



Islamic Relief Worldwide

**Socio-economic recovery framework for the
Covid-19 crisis**

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1. Introduction

The coronavirus (Covid-19) pandemic has devastating and far-reaching impacts on the lives and livelihoods of millions of people. While the present focus is rightly on saving lives, it is important to plan how to support the livelihoods of those adversely affected and make them more resilient to future crises. Supporting livelihoods is critical because they are a key factor in the resilience of individuals, households and communities.

This document outlines Islamic Relief Worldwide's longer-term socio-economic recovery framework to help people in need and those made more vulnerable or put at greater risk because of the Covid-19 crisis. The framework is underpinned by Islamic Relief's 'Do no harm' approach, its intersectionality approach to programming as well as its commitment to the Sustainable Development Goals - including eradicating extreme poverty and ending hunger - which are underpinned by the key principle of 'leaving no one behind.'

The framework proposes a multi-year strategy and roadmap that will guide the organisation's longer-term socio-economic response to the Covid-19 crisis. Importantly, this global pandemic, which has multiple severe non-health impacts, highlights the fact that time-critical interventions from the start are needed if we are to lay the foundations for sustainable recovery and a speedy return to longer term development.

The response framework identifies three broad strategies towards socio-economic recovery, namely: 1) protecting livelihoods, 2) rebuilding livelihoods and 3) enhancing livelihoods – all of which aim to achieve humanitarian, development and peace outcomes that we consider to be fundamentally inter-related. To elaborate the strategies, the

framework also suggests key intervention actions across timelines and outcomes that aim to reduce needs, risks and vulnerabilities, as well as to build the resilience of people impacted by the crisis over multiple timeframes. These steps can be taken within existing programmes to respond to the far-reaching socio-economic impacts of the Covid-19 pandemic. In conjunction with Islamic Relief's 'Global Covid-19 humanitarian response' (April 2020) which outlines that "the long-term and secondary impacts [have to be] factored in from the outset," Islamic Relief commits in this socio-economic recovery framework to ensure:

- our humanitarian response is protection-sensitive and market-aware
- our programmes are multi-faceted, undertake a systems approach; and leave no one behind
- long-term socio-economic recovery thinking starts now.

With the Covid-19 pandemic, the future is not what we thought it would be and the 'next normal' challenges everyone to take a look at socio-economic recovery programming with fresh eyes. It is an urgent and clarion call for new ways of rebuilding lives and livelihoods on a more sustainable and fairer path.

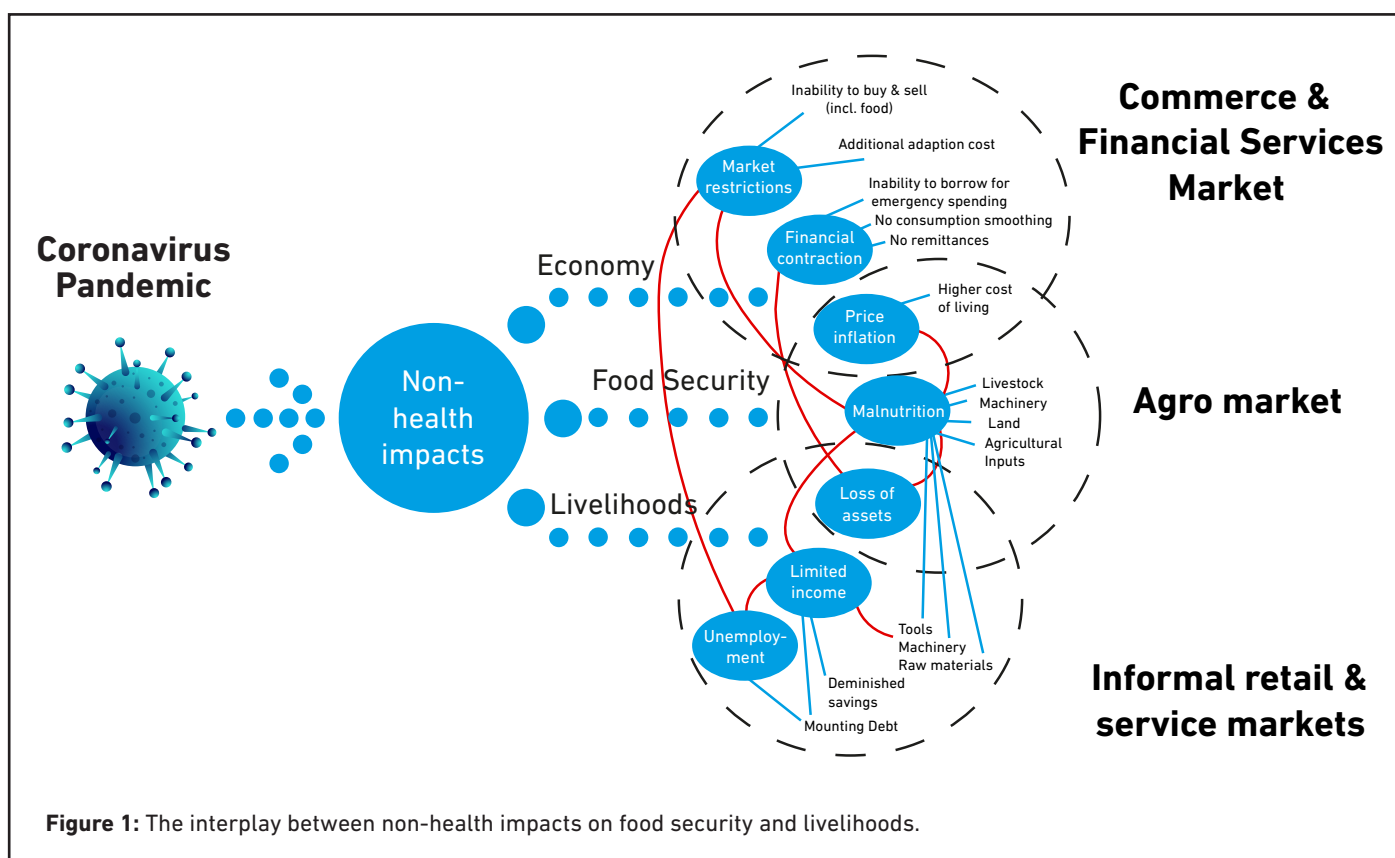


2. Socio-economic and multi-dimensional impacts

The coronavirus pandemic has massive impacts on the lives and livelihoods of millions of people. Its socio-economic impacts, however, vary hugely with different groups affected by complex market interplay, their livelihoods assets portfolio and pre-existing vulnerabilities.

