Consolidated report on Supporting an Inclusive and Multi-Sectoral Response to COVID-19 and Addressing its Health and Socio-Economic Impact

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# Executive Summary

The Islamic Republic of Iran was one of the countries most hardly hit by the outbreak of COVID-19 pandemic in the region. Iran’s response to the socio-economic effects of the pandemic was centred around public cash transfers and soft loans. According to public records, the Government’s relief and recovery package amounted to approximately 20% of the Government’s budget in 2020. While the country’s was engaged in a full-fledged health system response, the United Nations Development Programme joined forces with government counterparts to mobilize resources to address the socio-economic impacts of the COVID-19 pandemic in three (3) of the most affected provinces. A rapid response intervention was designed to cover more than 100 villages where home-based businesses and Micro, Small and Medium Enterprises (MSMEs) with a primary focus on Women head households. Soft conditionalities and circular economy were part of the response.

The report at hand provides an overview of how Rapid Socio-Economic Response (RASER) designed for reviving and generating economic opportunities in addition to offering social protection packages. RASER which was designed and implemented in the peak of the pandemic over an 18-month period stands out because of its innovate approach in linking job generation and social protection schemes. It resulted in reviving and creating nearly 5,000 jobs while protecting around 5,000 households through the initiative’s social protection schemes providing an effective model for replication and scaling up.

As an integrated response, RASER has the capacity to be scaled and replicated in other areas of Iran where the local population are affected by complex socio-economic hardships and are trying to bounce back after the pandemic.

# Introduction

## 2-1- Context

The Islamic Republic of Iran is a middle-income country with nearly 84 million population, 75% of whom reside in urban areas. The country is heavily reliant on its oil and gas industry.

According to the official statistics[[1]](#footnote-2), as of 2018, more than 15% of the country’s GDP rests on its oil revenue (compared to a world average of 3%).

The country’s demographic profile is characterized by a rather young population with a median age of around 32. More than 70% of Iran’s population is in the employable age and more than 40% of the population of employable age are economically active. The country’s youth are well educated. Over the past decade, Iran’s unemployment rate has been over 10%[[2]](#footnote-3). Unemployment is especially higher among young people and women. According to the macroeconomic official statistics[[3]](#footnote-4), Iran’s economy has been experiencing a combination of recession, slow growth, unemployment, and inflation (stagflation), which has aggravated the complexities of meeting employment demands of its working-age citizens.

Since December 2006, Iran has faced unilateral economic sanctions imposed by the United States. In the past 16 years, these sanctions have taken a heavy toll on Iran's economy and people.

## 2-2- COVID-19 in Iran

The impact of the COVID-19 pandemic on the global economy and social fabric has been unprecedented.

Iran has been one of the countries most impacted by the pandemic in the Middle East and North Africa; and the crisis has compounded already existing adverse unilateral sanctions and other structural challenges.

Approximately 26.5 million[[4]](#footnote-5) individuals in Iran, below or just above the multi-dimensional poverty line, have been significantly impacted by the crisis. Service sector businesses along with unskilled, low-skilled, and semi-skilled workers suffer the most – especially those not covered by social security. The pandemic intensified household vulnerabilities in multiple dimensions, mainly by eroding the safe jobs and disposable incomes of large segments of the Iranian population, and concomitantly adding pressure on existing social services (including public health and social protection services) along with additional complications caused by the health-economy-human security nexus.

MOST AFFECTED GROUPS IN THE I.R. IRAN

Based on the analysis, population groups most

impacted by the COVID-19 pandemic include:

1. Approximately 26.5\* million individuals below or

just above the multi-dimensional poverty line\*

2. More than 20 million people living in rural areas

3. More than 12 million employees in the service

sector

4. Approximately 3 million women-headed

households

5. 3.7 million children – including 3 million children at

the age of vaccination and 600,000 school-age

children in deprived areas\*\*

6. Over 3 million refugees and migrants

7. More than 8 million people over 60 years of age

8. More than 4 million SMEs’ employees

9. More than 1 million people with severe

disabilities

Some of the demographic groups described above overlap

(i.e. an individual or household might fall into more than one

of the above categories). but the above helps define the key

demographic and socio-economic descriptors of some of the

most vulnerable populations to the COVID-19 pandemic.

\*Ministry of Cooperative, Labour and Social Welfare

\*\* Other at-risk children and adolescent populations include: children living with

disabilities, without caregivers and in foster care, those in juvenile centres (JCRC),

refugee children, including children working in the streets, infants of mothers in

prisons. \*\*

Shortly after the onset of the pandemic in the country in March 2020, the Government undertook rapid measures to reduce immediate negative impact on households and businesses – these measures included spending on social security, social assistance, health services, and business support. The Government’s relief and recovery package amounted to about 20% of Iran’s Government Budget [[5]](#footnote-6).

