID-19, build national solidarity and encourage innovations of Vietnamese people in the fight against COVID-19. Recently, 'Rice ATMs' have been installed to provide free rice to people in need. 'Zero VNDong supermarkets' are also operational to give away up to five items for free to people in need twice a week. These are two of the many examples of innovative solutions generated by Vietnamese people working side by side with the Government to reduce the impacts of the pandemic on the country's most vulnerable.

In **Rwanda**, the UNDP Accelerator Lab worked with the Ministry of ICT and Innovation to acquire five 'anti-epidemic robots' to support the work of medical personnel in the testing, data collection and servicing of COVID-19 patients. The robots are deployed at COVID-19 treatment centres, and at the Kigali International Airport and are able to screen people for COVID-19, deliver medication,

food, alert medical staff when detecting abnormalities and support in data collection and processing, thereby reducing contact and helping mitigate the risk of infection, particularly of medical staff. The expectation is that the robots will reduce the pressure on the Rwandan health system.

Governments, private sector and the UN finding common ground to tackle global problems: Global Call to Action on Remittances

Beyond national and local action, governments' responses to COVID-19 borderless problems will need to be complemented by bold global and regional responses.

For instance, take the global problem of massive reduction of remittances flows. The sharp decline in remittances results from the loss of employment and wages of migrants in host countries during the COVID-19 crisis, but is also severely compounded by the lack of access to services for sending and receiving money, as many service providers have closed or have seen their operations limited due to lockdown restrictions. In an effort to mitigate the impact of COVID-19 on remittances flows and its ripple effects in local and national economies, UNCDF, IOM, UNDP, the World Bank, the Government of the UK, the Government of Switzerland, KNOMAD and private sector partners such as the International Association of Money Transfer Networks (IAMTN) and the International Chamber of Commerce (ICC) have launched a call to action, Remittances in Crisis – How to Keep Them Flowing. The call to action is targeted at policymakers, regulators and remittance service providers to declare remittances as essential services, improve migrants' access to sending and receiving remittances and reduce transfer costs, and also to leverage partnerships with the private sector to enhance physical and digital access to cross-border financial services and encourage innovative and inclusive solutions to improve remittance flows

LOOKING AHEAD: BRACING FOR A LONG RESPONSE TIMELINE

The rapid economic recovery projected in April has been revised downward, with an economic growth bounce now expected in 2021. This suggests things will get worse before they get better.

A COVID-19 recovery plan needs to look beyond the immediate (short-term) impacts and explore the second and third order effects. Over time, a global economic recession is expected to unfold with a full-blown financial crisis. The sequencing of policy responses is critical. Appropriate fiscal and financial incentives must lead to income and job creation, and the restoration of livelihoods, targeting the most vulnerable and marginalized groups if they are to succeed.

The World Bank released its Global Economic Prospects in early June, and the IMF is expected to release updated figures for the world's economic growth by mid-June. The rapid economic recovery projected in April has been revised downward, with a growth bounce now expected in 2021. This suggests things will get worse before they get better. The UN will need to be prepared for a 'long socio-economic response' season that will have implications for funding, technical assistance and capacities on the ground.

Furthermore, global human development, as the combined measure of the world's education, health and living standards, is on course to decline for the first time in 30 years.⁸ COVID-19 has triggered massive disruptions in economies, jobs and livelihoods. The economic shocks can hit countries before the health shocks, through macroeconomic transmission channels, and persist after the health crisis is over.