Any socio-economic recovery framework will therefore need to take account of the complex interplay between the different markets through which people build strategies for livelihoods and food security, as well as the societal dynamics that market actors are exposed to. For the latter our existing protection and inclusion work offers a number of strategies and tools to support broader social integration activities for this framework. The 6A's approach, for example, is Islamic Relief's approach to understanding intersectionality programming using age, gender and diversity analysis¹.

Given the absence of extensive Islamic Relief material on market-aware programming, however, this framework seeks to shed light on how markets are critical for poor people. Figure 1 demonstrates the relationship between macro-economic factors such as market and financial service access, the food supply chain within agro markets and the informal sector where most poor people find employment or self-employment. Understanding these linkages will be critical in supporting food security throughout and beyond the pandemic as any humanitarian response and economic recovery programming will have to be market-aware to deal with the scope and scale of the crisis.



¹Annex 1 shows the diagram of Islamic Relief's Intersectionality Framework – the 6A's Approach (Bhardwaj, R., 2018, p.9).

2.1 Economic impacts

The Covid-19 crisis has plunged the global economy into recession with far-reaching repercussions on economic activities, poverty and jobs. Border closures, lockdowns and movement restrictions have caused the disruption of markets and supply chains, closure or scaling back of operations of businesses, and loss of millions of livelihoods. The true scale of the long-term global impact of Covid-19 on livelihoods is not yet known but the forecasts indicate it will be unprecedented.

The pandemic endangers the global economy in 2020 to fall by –3 percent (IMF, World Economic Outlook, April 2020) and threatens to stall decades of progress in the fight against poverty. Its economic fallout, a new study by UNU-WIDER warns, will increase global poverty by half a billion people or 8 percent of the total human population, a first in thirty years since 1990 (Sumner, A. et al, 2020). The crisis will push at least another 49 million people to extreme poverty, joining the 700 million or 10 percent of the global population already there, almost one-third of which will be in sub-Saharan Africa (World Bank, 2020).

Given their poor health systems, fragile economies, and high indebtedness, developing countries are most at risk over the months and years to come. Income losses are expected to exceed \$220 billion in developing countries (UNDP, 2020), with some segments of the population worst affected.

Hardest hit will be those who are already left behind and who will be further left behind because of the economic fallout of the pandemic. These include people who are already marginalised because of a combination of their gender, age, disability, ethnicity and socio-economic status, among other intersecting identities. This means that some segments of the population will be disproportionately impacted by the crisis, such as women, children, youth, persons with disabilities and older people, as well as low-wage workers, and workers in small and medium enterprises and the informal sector (UN, 2020). Given entrenched norms and inequalities, these groups will face heightened risks to loss of livelihoods, food insecurity, exploitation and abuse.



2.2 Impacts on livelihoods

The Covid-19 crisis has deprived millions of their livelihoods. In its latest report, ILO warns that around 1.6 billion workers in the informal economy – that is nearly half of the global workforce – stand in immediate danger of having their livelihoods destroyed (ILO, 2020). Widespread disruptions to livelihoods is already translating into job loss and loss or reduction of income, particularly for those engaged in subsistence activities.

Across the globe, the main livelihoods impacts of the pandemic include: 1) increase of household expenditures, 2) reduction or loss of remittances, 3) savings depletion, 4) increase of debt, and 5) reduced primary production and income due to limited access to land, markets and essential inputs such as seeds, fodder and vaccines. These impacts will rapidly erode households' livelihoods assets, increase the risks of resorting to negative coping mechanisms and weaken resilience to future shocks.

The Covid-19 pandemic has also exacerbated gendered impacts such as a heightened burden of unpaid care work on women; negative impacts on women's economic empowerment likely leading to reduced livelihoods and income opportunities; increased gender-based violence (GBV) and protection risks; and interrupted access to sexual and reproductive healthcare (see box)

Due to systemic gender norms and underlying inequalities, Covid-19 threatens to significantly reduce women and girls' livelihoods and economic security. In developing countries in particular, women and girls faced greater risks than men even before the pandemic. The vast majority – 70 percent – of their employment is in the informal economy where they usually take on low-paid, less secure jobs (ILO, 2020). They have fewer earnings, fewer savings, less access to social protection and make up the majority of single-parent households. This cocktail of vulnerabilities makes them less resilient to economic shocks like Covid-19 (UN, 2020).

Women and girls with disabilities are even more exposed to the impact of the Covid-19 crisis, which will amplify pre-existing barriers and inequalities. Persons with disabilities – who comprise 15 per cent of the world's population – and their families are more likely to be poor and face significant challenges (in terms of greater costs) to secure the essential goods and services they need (ILO et al, 2020).

Ensuring that socio-economic recovery programmes have a gender lens and are inclusive is therefore of critical importance.

Gendered livelihoods impact of Covid-19

Women and girls are on the frontline of the coronavirus crisis globally and the economic downturns disproportionately affect them in several ways:

- Women and girls face higher risk of infection as 70% of health workers are women (WHO, 2019);
- Women represent 42% of the informal sector, engaging in low-paid, less secure jobs, both in urban and rural settings (ILO, 2020);
- Women have reduced time and opportunities for paid work due to the increase in unpaid care burden;
- Women face increased risk of domestic violence under lockdown due to stress and loss of livelihoods (VAWG Helpdesk Report, 2020);
- Women are often excluded from decision-making and leadership roles in preparing responses and mitigation strategies;
- Economic impact puts decades of progress on women's justice and rights at risk.

2.3 Impacts on food security

The Covid-19 crisis is exacerbating food insecurity around the world. It has affected all four dimensions of food security: food availability, food accessibility, food utilisation, and food systems stability. This is not only having an impact on human health but on livelihood assets and food production and distribution channels; it is also changing purchasing power and market flows.

Although the global food supply has reportedly remained stable, the coronavirus disruptions have started to hamper food production and distribution, and reduced people's access to food - particularly in Africa, Asia and the Americas (ACAPs, 2020), mainly due to higher food prices, job losses and lack of market access. Sub-Saharan Africa - where millions of people are already reeling under the threats of locust infestations, climate change and conflicts - is now at even greater risk of heading from a health crisis straight into the brink of what the United Nations (UN) describes as a "hunger pandemic."

Across the globe, the pandemic has heightened the risk of malnutrition, maternal and child death and food insecurity for women and girls. The Covid-19 crisis has magnified the risk of malnutrition, especially among children, due to the worsening lack of access to nutritious and diversified food (IFPRI, 2020). A Lancet study warns that a potential disruption of health systems and decreased access to food due to the Covid-19 crisis will lead to devastating increases in maternal and child deaths (Robertson, 2020). According to the World Food Programme (WFP), which develops with Gallup a new tool to measure the gender data gap in food security, women and girls are more likely to be food insecure than men even pre-Covid, and will continue to be disproportionately hit by the pandemic (WFP, 2020).