Given Iran’s middle-income country status, the focus of the United Nations’ role in the country has been on supporting the development the Government’s institutional capacities to respond to its concurrent needs in an integrated and sustainable manner. The UN’s cooperation modality with the Government is rooted in providing technical support and expertise, in addition to supporting knowledge transfer to facilitate piloting and mainstreaming international best practices, particularly with respect to South-South Cooperation. With regard to the pandemic, the UN has been cooperating with the Government by offering tailored solutions and best practices in recovery efforts, as well as programmatic assistance focused on combined employment generation and social protection.

When the pandemic was officially announced in Iran, the UN Country Team promptly developed the Socio-Economic Response Plan (SERP) to complement the Government’s efforts to assist the most-affected populations through an integrated response.

Building on SERP, the United Nations Development Programme (UNDP) devised its innovative ‘rapid response’ initiative called Rapid Socio-Economic Response (RASER) to help the worst-affected businesses and people through innovative and interlinked job revival/generation and social protection schemes with an aim to ‘build forward better’.

The initiative builds on a rapid socio-economic analysis already undertaken in Iran. It adopts a 'proof of concept' approach, by combining technical advisory support with field testing.

## 2-3- RASER’s Rationale

* The COVID-19 pandemic further exposed Iran’s economic vulnerability to internal and external shocks. The pandemic has affected all sectors[[6]](#footnote-7) of the economy; but, from a socio-economic point of view, the most adversely impacted are vulnerable households such as women-headed ones, as well as Micro, Small, and Medium Enterprises (MSMEs) which are the primary source of income for many people living under, or at risk of falling back under the poverty line. Therefore, there is a need to reinvigorate (‘build forward better’) their capacity to withstand such shocks and maintain (or enhance) income-generating opportunities for the poor and marginalized communities.
* During the relief stage, Iran suffered from acute shortage of medical supplies, including Personal Protective Equipment (PPE). This short supply not only led to increased prices in the market, but also put serious constraints on the national capacity to contain the spread of the virus. Many MSMEs had the capacity to rapidly start producing PPE with adequate training and equipment.
* Given the impact of the pandemic on the labour market and employment opportunities, and notwithstanding the efforts to reactivate the economy, individual and household vulnerabilities increased many-fold. Supply-side measures (to retool businesses) do work, but they will take time. On the other hand, although the Government provides social transfers through subsidies and grants to help households meet basic needs, the sheer scope and nature of the pandemic required innovative instruments of social protection. The cause-and-effect relationship of the pandemic generated demands different than those which form the premise of the current cash transfers schemes in the country. For instance, while low-income households were most affected, COVID-19 also exposed non-vulnerable households who suddenly lost their source of income because of the restrictive measures to contain the pandemic. These households, therefore, required an alternative source of income. In parallel, there was a need for an innovative social protection model to create appropriate incentives for households to observe health mandates to break the transmission chain. Conditional cash and in-kind transfers were employed to this end.

## 2-4- Objectives

The initiative, therefore, sought to address all the above three facets in an integrated, mutually-reinforcing, manner. It helps promote the development of MSMEs, through interventions in both supply and demand aspects. The initiative contained elements of “social enterprise development” as it not only promotes businesses and livelihoods, but also helps produce critical health supplies such as PPE, which will in turn help break the disease transmission chain, thereby supporting the health system. Similarly, the initiative catalyses effective emergency cash and in-kind transfers measures, provides immediate income relief to vulnerable and severely impacted households and offers quick technical support and seed funding to design and roll-out COVID-19-sensitive social protection and livelihood instruments.

Two main objectives were envisaged for this sub-national initiative:

1. Providing alternative income-generating opportunities for vulnerable populations, including women-headed households, rural populations, and people living with disabilities, catalysed through the adoption of innovative supply and demand-side measures [piloting of innovative **promotive** measures]
2. Piloting a better-targeted social protection schemes to enhance the resilience of vulnerable households, including women-headed households, against the combined impacts of the COVID-19 pandemic and similar future shocks [piloting of innovative **protective** measures]

3> adapt programmes to the Covid19 context, focusing on home based approaches, leveraging digitalization and circular economy.

