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UNDP Africa Policy Note

Vol. 1, No. 5, 28 November 2014

Livelihoods are threatened in Guinea, Liberia and Sierra Leone by Ebola Virus Disease (EVD)

A substantial reduction in EVD transmission rate, but new outbreaks in previously unaffected areas remain a serious concern

There has been mixed progress over the past two months on the containment of EVD. The substantial reduction in the transmission rate, especially in Guinea and Liberia, is a welcomed development, yet new outbreaks in areas not previously heavily affected are damaging the gains made. For instance, there have been no new cases over the past three weeks in Guéckédou in Guinea, or in the district of Lofa in Liberia over the past two weeks, and a substantial decline has been witnessed in the last two weeks in Kenema and Kailahun in Sierra Leone. However, the new transmission cases reported in south-eastern Guinea and in Montserrado District in Liberia as well as the rising trend in western and northern Sierra Leone remain a serious challenge.

The rising number of treatment facilities, the timely laboratory diagnosis of cases, and the capacity to conduct safe and dignified burials play a crucial role in halting EVD transmission. However, capacity varies across countries. For instance, between 20 October and 9 November, 72.0 percent of all reported patients with EVD were isolated in Guinea compared to 20.0 percent in Liberia and 13.0 percent in Sierra Leone. The bad condition of roads and highly centralized supply chain systems of Ebola facilities are serious impediments to effective containment of the outbreak. As of 19 November 2014, 15,145 confirmed, probable and suspected cases of EVD were reported in six affected countries (Guinea, Liberia, Mali, Sierra Leone, Spain and the United States of America) and in two previously affected countries (Nigeria and Senegal), with 5,420 reported deaths.¹ Cases and deaths continue to be under-reported in this outbreak.

The knock-on-effect of EVD on livelihoods is complex – from the loss of jobs and rising under-employment to low productivity and reduced incomes

The EVD impact on livelihoods takes many forms. EVD mortality and morbidity as well as the associated restriction of movement of people and goods, and the closure of borders and markets have disrupted households' economic activities, jobs and incomes. People's primary sources of incomes and savings and loans schemes have been depleted, and food prices have been rising. Due to limited or lack of access to jobs, livelihoods are compromised. For example, many farmers cannot access their farms, and when they can, they lack workers for planting and harvesting. The limited supplies of goods and services as a result of the closure of borders and quarantine activities have led to underemployment. Further, public health emergency by-laws prohibit certain activities, including group farming in Sierra Leone and Liberia; bars, night clubs and cinemas have been closed; and





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the hunting of bush animals and the movement of motorbikes have been prohibited during specific times of the day, especially in Liberia. The actively productive population are the most affected, particularly women, who earn most of the household incomes and provide most of the family support. Finally, stigmatization is denying people access to jobs and new opportunities. Because of stigmatization, people find it difficult to leave their communities to search for alternate sources of income. A photographer from Banjour community, who opted to go to Monrovia because of lull in economic activities in his area, was denied living his community.

The most active and productive segment of the labour force including women are being decimated by EVD

The disease is unleashing havoc on the labour force. The economically active age group (15-49 years), which provides the largest proportion of household incomes and family support, has been heavily hit by EVD. For instance, in Sierra Leone, 65.13 percent of the affected people were in this group and there is a similar trend in Guinea. Women are important drivers of economic activity in West Africa. The outbreak in Guinea, as in other countries, affects more women (53.0 per cent) than men (47.0 per cent). Women's special role in the family as caregivers at home and in health centres for sick people explains their vulnerability to EVD, which, however, varies across the regions. For instance, 62.0 percent of the affected population in Guéckédou and 74.0 percent in Télémilé are women. In Middle Guinea, 70 percent of the people involved in the potatoes value chains are women. And in Liberia, women comprise over half of the agriculture labour force and about two thirds of the trade and commerce labour force.² Due to the strong contribution of women to economic activities in these countries, there is a pronounced negative impact of EVD on productivity, jobs and income generation.

Income-generating opportunities are being eliminated, particularly in export-oriented sectors