Unless swift action is taken, the Covid-19 pandemic will deepen existing vulnerabilities. It will likely lead to famines, especially in countries with existing humanitarian crises (FAO, 2020). Globally, 135 million people faced acute hunger in 2019 and the WFP has warned that the number of people facing acute hunger could double to an estimated 265 million people by the end of 2020 (Global Network Against Food Crises, 2020, p.3).



2.4 Impacts on social cohesion

Across the world, conflict and insecurity are the main drivers of food crises (Global Network Against Food Crises, 2020, p. 5). Conflict makes it more difficult to reach and assist those suffering from acute hunger, but large increases in the numbers of people becoming food insecure may also increase the risk of conflict in places that are already very fragile.

The huge increase in food insecurity due to the Covid-19 crisis is likely to result in increased crime as those who have lost all income due to the closures of markets, shops and daily work desperately try to find food or money to feed their families. There is also a risk of greater social instability as communities compete with each other for limited resources or become frustrated with government responses, leading to riots, protests and breakdowns in law and order. Violence and exploitation of women and children are also likely to increase as a result of Covid-19 lockdown measures, increased stresses on households and reduced access to basic needs and income (Global Network Against Food Crises, 2020, p. 5). Amongst all of this, armed or organised crime groups will seek to take advantage of the resulting social dislocations for their own interests.

Conflict leads to a downward spiral into poverty but conflict is not inevitable; it is preventable and it is essential that the work to strengthen livelihoods is calibrated to reduce the social and economic drivers of conflict as well as the economic costs of Covid-19. Responding to the crisis will require governments and citizens to work together – each needs the resources of the other to successfully manage the pandemic and rebuild damaged economies. Local governments need to set the regulatory framework to manage ecologically sound, sustainable and rapid economic recovery while communities need to work together to ensure economic recovery is fair to all ethnic and religious groups, women and men, older and younger people and people with and without disabilities.

This means that any livelihoods strengthening work will also need to consider the local governance context and issues of social cohesion in the community. To bring together local government and communities, who may be mistrustful of one another, to jointly agree economic development plans and strengthen state-society relations is of vital importance. This will not only support livelihoods now but will strengthen wider social systems against future shocks.

In addition, it is essential to integrate into programmes ongoing dialogue between different social groups within communities to ensure that livelihoods are strengthened across all ethnic and religious groups fairly and that community divisions are not exacerbated. Societies that are more peaceful have multiple criss-crossing networks across many different groups, but very often these networks are broken and divisions between groups become very stark. Livelihoods support will intentionally look to rebuild social and economic networks between different social groups to support those multiple criss-crossing connections that build a community's resilience to conflict.

The assessment report below provides a glimpse of the interplay of economic and social impacts of the coronavirus pandemic in conflict and fragile areas.

Indicative socio-economic impacts of Covid-19 in Khyber district, Pakistan

The coronavirus pandemic has started to take its toll on households in fragile areas, a recent Islamic Relief survey shows. The survey was conducted from 25-30 April through a mobile phone interview of 38 key informants (14 female, 24 male) in Khyber Pakhtunkhwa where Islamic Relief is delivering a triple nexus project to support social cohesion.

The report indicates that Covid-19 containment measures, such as lockdowns and restrictions on movement, have had negative impacts on household incomes, gender-based violence and social tensions. The main findings are:

- A. **Decrease in income.** Average household income has dropped by around 40 percent, mainly due to lockdown measures preventing people from engaging in daily wage labour, which is the primary income source of around 60 percent of people, or from farming, which is engaged in by a quarter of the people. Almost 70 percent of the respondents have reported decreases in remittances from overseas workers. A food price spike and absence of emergency aid have worsened the household situation.
- B. **Increase in domestic violence.** Domestic violence against women, children and youth is thought to have increased by almost 50 percent. Intra-household conflicts are mainly attributed to increased stresses on returning workers who have lost their jobs.
- C. **Increase in social tensions.** Nearly half of the respondents said mistrust and fear had increased in the area, which is still recovering from the war in Federal Administered Tribal Areas (FATA). The youth are especially affected as youth activities such as intra- and inter-tribal sports games were disrupted, and schools and madrasas were closed. Many youth are said to be feeling tense and depressed and some have even started smoking.
- D. **Neglect of people with disabilities.** Due to the increased domestic responsibilities of their parents, people with disabilities are reported to be receiving less care for their basic needs including food, healthcare and mobility. External assistance has not yet been forthcoming.

Felt urgent needs include: immediate food assistance, cash injection, medicines and healthcare especially for pregnant and nursing women.

Identified needs after three months include: temporary job creation (e.g. cash or food for work), revitalisation of small enterprises, and food assistance for at least 3-6 months, psychological support for vulnerable households, social cohesion strengthening and targeted support for people with disabilities.

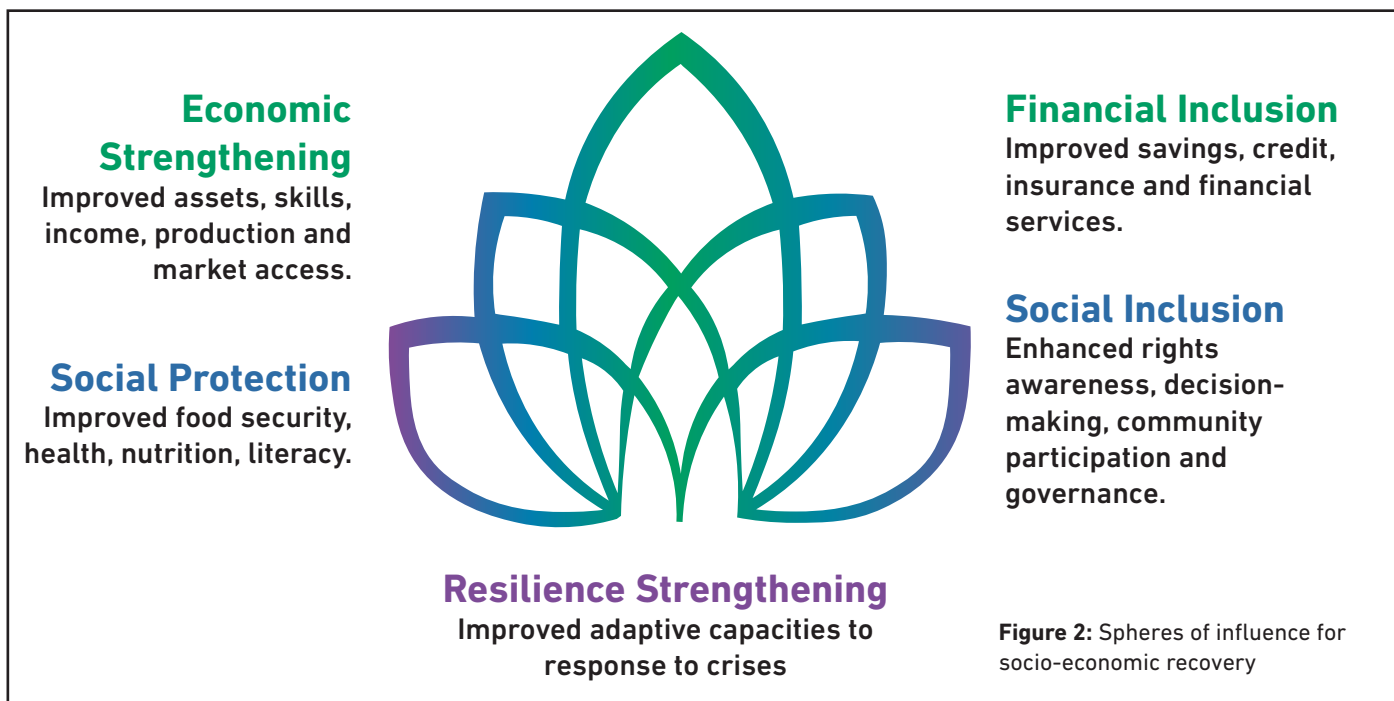
(Source: Islamic Relief Pakistan, (2020). Assessment Report: Impact of Covid-19 pandemic on social cohesion, governance and livelihoods of the communities living in Tribal District of Khyber Pakhtunkhwa. Unpublished document).