# Approach

Since RASER was formulated to meaningfully contribute to addressing socio-economic impacts of the pandemic on vulnerable populations, and considering its brief of being scalable, the approach could not be anything but participatory. By applying the basics of the ‘*Community-Based Development*’ (CBD) approach RASER not only actively advocated for communities’ participation in decision-making and management of projects, but also was conducive to establishing/strengthening missing or feeble coordination links at the local level. All along, green practices were promoted were possible.

# Target groups

The target population of the initiative can be divided into two main groups:

1. Vulnerable rural households (mainly women-headed);
2. Vulnerable home-based businesses and MSMEs, rural micro-credit funds and those affected by COVID-19.

|  |  |  |  |
| --- | --- | --- | --- |
| **Province** | **Counties** | **# of beneficiaries receiving job protection/generation support** | **# of beneficiaries included in social protection schemes** |
| Lorestan | Borujerd, Aligudarz, Azna and Delfan | 1400 | 1450 |
| Hormozgan | Bandarabas and Rudan | 1200 | 1000 |
| Tehran | Malard, Pishvan and Varamin | 2800 | 1400 |
| **Total** | | **5400** | **3850** |

For the sake of transparency and to harmonize the selection process, official statistics published by the authorities were used to select province that were severely affected by the pandemic. The Tehran, Lorestan and Hormozgan provinces were selected following a joint vulnerability assessment exercise carried out using the Weighted Criteria Matrix with the help of Government officials.

# Methodology

The entry point of the initiative to mitigate the negative impacts of the pandemic on the vulnerable populations by offering of an integrated socio-economic assistance that relieson various modalities to home-based businesses and MSMEs affected by COVID-19.

In keeping with the initiative’s CBD approach and to ensure sustainability, selected businesses were mentored on SME skills– they were helped to identify local comparative advantages on which they could base their income generation activities. They were subsequently trained on the value chain and guided on how best to access competitively priced raw materials and ingredients in local markets. In doing so, local businesses were diversified and incentivized to produce value-added products. Value-added products are raw agricultural products that have been modified or enhanced to have a higher market value and a longer shelf life. By tapping into resources of local women-run cooperatives and [re]establishing linkages between these home-based businesses, MSMEs and the markets, beneficiaries acquired first-hand experience of the interconnections among local businesses and of how having a lively and functional value chain could lead to more sustainable employment in the region.

Simultaneously, to ensure the vulnerable households resilience, a customized social protection scheme was put in place. Various methods such as conditional cash transfers and in-kind assistance were provided to families. Soft conditionalities were put in place to reinforce cross-cutting issues such as sustainable use of natural resources and environment concerns and uninterrupted access to education for children.

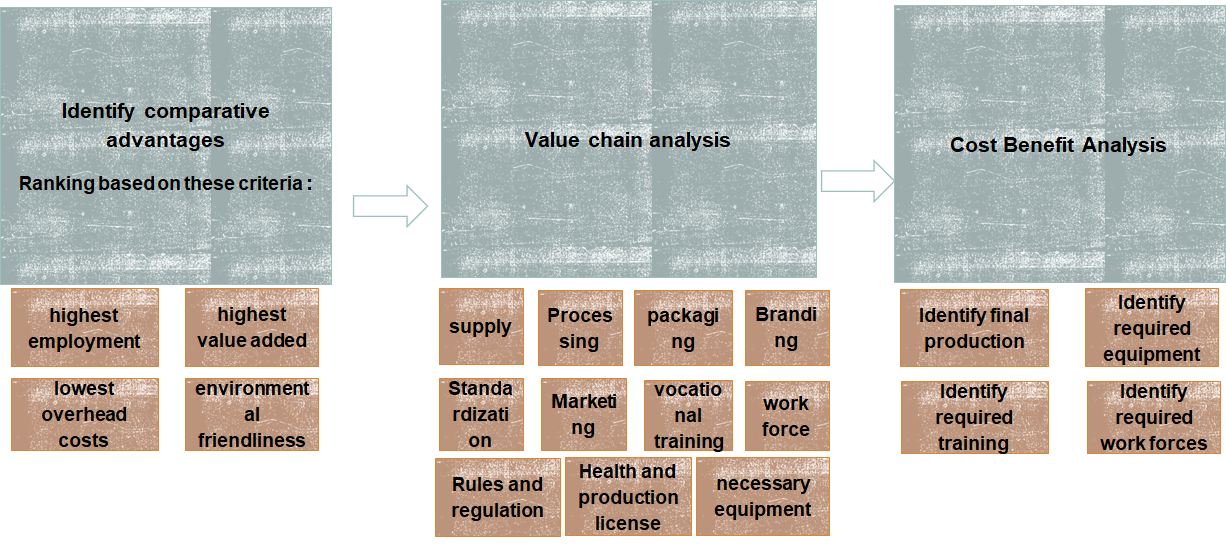
With an environment friendly approach, RASER tried to reduce distribution and consumption of single-use plastic bags in the jobs in supported. For instance, to boost such green practices, cotton tote bags were sewed by one tailoring workshop and distributed in a bakery in a nearby village. Cotton tote bags not only promoted more sustainable shopping practices but also established a working relationship between home-based businesses and MSMEs in one given region.