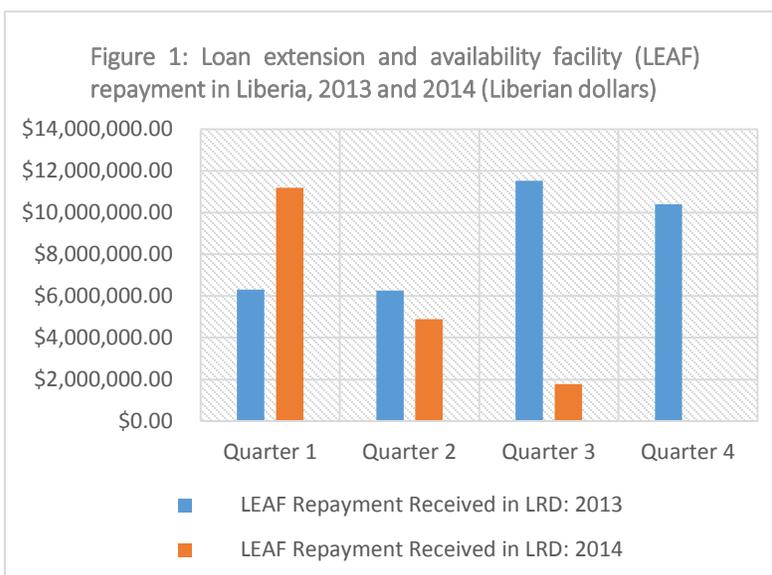
The economies of these countries are decelerating. Compared to earlier projections, real economic growth between January and September 2014 was estimated to fall by 2.1 percentage points in Guinea, 3.3 percentage points in Sierra Leone)ù and 3.4 percentage points in Liberia. The recent official adjustment in Sierra Leone was even more precarious – a 6.3 percentage point decline. As of September 2014, the Sierra Leonean economy lost US\$450.00 million. Agriculture, which contributes around 57 percent to GDP, also declined by 3.3 percentage points. Per capita income fell by US\$71.00 between January and October 2014. Recent surveys reveal that around 97 percent of respondents surveyed indicated that their incomes from farming, petty trading and service delivery had fallen since May 2014.³ The situation in Guinea is similar – 83.0 percent and 99.0 percent of surveyed households from epicentre communities indicated, respectively, lower agricultural production and a decline in economic activities, including agriculture, trade and transport. In the Guinea Forest region, the drop in agricultural production is 30.0 to 75.0 percent depending on the various crops (rice, cassava, maize, palm oil, banana and



plantain). Moreover, around 50.00 percent of potatoes produced in Guinea are exported. The closure of borders has denied farmers substantial incomes. This was further compounded by the glut in the market, which caused the price of potatoes to fall by approximately 33.0 percent. Vulnerability is more pronounced in export-oriented agricultural products.

Loan repayment is almost impossible – formal and informal loan schemes for women and local small business holders depleted by EVD

Women are more affected by EVD than men; the impact on their livelihoods is more severe. They are using their business capital and savings as a strategy to coping with the hardship imposed by EVD, which depletes their informal loans schemes.⁴ Evidence from the Central Bank of Liberia confirmed that access to microfinance loans or grants has proven daunting as result of EVD. For instance, the BRAC Microfinance Loan



Disbursement, which rose from LRD90.24 million in the first quarter of 2014 to LRD110.27 million in the second quarter, was completely dried up in the third and fourth quarters. This was caused by deaths, morbidity and the loss of livelihoods, which made loan repayment practically impossible. Evidence from Loan Extension and Accountability Facility’s (LEAF) repayment provides some illumination on the shrinking repayment capacities of loan recipients; it fell from LRD11.19 million in the first quarter of 2014 to LRD4.89 million, LRD1.78 million and nil in the second, third and fourth quarters, respectively (Figure 1). People’s livelihoods are further threatened by the abolition of loan disbursement to local business owners. In Lofa County, for instance, women have not been able to repay their debts since July due to the fall in incomes, the loss of jobs and the death of family members, which has severely affected the local economy, especially trade, agricultural input purchases, agro-processing and small food businesses. Similarly, in the Guinea Forest Region, women’s main sources of financing for their businesses have dried up.





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Lockdown activities, closure of markets and quarantine activities are impinging on livelihoods and incomes

The number of person-hours lost is another indicator of declining livelihoods. Due to the State of Emergency declared by the Governments of Guinea, Sierra Leone and Liberia, schools that were to re-open in early September/October 2014 remained closed. In Sierra Leone, the total number of days lost by the educational sector to date is 51 days in addition to the three-day lockdown between 19 and 21 September 2014. The Luma markets held every week, mostly in the rural areas, were closed and have not been operational for the last 15 weeks. The Kailahun District, where the first EVD outbreak occurred, and the Kenema District (Eastern Region), which initially recorded the highest EVD infection rates, were quarantined on 31 July 2014. On 24 September 2014, three other districts – Moyamba (Southern Region), Portloko and Bombali (Northern Region) – were also quarantined. The quarantine measure is still in place for the five districts, which has negative impacts on jobs and incomes.