3. Islamic Relief's socio-economic resilience framework

Islamic Relief is committed to contributing to the Sustainable Development Goals (SDGs), particularly ending extreme poverty (SDG1) and hunger (SDG2), and to the key principle of 'leaving no one behind.' The SDGs, the global blueprint to end poverty, remains the overarching framework for recovery. What the pandemic highlights is how each SDG is inextricably linked to each other, as an excellent graphic from UNDESA neatly illustrates (see annex 1). It emphatically brings to the fore the urgent need for global action to meet people's basic needs, and to build a fairer and more secure world. Working together is the only way to save lives, restore livelihoods and build back better.

Aligned with the SDGs, Islamic Relief envisages people and communities emerging from poverty and suffering. We are committed to empowering communities and building their resilience through coherent humanitarian, development and peace collaborations. We firmly believe that lasting change for poor communities can only come through rights-based, integrated and inclusive development that addresses both needs and the underlying causes of poverty.

Islamic Relief's longer-term recovery framework for the Covid-19 crisis focuses on a coordinated range of key actions that address both the immediate social and economic impacts, concentrating not only in putting in place the building blocks for economic recovery, but also recognising the enduring inequalities that exacerbate the pandemic's impacts on marginalised groups, which must also be taken into account in the responses.



To achieve inclusive economic recovery for households, Islamic Relief identifies integrated interventions in five spheres of influence, namely: social protection, livelihoods promotion, financial inclusion, social inclusion and resilience strengthening. There are clear synergies between these approaches in contributing to building economic resilience outcomes.

Integrated support will be provided around these approaches to enable vulnerable households to be better able to achieve strong outcomes at the household level, including increased or improved assets, food security, savings, financial inclusion, health outcomes, social integration, and productive skills.

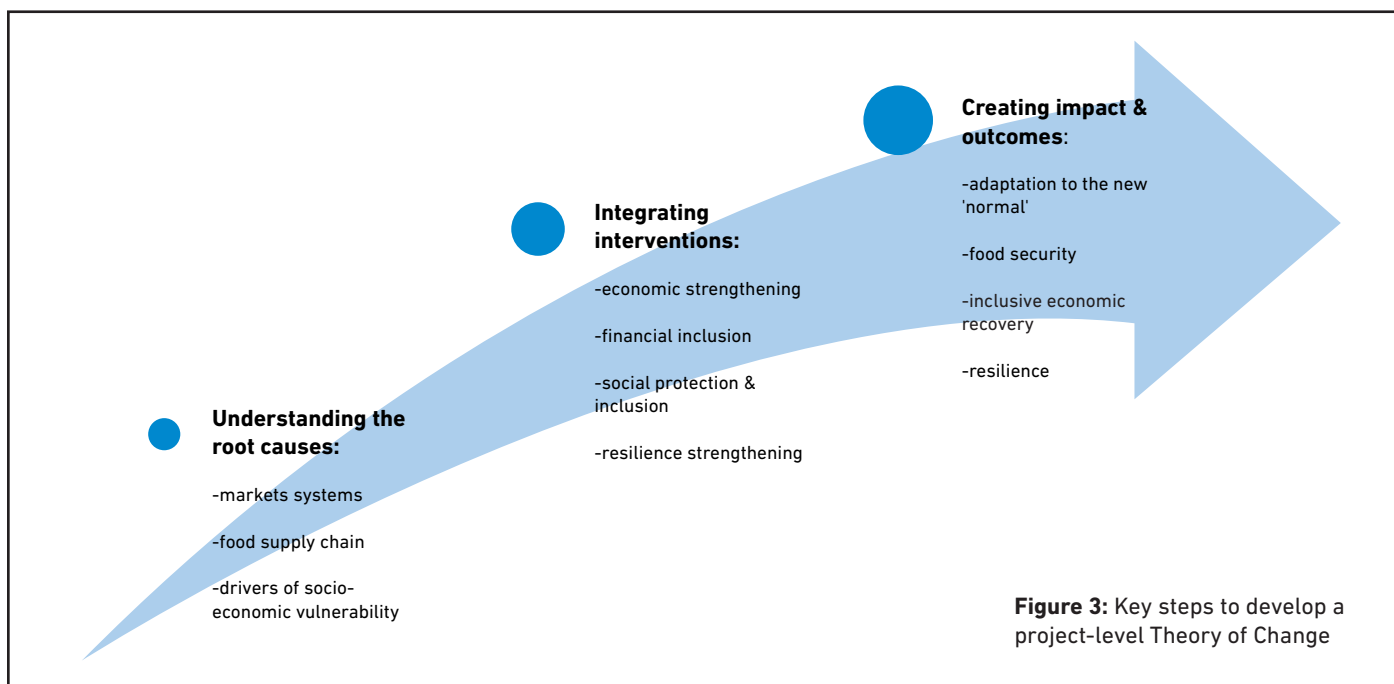
3.1 High level Theory of Change

The overarching Theory of Change underpinning this framework posits that vulnerable households will be better able to protect, rebuild and strengthen their livelihoods in the Covid-19 crisis if they have access to a multi-faceted and appropriate mix of resources and tools sustained over several years. This will ensure they are more resilient to similar recurrent shocks. In turn, a project-level Theory of Change (see Figure 3), must reflect how the specific local articulation of the root causes of the Covid-19 economic impact can be best understood. For example, how would mobility restrictions or the closure of markets have impacted on the target communities' ability to engage in income generating activities, the food supply chain and other drivers of socio-economic vulnerability? An analysis of the market system in which poor people are embedded – both to earn a living but also to access essential goods and services – is critical to design interventions that address systemic failures, i.e. where for example a breakdown of the 'farm-to-table' food supply chain occurs when small scale farmers, although they may not be the target community in an urban livelihoods project, have to sell land and other productive assets due to the lack of access to finance and therefore cannot bring their crops to the market in the city. This requires intervention design that is based on a systems approach² – which in the above example might be rural credit – whilst also in parallel providing livelihoods support to the urban target beneficiary, enabling them to buy food. Part of the challenge therefore is not only building livelihoods assets and strengthening livelihoods strategies but also supporting the restarting and adaptation of the market systems in which poor people operate. For a full just financial inclusion these systems must understand and consider barriers to the inclusion of groups at risk of marginalisation - such as people with disabilities, older people and women - and set strategies to overcome those barriers.