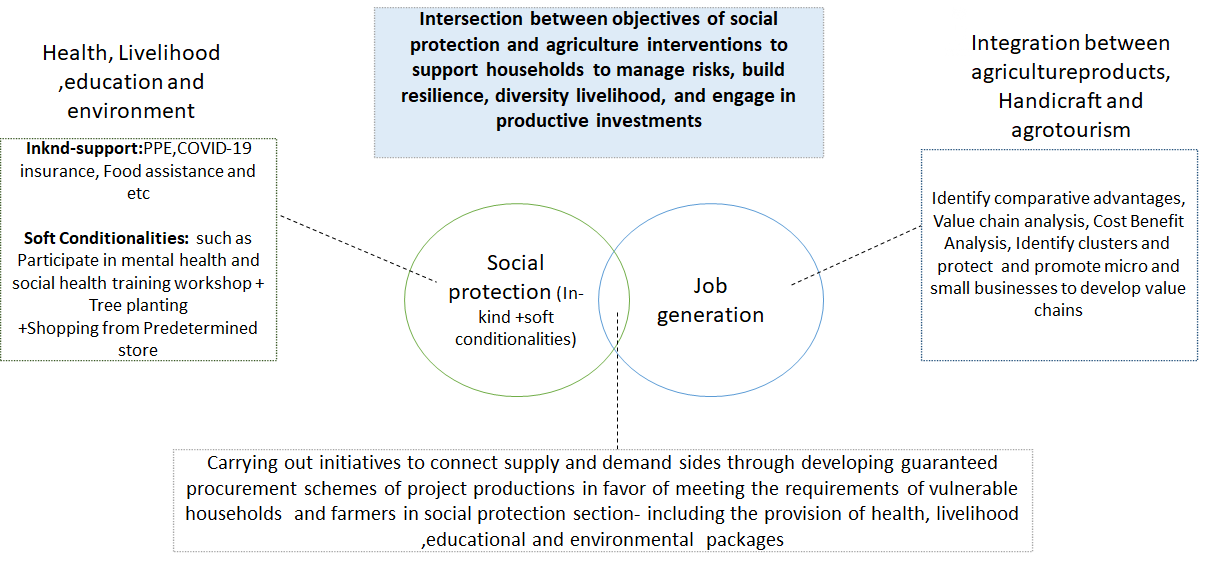
RASER drew on the capacities of various government institutions in its pilot sites promoting multistakeholder coordination. Beside establishing trust and increasing buy-in and ownership, this multistakeholder engagement

was envisaged to contribute to the sustainability of the initiative, especially in terms of integrated development practices.

The implementing partners in this project were Vice Presidency for Women and Family Affairs (VPWFA), Ministry of Jihad Agriculture (MoAJ) and Ministry of Cooperatives, Labour and Social Welfare (MCLSW). VPWFA and MoJA were the government partners in the Lorestan and Hormozgan provinces and MCLSW had the same role in the Tehran province. The provincial offices were directly involved with the project - they supported local service providers and were able to take this opportunity to become familiar with project approaches. The project could link cooperatives and the private sector, with the result that they were able to build capacity, improve their businesses and get better results. Linking the project to local communities provided sustainability and built resilience. Investing in local authorities and capacity building have prepared them to play a prominent role in the future.

|  |
| --- |
| ***Identifying the capacities, advantages and potential of districts in line with participatory planning at micro-level***  **Required product characteristics:**   * Comparative and relative local advantages – to overcome market constraints * Local identity and values (culture, way of life, knowledge, etc.) * Materials from the region, area or locality – to decrease production costs * Social usefulness without causing damage or loss * Environment-friendliness * Community identity   **Examples of product categories:**   * Food items (raw, preserved or processed, including beverages) * Herbal products (non-medicinal, or raw material for medicines) * Artisan flooring - carpets and rugs * Textiles - fabric and clothing * Wooden handicrafts - As decor, gifts, souvenirs |

Summary of the entire process and criteria:



# Risks and Mitigation Measures

* **Risk:** The UNDP provides short-term support (due to the tight timeframe of this project) but the affected businesses require long-term support.