The brunt of livelihood losses is felt by people in vulnerable employment

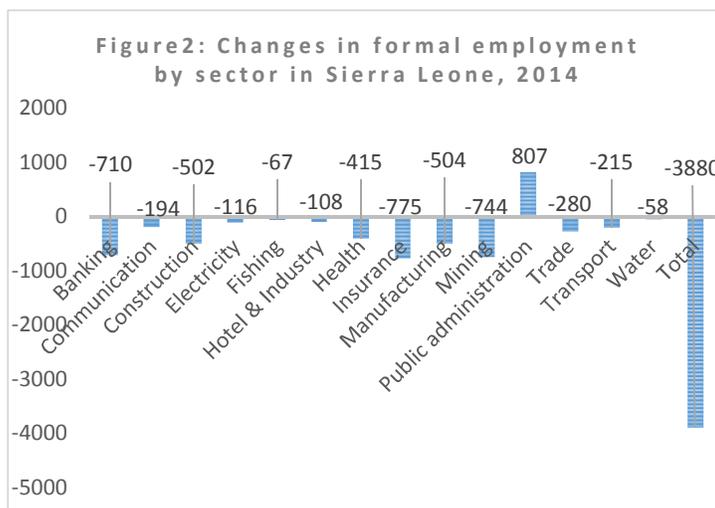
The predominance of employment in the informal sector makes livelihoods precarious in Guinea, Liberia and Sierra Leone. Vulnerable employment averaged around 80.0 percent of total employment in Guinea and Liberia. In Liberia, there are more women (89.0 percent) than men (69.0 percent) employed in vulnerable jobs. Many of these workers have lost or are at risk of losing their jobs due to EVD. In the Liberian agricultural sector, for instance, the bushmeat hunters (15,000) have lost their daily source of income due to the ban on the sale of bushmeat, which is a major staple of the Liberian diet. In Guinea, around 1,500 jobs were lost in the transport sector and 42,000 lost in the potato value chains. The severity of the impact on livelihoods in Sierra Leone is not as pronounced as in Guinea and Liberia because Sierra Leoneans engage in multiple economic activities.

Job losses vary across countries, but are mostly pronounced in the mining and construction sectors

The formal sector has also witnessed substantial job losses. With respect to the 2013 situation in Guinea, in 2014, there have been major job losses ranging between 3.0 percent in the transportation sector, 6.8 percent in telecommunications sector, 8.6 percent in the hospitality and tourism sectors, and 22.9 percent in the building and public works (BTP) sector. The mining companies were also heavily affected – Rusal, a leading global aluminium and alumina producer, either repatriated or confined around 50 percent of its personnel, while *Société Aurifère de Guinée* (SAG), a subsidiary of AngloGold Ashanti evacuated employees and sub-contractors to South Africa. The postponement of the construction phase of the mining and processing of bauxite into aluminum by Rio Tinto (Simandou Project) was expected to generate 10,000 jobs during the development phase, and once operational, would pay over US\$1 billion in taxes/royalties per year to Guinea and spend US\$2 billion on suppliers. The Guinea Aluminum Corporation is expected to



generate 3,000 direct jobs during the construction phase. The foregone investment amounts to US\$25.00 billion for these two projects. The industrial sector also experienced a shrink in production and employment. Topaz, which employed 1,400 workers and exports 45 percent of its products such as paints, reduced its workforce by two thirds, while GI Cement cut production by 40 percent, from 47,520 to 28,700 tonnes.



In Sierra Leone, all sectors have experienced a decline in employment as a result of EVD except the public administration, due to the recruitment of health and related workers to help contain the outbreak: 3,880 jobs were estimated to have been lost. The largest drop in employment is in insurance, mining, banking and construction (Figure 2). In addition, the Sierra Leone Brewery, which had provided 24,000 jobs directly and indirectly along its value chains, has scaled down operations and many manufacturing firms have suspended their expansion activities in 2014. Around 710 people officially reported job losses to the Ministry of Labour in Liberia due to EVD. The agriculture sector leads, with 175 job losses, followed by real estate and business services with 134, mining and quarrying with 130, and the communications and social health services sectors, with 66 each.

Highest redundancy is in the education sector

There is de facto technical unemployment in the education sector in the three countries. The 2014/15 academic classes were suspended indefinitely as one of the measures to contain the outbreak, which has resulted in the redundancy of 27,000 private teachers and administrative staff in Guinea and 40,000 teachers and administrative staff in Liberia. Teachers in the three countries have remained redundant since September – receiving salaries without doing any job. The redundancy has been relatively reduced in Liberia, where teachers are serving as Ebola response workers. [Some private school teachers in Montesarrado, Bomi and Lofa counties in Liberia have not been paid since July.](#)

UNDP is partnering with stakeholders to contain the outbreak and to reduce vulnerability to income and job loss

UNDP is working closely with the UN Mission for Ebola Emergency Response (UNMEER) to stop the outbreak and help countries recover from the crisis, and is





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collaborating with Ghana and Senegal to open humanitarian corridors. Its partnership with the Economic Community of West African States (ECOWAS) is helping to sustain the opening of borders among members to avoid a disruption in the sub-regional integration process. UNDP has reprogrammed its activities to effectively respond to the outbreak in these countries and to rekindle the growth and development process. The US\$10.00 million dedicated to unconditional cash transfers to support around 30,000 households in Liberia, for instance, is one of the various initiatives designed to prevent the spread of the disease and help build community resilience. It is also working with the Government of Sierra Leone to mobilize volunteers to create awareness on how to control the outbreak – 500,000 people have been reached through this support. In Guinea, UNDP supported training of the Police to raise awareness on EVD.