Moreover, the Theory of Change recognises the disproportionate impact of the Covid-19 crisis on certain population groups of all ages, including the poorest, women, older people and people with disabilities. That their pre-existing inequalities and vulnerabilities make them less able to cope with the impacts of the coronavirus pandemic underpins the importance of risk-informed, inclusive and conflict-sensitive responses that are rights-based and imbued with the vision of leaving no one behind. Recognising intersectionality and ensuring the implementation of the Islamic Relief intersectionality framework will support the identification of groups at risk, understanding their differentiated needs and addressing their full participation in the recovery phase.

In short, the Theory of Change underscores the complexity of context, where vulnerable households are also operating in the face of increasing risk and uncertainty; thus the focus on resilience as well. Any livelihoods gains achieved will only be sustained if vulnerable families are able to absorb shocks and stresses, adapt to changing environments, and transform risks into opportunities.

The overarching Theory of Change is therefore driven by the conviction of Islamic Relief that better results are achieved when interventions are integrated and coordinated, enabling vulnerable households to achieve inclusive socio-economic recovery, to build up resilience and to progress along a transformational pathway out of inter-generational poverty.



² A systems approach is a way of looking at big-picture processes and practices. Instead of treating a problem in a silo, it is viewed within a greater whole. Applied to poverty programming, one vital dimension of a systems approach is tackling the root causes of poverty rather than focusing broadly on macro-economic problems or individually on specific intervention. Intervening sustainably is another important aspect to the systems approach. Given that everything is dynamic, it is essential to build the capacities of relevant players to respond to future changes. Understanding the underlying causes of poverty and strengthening the capacities of relevant stakeholders ensures that the social and economic benefits for poor people are sustainable, inclusive and integrated (BEAM Exchange, Why a systems approach? Available at <https://beamexchange.org/market-systems/why-use-systems-approach/> [accessed 18 May 2020]).

3.2 Strategic approach

Addressing the simultaneous nature of multiple non-health impacts and designed for target households to regain livelihoods resilience, the response framework proposes a strategy that uses three broad pathways towards market inclusive socio-economic recovery in a non-sequential manner, namely: a) protecting livelihoods, b) rebuilding livelihoods and c) enhancing livelihoods.

These triple pathways, which are described below, interplay with the aforementioned five spheres of influence to help households and communities recover from the Covid-19 shock. Their convergence seeks to ensure that for different elements of the target community all intervention options are available from the outset (see figure 3 below). Around these pathways, steps can be taken within existing programmes to respond to impacts of the pandemic taking into account local vulnerabilities and context.

Protection and inclusion will be mainstreamed in all interventions to ensure that these pathways will embody Islamic Relief's promise to 'do no harm' and 'leave no one behind.' Forward-looking, they are geared towards empowering vulnerable households affected by the Covid-19 crisis to regain livelihoods and to build resilience to future shocks. This will be done through identification, data collection, participation and effective partnerships.

a) Protecting livelihoods

This stream aims to protect and replace the productive assets of families affected by the Covid-19 crisis, giving special consideration to at risk and marginalised groups. The first step towards building self-reliance and a sustainable livelihood is re-establishing the necessary assets to generate income. Without assets, vulnerable households face greater risk of resorting to negative coping strategies. To prevent this spiralling cycle of vulnerability, it is imperative to act swiftly with early livelihood recovery to protect the assets people have salvaged and replace or rebuild those that have been lost.

Protecting livelihoods entails not only the replacement of physical assets, but also the restoration of crucial social networks, the provision of financial services, and the development of markets.

Through a resilience lens, this stream addresses developing the absorptive capacity of households towards sustainability and resilience of livelihoods to future disasters. Their absorptive capacity can be seen in the ability of households to access and deploy tangible assets such as savings and intangible assets like social networks to help them survive intensive shocks and maintain levels of wellbeing (Levine et al., 2011).

Interventions that protect livelihoods and strengthen absorptive capacity may include: a) consumption support through in-kind provision or cash transfers; b) creating temporary income opportunities; c) procuring local goods and services; d) supporting production and sale of food and essential goods to re-invigorate markets.