**Mitigation Measure:** Designing an exit strategy is vital, as it provides a mechanism for continuing the project process without UNDP’s direct intervention. Within the framework of RASER, local contractors (cooperatives) and Government authorities collaborated to produce results and monitor the process. UNDP could also start another project funded by Japan to continue this process and thus mitigate the risk.

* **Risk:** Health problems due to the COVID-19 pandemic

**Mitigation Measure:** Building the capacity of the rural people to use digital tools to get connected (to participate in training sessions, communicating with service providers, etc.) and raising their awareness about protection protocols (wearing masks and physical distancing in workshops)

* **Risk:** Low quality of products in target areas and impracticality of connecting them to digital markets

**Mitigation Measures:** Establishing marketing and standards committees in areas where national stakeholders are present with an aim to guide the producers to meet the requirements of the digital markets. Supporting businesses to package their products based on market needs and using local handicrafts to increase value addition.

# Key Activities and Results

## Component 1: Job revival/generation

The support was broken down into four main categories - Supply, Production, Marketing and Logistics and Procurements. The illustration shows the breakdown and sub-categories, while indicating main areas of intervention in each phase. Through its local service providers, UNDP supported businesses with all the activities listed below.

Input Supply

Logistics and Procurements

Marketing

Production and Sale

Report

**Value Chain chain**

**Activities**

* Provision of equipment and material
* Production
* Processing
* Packaging
* Local branding
* Brand registration
* Product standardization
* Obtaining mandatory health licenses for products
* Connection to digital markets
* Networking of products based on pre-designed product clusters
* Vocational training

What is a comparative advantage and how was it identified?

A comparative advantage is an economic ability relative to producing a particular item or service at a lower cost than other trading partners.

To identify comparative advantage(s) in areas of intervention, a matrix of various indicators was used. Maximum possibility of value-addition along with high job generation potential at the lowest possible overhead cost were among the most important indicators. Subsequently, the value chain associated with the comparative advantages was analysed. Finally, based on the said analysis, a roadmap was developed highlighting a range of marketable products that could be produced in each area of intervention.

Clustering products: An innovative approach to maximize economic gain and sustainability

In line with the integrated approach of the intervention, the products were grouped thematically to form clusters. Value chains were identified in a way that would make end products both sustainable and appealing to potential consumers. For example, enterprises producing processed food items were linked with handicraft production units as a mutually-enhancing method to ensure better marketability and higher returns on investment for each enterprise. For instance, cotton tote bags were tailored in sewing workshops and linked with a bakery in another location for the bakery to promote green practices.

Territorial Branding & Market Segmentation:

To build on the existing and potential synergies towards sustainable development, territorial branding was explored. Comparative advantage clusters of products in each location were locally branded. The branding exercise, done jointly with UNDP, ensured application of local motifs to better represent the region. In economic terminology, a monopolistic competitive market was created. This resulted in market segmentation, allowing businesses to market their products without having to go up against larger competitors.

Additionally, all project beneficiaries receive hands-on support in packaging and marketing. For packaging, efforts were made to connect the dots between clusters. Through marketing support, project beneficiaries were guided to a non-monopolistic and non-competitive market in which businesses don’t need to pit themselves against major competitors. Various marketing techniques, including use of visuals, digital marketing, and social media platforms, were used.

Product standardization:

Goods produced by local enterprises need to undergo certain quality assurance procedures before they can be marketed and sold beyond those communities. To do so, UNDP supported the establishment of a ‘standardization committee’ that was tasked mainly to develop a series of standards for goods produced by home-based businesses and MSMEs supported by RASER. The committee comprised local community representatives, relevant organization focal persons and a standardization expert in the field. As a result, the quality of the products reached the threshold necessary to enter larger markets. This practice is also crucial to obtaining relevant health permits and licences.

Supporting businesses to obtain production health licenses:

It is mandatory for all food product enterprises to obtain health licenses before the goods can be marketed. This is a rather complicated and lengthy process in Iran, especially for home-based businesses and MSMEs. Nonetheless, as stated earlier, UNDP made efforts to support businesses in obtaining these permits. The support included, but was not limited to, negotiations with relevant government organizations to facilitate the procedures. Likewise, all enterprises were mentored and supported on actionable steps to improve product quality. As a result, MSMEs were able to obtain the necessary licenses.

Vocational training:

In line with value chain analyses, individuals, entrepreneurs and MSMEs received vocational training in various fields, including production, processing, packaging, and marketing of products. More than 300 sessions were offered in total.