Governments and partners' effort in rekindling livelihoods is rising.

Governments in the three countries, in partnering with development partners, are scaling up social protection activities to support affected households and communities. In Liberia, for instance, in addition to resources allocated in the budget, the sum of LRD2.1 million was transferred to vulnerable institutions in the health and education sectors, LBD 25.0 million was dedicated to unconditional cash transfer and LBD35.0 million to agriculture sector and LBD10.0 million to support affected domestic private sector organizations. Also in Sierra Leone, the government in partnership with development partners, through the Agenda for Prosperity, allocated SLD 47.7 billion (USD10.6 million) to protect the vulnerable section of the society, especially Ebola orphans and affected households.

A rapid reversal in the loss of livelihoods is possible with strong commitments from governments, the international community and the private sector.

Building community resilience is vital. Rejuvenating lost livelihoods at both individual and community levels should start without further delay. This requires innovative and holistic approaches that combine social, technical and financial interventions to targeted marginalized and vulnerable groups, with a particular focus on women and youth, in the seriously affected communities.

Resuscitating informal and formal loan schemes and microfinance destroyed by EVD is urgently needed. The informal and formal microfinance systems that are almost destroyed by EVD should be rekindled and sustained to revamp lost and weakened livelihoods in affected communities. Governments, development partners and the organized private sector should provide technical, logistics and financial support to cooperatives and small-scale enterprises to strengthen the capacity of formal and informal microfinance institutions.

Proactive support to food production in the next planting season is imperative. All efforts should focus on preventing a health crisis from turning into a prolonged food crisis. To this





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end, reviving local food security system is critical to forestalling food scarcity in 2015. Agriculture, the sector most affected by EVD, is the mainstay of economic activities that employ more than 70 percent of the labour force. Substantial support to food production should start in the current dry season in swampy or lowland communities, and in the first quarter of 2015 in highland areas in the three countries. This support includes providing farm inputs such as seeds, seedlings, fertilizers, tractors and finance to farmers, their associations and communities. Conditional cash transfers of UNDP and other partners should focus more on making food available in the next year to avert the looming food insecurity in these countries, especially in Liberia and Sierra Leone.

The promotion of value chains in export-oriented primary commodities is key. Vulnerability is more pronounced in export-oriented commodities such as potatoes in Guinea and rubber in Liberia. Agricultural products are affected to a great extent because they are perishable. Developing value chains will avert the glut in potatoes in Guinea, whose price plummeted by 33 percent. This will also create employment opportunities and improved livelihoods.

Developing entrepreneurial and skill development programmes is critical to rekindling livelihoods. Partnership for entrepreneurial and skill building is critical to revamp lost livelihoods and to diversify the primary sector-dominated economies.

Changing the narratives on stigmatization is vital. Stigmatization and risk aversion behaviours are taking their tolls on investment and other economic activities. It is imperative to revamp all postponed investment plans. We therefore call on companies that have cut down production activities to resume full operations in order to expand job opportunities, create wealth and generate incomes.

¹ See WHO: Ebola Response Roadmap Situation Report, 19 November 2014. The total numbers of reported cases in the epicentre countries are 7,069 in Liberia, 6,073 in Sierra Leone and 1,971 in Guinea. The total number of deaths was 2,964 in Liberia, 1,250 in Sierra Leone and 1,192 in Guinea.

² World Bank and the Ministry of Gender and Development of Liberia (2010): Liberia: Gender-aware Programs and Women's roles in Agricultural Value Chains – A Policy Memorandum, May 2010.

³ See Welthungerhilfe (2014): Ebola in Sierra Leone: The impact of 'Ebola Virus Disease' on livelihoods of rural communities, agricultural production and food security. Also see FAO (2014): Ebola crippling agriculture and livelihoods in northern Liberia. In addition, information on Guinea is based on UNICEF's Rapid Assessment Study: "The Report on the needs and protection of children and households in areas affected by the Ebola epidemic in Guinea", September 2014.

⁴ This is a common phenomenon in Montesarrado county (Banjour, Kpallah and Babyma Junction communities), in Bomi county (Joseph town, Harmon Hill and Foya) and in Lofa county (Gbakadu), and has eaten deep into farmers' and business people's capital.