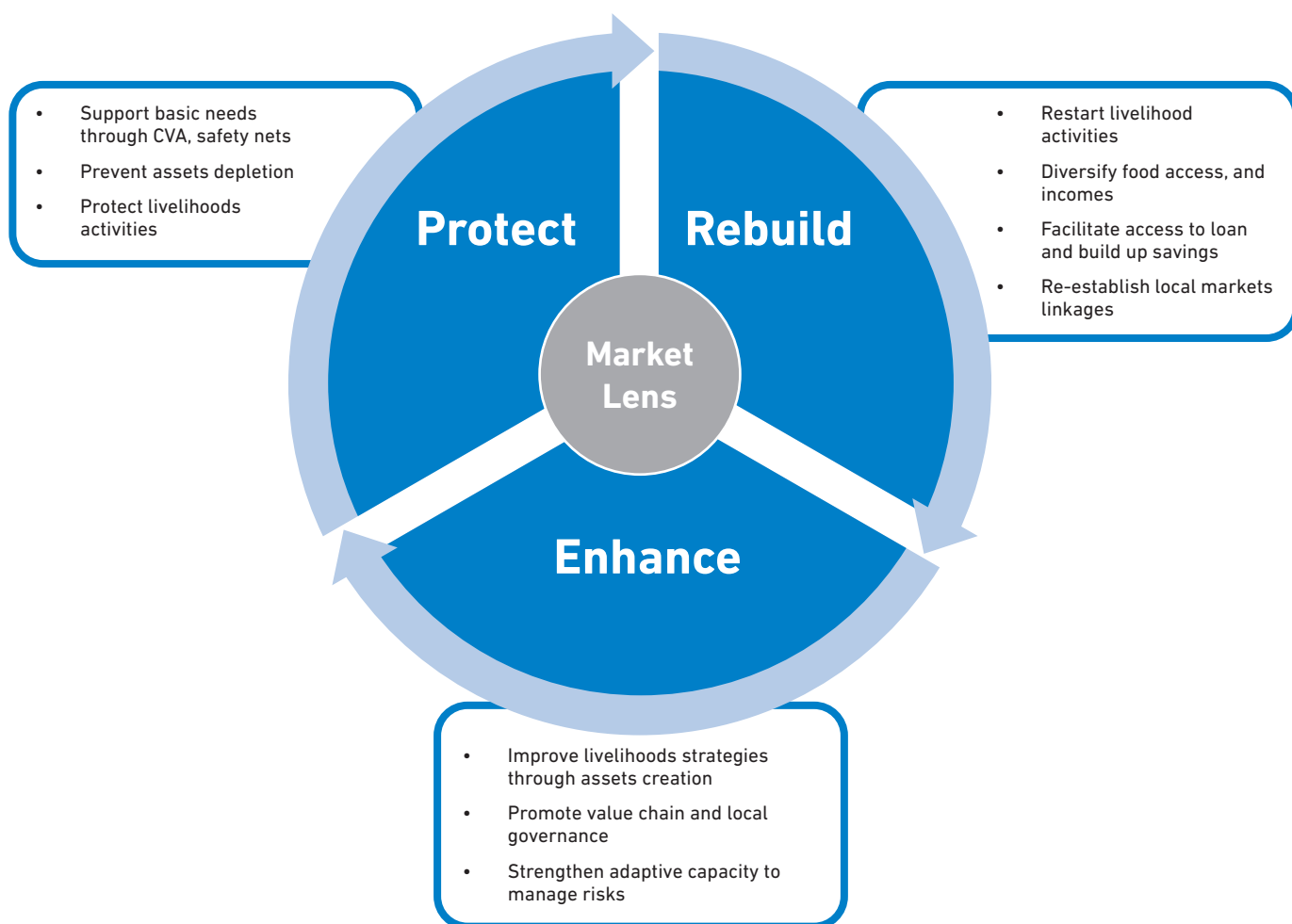


Figure 4: Triple pathway for recovery.

b) Rebuilding livelihoods

Rebuilding livelihoods recognises the need to engage sooner and more intensively in livelihood activities in the post-Covid period. Rebuilding livelihoods moves beyond the restoration of assets and pre-disaster livelihood strategies. It is designed to increase sustainable income-generating opportunities in order to enhance people's resilience to future disasters.

Rebuilding livelihoods entails increasing 'adaptive capacity,' the ability to make deliberate and planned adjustments in anticipation of or in response to change. Adaptive capacity also includes the ability to 'build or bounce back better' (Manyena et al., 2011).

The focus of rebuilding livelihoods is on improving livelihoods strategies and opportunities. Examples of rebuilding activities may include: a) building assets and diversifying food and income sources; b) increasing the support of micro-finance institutions to enhance quality access to basic services; c) improving access, use and control of livelihoods information, e.g. through a thorough livelihoods assessment; d) adopting market-based approaches to economic recovery.

c) Enhancing livelihoods

Enhancing livelihoods focuses on strengthening sources of resilience at the systems level that will enable households to better manage future shocks. The aim includes creating an enabling environment for livelihoods opportunities to flourish.

Enhancing livelihoods involves strengthening both anticipatory and transformative capacities. Anticipatory capacity is the ability to reduce the impact of shocks through preparedness and planning. Transformative capacity is the ability to transform structures and function; it is longer-term and more difficult to achieve and attribute.

Some examples of approaches under this pathway are: a) social inclusion activities to remove systemic barriers to accessing livelihoods opportunities and offer benefits for traditionally marginalised groups, e.g., women, youth, older people, and people with disabilities b) supporting sustainable, ecological livelihoods that intentionally manage resource sharing among neighbouring communities; c) focus on pro-poor diversified livelihoods (rather than export-led farming which are highly vulnerable to price/harvest shocks), and; d) strengthening community groups into powerful social movements that can influence economic policies and planning.

3.3 Towards a result chain for socio-economic recovery programme design

Given the new Covid-19 reality, which has disrupted not just the local markets but also has macro-economic impacts that affect vulnerable households, an adaptive approach to economic recovery is required. This means that based on a robust context and market analysis, a multi-faceted and multi-layered strategy is required as previously at-risk non-poor people are forced back into poverty, poor people into extreme poverty or the gradual emergence of ultra-poor people out of absolute poverty is disrupted.

Figure 5 below illustrates how we intend to support poor families to regain livelihoods resilience in order to ready them to continue their post-Covid journey out of poverty. The idea is to integrate interventions in social protection, economic strengthening, financial inclusion and social inclusion to provide the mechanisms through which household food security, diverse incomes, economic resilience, and social participation are achieved. Resilience strengthening is delivered in a cross-cutting and inclusive manner and provides a mechanism for increasing the capacities of households on track towards achieving sustainable livelihoods. This livelihoods resilience and economic recovery framework recognises that each intervention area may need to be expanded gradually as the needs of the target community move from protection to rebuilding and enhancing.



Figure 5: Unfolding of activities

4. Operationalising the socio-economic recovery framework

This framework argues that in order to achieve resilient food and livelihoods security and economic recovery, there has to be a deliberate integration of the design, delivery and evaluation of programmes across systems and sectors to produce lasting impact on people's lives. This must be underpinned by strong and appropriate data collection, analysis and management without undermining any of the rights of people in vulnerable positions receiving assistance, and recognising that protecting their personal data is a core part of 'doing no harm' and protecting their life, integrity and dignity.

In operationalising this framework, a number of emerging themes need to be recognised given that coronavirus pandemic has caused systemic disruption that also requires system-level interventions. Of particular relevance are the following nine themes:

- **Understanding markets during crises.** The Covid-19 pandemic has had a huge financial and economic impact and this reinforces the critical role of the markets in times of crisis. The massive impact on people's incomes and livelihoods underlines the importance of framing socio-economic programmes within a market lens and 'do no harm' principles. Ensuring that programmes are market-aware, adaptive and risk aware, making use of local knowledge and networks, especially with existing market actors (MERS Guidance for Covid-19), is critical for any response and recovery.
- **Specific focus on women and girls.** Deliberate action is required to engage women and girls who not only bear the brunt of the Covid-19 crisis, but are 'the backbone of recovery in communities' (p.3 UN, 2020). Socio-economic recovery programmes will do well to ensure that women's organisations are well-informed and have equal representation in all Covid-19 response planning and decision-making.
- **Social safety nets are crucial.** The Covid-19 crisis has highlighted the importance of linking humanitarian assistance and social protection. They help to lessen negative income impacts and are therefore crucial in saving lives while supporting people's resilience. Social protection can also have a wider objective by maximising its synergies with economic development in programming (ODI, 2014). Linking vulnerable households to emerging or established government social protection mechanisms will help them cope with shocks and move forward into socio-economic recovery. Comprehensive responses must be inclusive (CCD, 2020) and support persons with disabilities (ILO, 2020).
- **Cash transfers as a safer option.** Cash transfer programmes are also on the rise in many countries for good reason. During this pandemic, cash transfers have helped people to smoothen consumption, get through an inevitable loss of income, and protect productive assets. Implemented alongside social protection systems, they can be a good way to mitigate the economic impacts of Covid-19 on the most vulnerable (CaLP, 2020). Cash transfers can contribute significantly to the immediate and short-term pandemic response and to long-term resilience strengthening. Where larger financial inputs are required for economic recovery, financial inclusion can be a critical next step, including the restructuring or refinancing of unsustainable debts.
- **Centrality of human rights.** The pandemic has impacted disproportionately people who were already being left behind due to discrimination and systemic inequalities that deny them their basic economic and social rights to decent employment, access to food, basic services, health and education and freedom of movement, among other rights. Protecting and promoting basic economic and social rights should, therefore, be a core part in any Covid-19 crisis intervention. Mainstreaming protection and inclusion, which involves collecting and analysing disaggregated data, guaranteeing accessibility, ensuring meaningful participation, and promoting accountability, will ensure that affected families and communities are put at the centre and better outcomes are achieved for them. Islamic Relief's approach will be underpinned by our 'protection and inclusion' marker tool.

- **Social cohesion is key.** The disproportionate access over health services, livelihoods and economic opportunities, especially by segments of the population most at risk in the Covid-19 crisis, could potentially ignite or exacerbate grievances, mistrust and a sense of injustice, driving conflict that could undermine peace and social cohesion. Protecting, rebuilding and enhancing livelihoods will need to take into account: the need for stronger, collaborative and trusted relationships between governments and communities; the need for mutually beneficial connections between different ethnic, religious or social groups to prevent inter-communal tensions from rising; and the need for inclusion of often marginalised groups, such as women and people with disabilities, in local economies. Stigma, discrimination, lack of respect for human rights and the manipulation of grievances or identity-based politics will all need to be addressed to build back more cohesive communities and resilient economies. Continuous dialogue, collaboration with people from multiple different social groups and meaningful community engagement are critical, especially with community groups that represent people who are routinely marginalised from decision-making, e.g. women's rights groups, organisations of persons with disabilities and youth organisations.
- **Taking a systems approach.** Given the multi-sectoral and parallel challenge of coronavirus pandemic, a systems approach rather than only a direct needs-based intervention is critical in order to create an impact on our target communities. This means we have to understand the rules affecting the system, including the social values or customs; the core interactions and relationships between different actors and the supporting functions of a system. The market development approach of the Department for International Development (DFID) is an example of seeking to make market systems work for the poor (M4P).
- **Data collection, protection and management.** The Covid-19 crisis has pushed privacy and data protection centre stage. Ensuring that programme information is collected, used, disseminated, and maintained without undermining privacy is critical to protecting the human rights, integrity and dignity of beneficiaries. Rigorous and robust data collection and analysis techniques are key to effective targeting. Islamic Relief believes all our programmes should collect Sex, Age, Disability, and Disaggregated Data (SADDD) as a minimum.

- **Learning, research and influencing.** Given its unprecedented nature, the pandemic provides an excellent opportunity to use creative and better ways of learning and improving the performance of socio-economic programmes. It is important that we continue to monitor and evaluate programmes in order to learn what works, undertake research where appropriate and use that learning to influence policy makers. This is an essential part of the continuous process of sharing information with others and exchanging and disseminating information to advocate for an environment that enables socio-economic recovery.

In conjunction with Islamic Relief's 'Global Covid-19 humanitarian response' (April 2020) which outlines that "the long-term and secondary impacts [have to be] factored in from the outset" Islamic Relief commits in this socio-economic recovery framework to ensure:

- our humanitarian response is market-aware
- programmes are multi-faceted, inclusive and integrated into a systems approach
- long-term socio-economic recovery thinking starts now



4.1 Guiding standards

Particularly important in the longer-term for this socio-economic recovery framework are the Minimum Economic Recovery Standards (MERS), the Livestock Emergency Guidelines and Standards (LEGS), and Minimum Standard for Market Analysis (MISMA). Other relevant standards such as the Sphere Handbook companion standard and the Core Humanitarian Standard on Quality and Accountability (CHS) are part of the Humanitarian Standards Partnership (HSP) initiative and remain relevant.

MERS advises the following important steps that will help to design and implement smart, market-driven responses and recovery programmes:

a) In the short term:

- Analyse markets, understanding where there are blocks in supply chains, what can safely operate, levels of household market access, and informal rules and norms.
- Promote solutions that support commercial supply chains to remain functional, without compromising health and safety.
- Engage, consult and work with traders in local, national and regional markets.
- Advocate to policymakers where restrictions could safely be eased to reduce economic pain (e.g. farmer movements to field in order to plant and harvest crops).
- Use markets where feasible and safe by providing cash and vouchers to vulnerable households so they can survive to the next stage, or at a minimum ensuring local procurement of goods and services.
- Support 'critical market systems,' meaning those most essential to the short-term survival of households and communities (e.g. working to identify and overcome weaknesses in trader capacity or supporting shifts to digital payment mechanisms for vendors).

b) In the medium term:

- Include market actors in recovery planning, targeting vendors small and large with financial and physical assistance packages and business support/training where needed to restart trade.
- Facilitate rebuilding of markets, focusing initially on local supply chains and linkages (e.g. facilitating information flows and brokering new market relationships).
- Engage with financial service providers, contributing to strategies that enable the financial services sector to adapt to client needs while maintaining business continuity.
- Support employers to get people back to work, retain people at work or create new jobs, while promoting the principles of decent employment and job sustainability.
- Build capacity of staff and partners so they can apply and adapt market systems principles.

c) In the long term:

- Build back better, using this crisis to pivot towards making markets more inclusive, efficient and pro-poor (e.g. skills training for female traders as part of recovery packages).
- Evaluate, share and learn, encouraging actors undertaking market-based responses to share evidence and learning to foster the creation of best practices, toolkits and resources to support future pandemic situations and other global crises.
- Bridge the nexus, redoubling efforts to connect humanitarian and development actors in market-based programming.

Most of the abovementioned humanitarian standards have been adapted to the Covid-19 context (see the following link to Covid-19 guidance based on the humanitarian standards).