In-kind support:

Based on previous value-chain analyses and the comprehensive vulnerability assessment, home-based businesses and MSMEs supported by RASER received equipment necessary to revive their businesses and improve productively and/or quality of their products.

Digital marketing and sale

Based on the findings of the market analysis, home-based businesses and MSMEs received technical support to be able to sell their viable products on digital platforms. In doing so, UNDP tries to a) bridge the digital divide and b) make these ethically sourced produced available to a larger customership. C) improve revenue and reduce reliance on intermediaries

**Results:**

RASER, as most response and recovery programmes, was implemented during almost 18 months (June 2020 to Dec 2021). Throughout the intervention, 5,400 people affected by the pandemic received in-kind support such as essential tools and equipment, along with over 300 training sessions on business improvement, branding and marketing.

Tables 1 and 2 demonstrate the results, broken down by province, comparative advantage cluster and products.

**Varieties of products:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Province** | **Comparative advantages** | **Clusters** | **products** |
| **Lorestan** | Apples, pumpkins, and grapes | Food processing | Dried fruits, jams, fruit leather, pickles, fruit pastes, pastry |
| Cosmetics | Soap, lotions, fruit peel oil |
| Handicrafts | Wooden handicrafts, pumpkin handicrafts, and candles |
| Tourism | Eco- and agro- and orchard tourism in addition to virtual tourism |
| Garments | Masks, hospital gowns, scarves, and other clothing items.  Eco-friendly packaging including tote bags  Branding: Stitching enterprise logos on eco-friendly packaging |
| **Hormozgan** | Dates, Lemons | Food processing | Juice, flavoured chocolates, herbal drinks and coffee, jams, and fruit leathers |
| Cosmetics | Soap, lotions, lemon peel oil |
| Handicrafts | Handicrafts made with palm leaves, candles |
| Tourism | Eco- and agro- and orchard tourism in addition to virtual tourism |
| Garments | Masks, hospital gowns, scarves, and other clothing items.  Eco-friendly packaging including tote bags  Branding: Stitching enterprise logos on eco-friendly packaging |
| **Tehran** | Handicrafts, Garment production | Food processing | Dried fruits, processed vegetables, and herbs |
| Handicrafts | Carpet weaving, jewellery |
| Garments | Sewing clothes, scarves, and fabric/woven dolls |
| Others | 3D printed products, packaging items such as shopping bags and gift boxes |

**Provincial results on supporting jobs:**

| **Indicator** | **Lorestan** | **Hormozgan** | **Tehran** |
| --- | --- | --- | --- |
| Number of households which benefitted from training and job stabilization | 217 established  60 stabilized | 120 established  87 jobs stabilized | 472 MSMEs  785 women headed households |
| Number of households whose income was increased | 292 | 207 | 765 |
| Number of household jobs and SMEs jobs with improved marketing strategies | 33 | 39 | 26 |
| Number of beneficiaries (overall) | 1,400 | 1,200 | 2,800 |
| Business supported/ established by the project | * Sewing workshops * Producing traditional pastry * Packaging beans * Processing medicinal plants, vegetables, and summer herbs * Producing traditional cosmetic cleanser and exfoliator (Sefid-ab) * Cutting noodles * Producing verjuice * Almond-cracker workshop | * Sewing workshops * Fruit drying * Pickle making * Processing vegetables * Processing dates * Soap making | * Dry fruit network * Sewing network * 3D printer network * Carpet network * Jewellery network * Doll-making network * Vegetable-processing network |

## Component 2: Social protection

Assisting vulnerable households:

In the participatory needs assessment phase, a set of combined indicators were agreed upon with RASER’s local partners. The indicators were then used in a transparent vulnerability assessment exercise as a result of which 8,850 households were identified. The criteria included a range of variables ranging from the size and income of households, utility costs, elderly family members or people living with disability (requiring additional care which would in turn make the household more vulnerable to economic shocks) and the number of unemployed adults in the household. Priority was always given to women-headed households.

These families received a combination of cash- and in-kind assistance, both provided to them based a set of soft conditionalities. The said conditions included:

a) participation in 8 hours of training on COVID-19 protection and treatment (risk reduction thru behavioural change has been identified as a best practices in previous outbreaks; and

b) mandatory participation in the process of waste management and reducing material and carbon footprint including a plan for planting trees under “one household, one tree”;

To assist vulnerable households in following public health mandates to help break the transmission chain of COVID-19, Personal Protective Equipment packages including surgical face masks, sanitizers, soaps, and thermometers were distributed among families. All packages included a brochure explaining World Health Organization protocols translated into the local language.

In collaboration with the Ministry of Health and Medical Education, some households received free [PCR] COVID-19 tests to help break the cycle of transmission in areas where households could not afford the test.