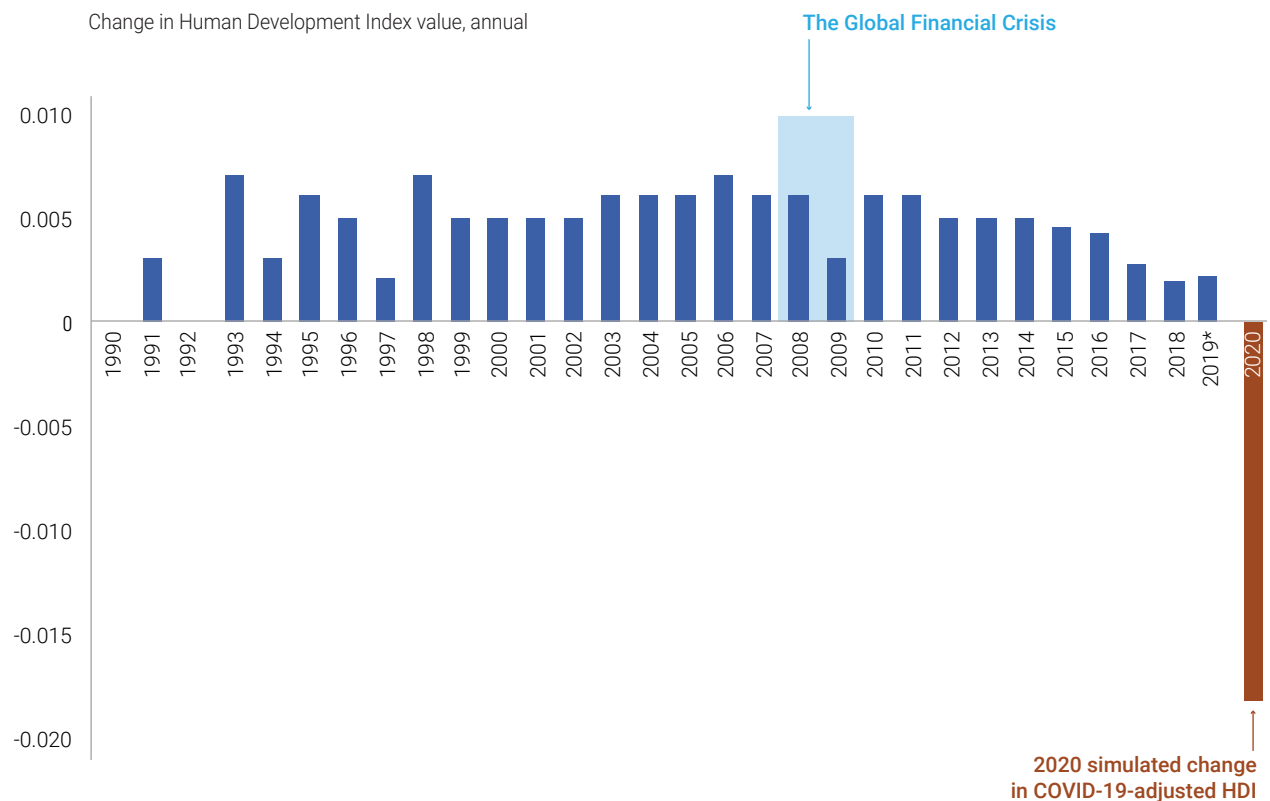
The COVID-19 crisis has revealed the unsustainability of the pre-pandemic development path. Its socio-economic impacts feed on pre-pandemic vulnerabilities and inequalities across societies, which must be addressed if countries are to build a more resilient future from the perspective of sustainable and people-centred development.

The pandemic has also shown that development is no longer going up the ladder, the direction has changed. Based on the socio-economic impacts seen across countries, the recovery path must include a new human rights-based, just and fair social contract between governments and people, and advocate for social safety nets with a broader reach, universal health insurance, and affordable access to digital connectivity, as the part of the new normal. Global collaboration and solidarity are needed for an effective response, as no country will be able to address the challenges alone.

The recovery path from COVID-19 is likely to see societies and economies opening and contracting with the waves of the pandemic. In this undulating new world of co-existing with COVID-19, countries and societies will need to deeply invest in new capabilities and capacities in order to rapidly adapt, anticipate change, manage risks and implement solutions to build a better normal.

⁸ Based on estimates by UNDP (2020), COVID-19 and Human Development: Assessing the Crisis, Envisioning the Recovery.

HUMAN DEVELOPMENT FACES AN UNPRECEDENTED HIT SINCE THE CONCEPT WAS INTRODUCED IN 1990



The UN response must be agile and flexible to meet the evolving needs of countries in a context of complexity and uncertainty, avoiding a return to the pre-pandemic environmentally unsustainable development path. It must capitalize on the

opportunities to build a better, resilient future and unequivocally stand for its normative founding principles to promote peace, dignity and equality on a healthy planet.



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