The UN has published a report describing a human rights based approach to Covid-19 response and recovery. It outlines six key messages that help adapt future programmes in light of the Covid-19 pandemic: 1) Protect livelihoods to meet the priority of protecting lives; 2) Support inclusive, equitable and universal responses to ensure that no one is left behind; 3) Involve people in the decision-making to ensure transparency, participation and accountability; 4) Ensure that emergency measures respect the rule of law and protect people; 5) Strengthen international cooperation; 6) Consider the long term whilst planning short-term responses.

Our economic recovery framework will also be guided by the Islamic Relief protection and inclusion framework which is based on all the relevant standards relating to protection mainstreaming, disability, age, gender, and child protection.

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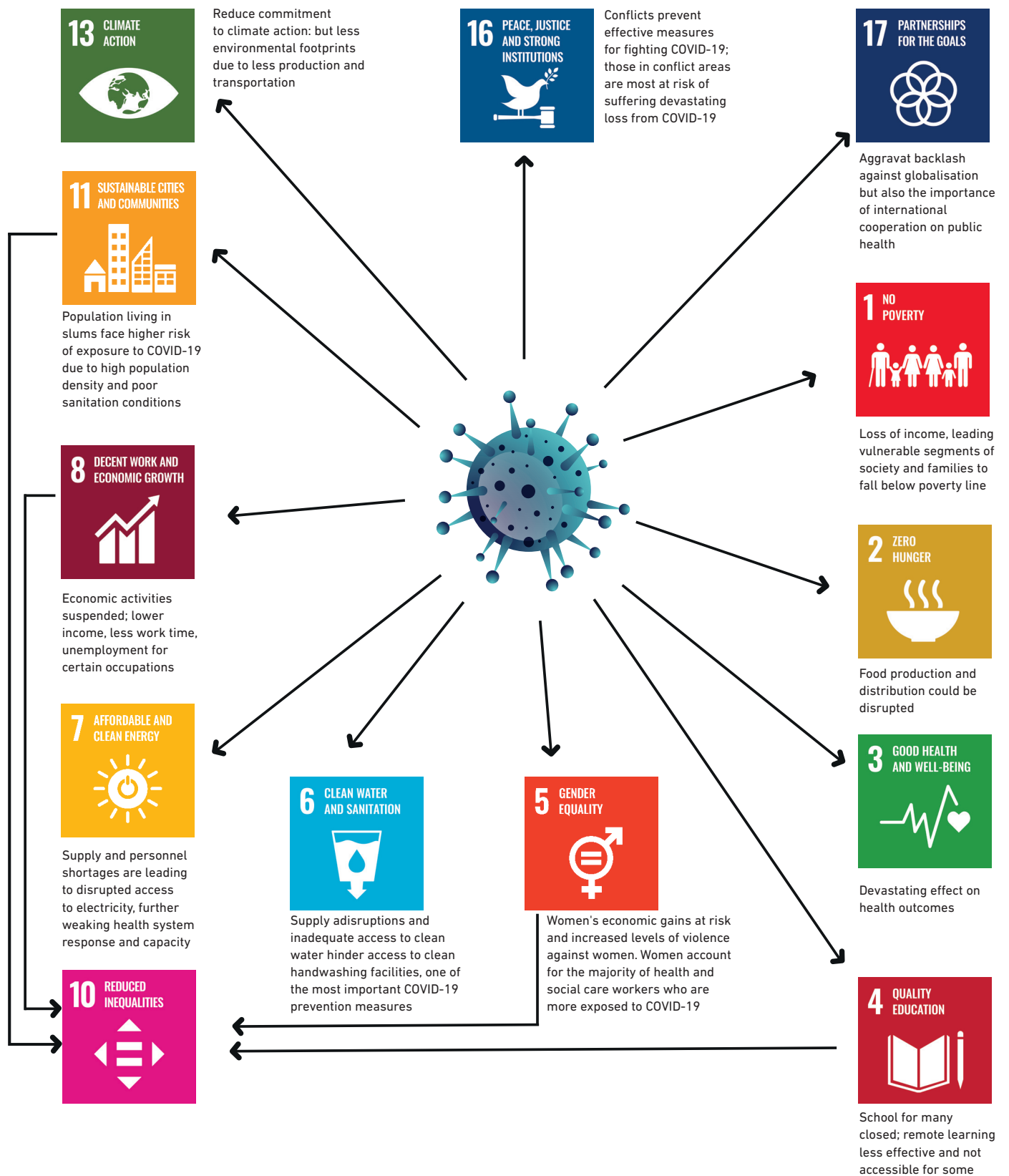
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Annex 1:

Islamic Relief's Intersectionality Framework – the 6A's Approach



Annex 2: Covid-19 link to all SDGs (UNSG, 2020)



Annex 3: Covid-19 Example of key actions

KEY APPROACHES	PROTECTING LIVELIHOODS	REBUILDING LIVELIHOODS	ENHANCING LIVELIHOODS	OUTCOMES	
				Capability	Wellbeing
	Objectives: 1) to stabilise consumption 2) to mitigate livelihoods impacts 3) to lessen risks of negative coping	Objectives: 1) to restore assets 2) to diversity incomes and food sources 3) to restore market links	Objectives: 1) improve livelihoods strategies 2) promote value chain 3) strengthen local governance		
SOCIAL PROTECTION	Consumption support	Local food production support		Increased access to food, safety nets, education, health, hygiene services	Improved food security, health, hygiene, nutrition, education
	Access to basic services				
	Access to safety nets				
ECONOMIC STRENGTHENING	Asset transfers	Diversification		Increased assets, adaptive skills, income, productive and market access	Improved and diversified income, assets, productivity, employment opportunities
	Early livelihoods support	Entrepreneurship viability analysis support			
	Rapid income generation	Development of business and marketing skills			
FINANCIAL INCLUSION	Financial literacy		Value chain promotion	Increased finance knowledge, skills, access to insurance, loans, saving	Improved savings, credit, insurance and financial services
	Market chain analysis	Informal savings support	Business development services		
	Local market support	Equitable linkages to finance			
	Financial service support		Micro-/SMEs development		
		Build self-insurance			
SOCIAL INCLUSION	Community mobilisation			Enhanced rights awareness, lifeskills, decision-making	Improved decisionmaking, community participation, & governance
	Lifeskills training				
		Leadership formation			
	Awareness raising (rights, gender, protection & inclusion)				
	Networking and linkaging (incl. building partnership with local government, business sector, etc)				
	Group formation				
	RESILIENCE STRENGTHENING				



Islamic Relief Worldwide

19 Rea Street South
Birmingham
B5 6LB
United Kingdom

Tel: +44 121 605 5555
Fax: +44 121 622 5003

irw@irworldwide.org
www.islamic-relief.org

Registered Charity No. 328158
Registered Company No. 02365572