Main breadwinners in vulnerable households who were mainly employed in manual or service sector jobs had to continue with their income generation activities when public health mandates asked businesses to temporarily close. As most of these households relied on daily wages, many of these breadwinners were further exposed to the virus. To support vulnerable families from additional costs incurred by a family member’s illness and death caused by COVID-19, the Government of Iran introduced a COVID-19 Health Insurance Scheme. As part of RASER’s social protection component, four members in each vulnerable family were covered by the insurance scheme for a total of six months.

Additionally, to help households procure essential food items, a conditional cash transfers system was devised in the form of magnetic cards which could be used to purchase goods from specific local stores.

Why conditional transfers

RASER sought to offer integrated support to vulnerable families whose livelihoods were affected by the pandemic. Assistance was provided across various fields including health, education, income generation and the environment.

To establish a working link between supply and demand sides within local economies, the assistance was provided under specific conditions. For instance, by providing conditional cash transfers to purchase food items from designated local stores, flow of cash within the community itself was guaranteed. These were local stores committed to selling locally produced goods. In return for re-routing consumers to their business, they were encouraged to hire an unemployed member or a member living with disability from vulnerable households receiving assistance within the framework of RASER. As such, both consumers and retailers received protection against further financial vulnerability.

Conditions set forth for both cash and in-kind assistance were informal and/or indirect conditions that are also known as ‘soft conditionalities’. RASER used the following to ensure improved socio-economic resilience in vulnerable communities:

* Physical and Psychosocial heath training:

RASER’s most important soft conditionality falls under the category of prevention, treatment, and rehabilitation. All heads of households who were entitled to receive the support were required to participate in trainings and pass each module.

The training was offered in the form of participatory workshops to enhance effectiveness. Facilitators were selected from among community members prior to the start of the initiative. Each facilitator received eight hours of training and was then assigned to reach out to the community and pass on the physical and psychosocial support training to a set of households.

Since training beneficiaries were divided into various thematic groups, and training sessions were customized to their specific day-to-day needs during the pandemic. These groups included

a) women-headed households;

b) households with an unemployed member;

c) households with pregnant women and young children; and

d) households with elderly members and people livening with physical and/or mental disabilities. The content of these interactive workshops included brief lectures accompanied by visuals.

* To promote environmental sustainability and indirectly contribute to conservation of the environment in project sites, planting trees, under “ one household, one tree” initiative, was another innovative soft conditionality for the support packages. Trees were selected based on the climate in each geographic area and beneficiary households were asked to plant one or two saplings. Each sapling was tagged with the household’s name to further contribute to a sense of ownership and belonging. Throughout tree planting sessions, community members were sensitized to issues around conservation of environment.
* School-age children in many countries fell behind on their education because of the COVID-19 pandemic. Lack of access to online schooling further barred children from enjoying uninterrupted access to learning opportunities. A total of 1538 children received tablet computers to be able to access online public education courses and carry on with their assignments and tests. These devices were handed over to schools and their ownership was only passed on to the household when the school year was over, and the child had successfully completed all the final exams.

**Results:**

Under the social protection scheme vulnerable households received a menu of services that contributed to their overall well-being by facilitating positive coping strategies and resilience.

In total, about 3,850 vulnerable households (1,450 in Lorestan, 1,000 in Hormozgan and 1,400 in Tehran province) were included in RASER’s integrated social protection scheme through soft conditionalities that were devised to promote precautionary measures to confront the pandemic and address some environmental concerns in the project site.

The link between job generation and social protection was established and strengthened through linking home-based business and MSMEs with local consumers and markets. Sewing workshops were for instance paired with other enterprises supported by RASER in addition to medical facilities.

Through community sensitization initiatives and distribution of PPE packages, the awareness of local communities about practical ways to break the chain of transmission while generating an income was improved.

A total of 4,000 vulnerable individuals from 1,000 vulnerable households benefited from COVID-19 Health Insurance.

Around 850 COVID-19 diagnostic tests were administered free of charge and food security of households was ensured through provision of customized purchase cards.

While the country was dealing with a shortage of surgical face masks, local sewing workshops were revived/activated and subsequently linked to local medical facilities and retailers. More than 8,000 PPE packages were distributed among over 5000 vulnerable households. The distribution was coupled with online/in-person training provided by local facilitators.

**PPE distribution details**

|  |  |  |  |
| --- | --- | --- | --- |
| **Province** | **Number of beneficiaries** | **Distribution sessions** | **Total number of PPEs distributed** |
| Lorestan | 1,500 | 2 | 3,000 |
| Hormozgan | 1,500 | 2 | 3,000 |
| Tehran | 2,000 | 1 | 2,000 |
| **Total** | **5,000** | **-** | **8,000** |

# Monitoring and Evaluation (M&E)

The implementation phase of the project coincided with government mandates for restricted mobility to contain the pandemic. Since UNDP does not have field presence, all monitoring activities had to be re-configured to be compatible with COVID-related restrictions. While M&E practices could be viewed as the Achilles’ heel of the initiative, it nevertheless provided valuable experience of how UNDP improves its agility and relevance in terms of oversight in remote areas where access is not always guaranteed due to a variety of reasons. Some of the practices devised to monitor RASER can be replicated in various other projects post-pandemic.

In general, UNDP resorted to innovate systematic solutions to ensure accountability and have a real-time overview of how the initiative was unfolding in the field. Digital platforms and video calls were regularly used. Given below is an overview of monitoring activities undertaken during implementation:

* **Daily follow-up:** The project coordinator touched base with service providersevery day to monitor the activities in detail.
* **Weekly progress reports**: These provided an overview of activities and results during the week, in addition to challenges and concerns.
* **Monthly Technical Committee Meetings:** As project steering committee members, the UNDP project team, government implementing partners and service providers’ teams formed Technical Committees in each county. In the monthly meetings, activities and results were presented while challenges were discussed openly.
* **Virtual visits**: Multiple virtual field visits were conducted by the UNDP team to monitor the implementation process in target areas located in COVID-19 red zones.
* **Field visit:** Despite restrictions caused by COVID-19 travel bans, the project team was able to arrange one field visit in Tehran province. UNDP’s Deputy Resident Representative accompanied the mission on the field visit.

# Supplementary initiatives in response to COVID-19

In addition to RASRER, other supplementary initiatives were launched in response to COVID-19.

**Health Systems Strengthening**

***Activity 1.1.***Preparation of enhanced Contingency Plans for the safe management of solid waste for Tehran and other pilot areas- in response to the COVID-19 outbreak and the risk of future pandemics.

***Activity 1.2.***Streamlining new technical guidance and improved practices in Tehran municipality’s regulatory framework; planning and budgeting processes; and financial instruments.[[7]](#footnote-8)

A comprehensive contingency plan was drafted for Tehran City in line with WHO instructions and guidelines while taking into account the best international practices of waste management during the COVID-19 pandemic. The said best practiced were subsequently tailored to the context of Iran and the specificities Tehran municipality. The comprehensive plan contains various sections including regulatory frameworks, planning and budgeting processes, financial instruments, human resources, infrastructure, while considering the importance of other waste-related variables impacting the environment and human health. The comprehensive plan also provided instructions and recommendations, particularly for developing countries with similar contexts. It also expands the viable options, existing protocols and best practices for COVID-19 could be practically adapted at both emergency and recovery stages.

***Activity 1.3.***Public awareness raising campaigns on safe COVID-19 and other health related waste management practices – including waste sorting - at MSME and household levels

The above activity is focused on outreach and training for three different target groups including (a) women and housewives; (b) students and youth; and (c) institutional and commercial employees as described below:

**Activity 1.3.1.** The following activities were conducted to raise awareness of women, including housewives: (1) Designing and holding of 5 training webinars (two hours each) with total of 300 participants. 615,000 copies of the project brochures were prepared and distributed in supermarkets across Tehran. The brochure includes QR codes to be more environmentally friendly and people could also scan and access the document digitally. (2) Preparing and producing a training package (a two-minute radio programme) broadcasted from a popular radio channel (Radio Javan) between 08:00 and 09:00 with an estimated audience of 500,000.

**Activity 1.3.2.** The following activities were conducted to raise students’ and youth’s awareness: (1) Designing and holding of 10 two-hour webinars (five for high school and five for elementary school students) in Tehran. A total of 60 individuals participated in each webinar. (2) Two animation clips, 90 seconds each, were prepared.

**Activity 1.3.3.** The following activities were conducted in order to raise institutional and commercial employees' awareness: (1) Designing and holding of 5 training webinars (two hours each) for institutional and commercial employees in Tehran. A total of 60 individuals participated in each webinar. (2) A brochure was also prepared and advertised from minimum 300 screens at different lines of metro for one month. About 3,000,000 passengers used metro as public transportation daily in Tehran.

***Activity 1.4.***Vocational training for health-care workers, municipality personnel; contractors and MSMEs on sanitary waste-handling (to minimize risk of COVID-19 infections/ risk of transmission) in pilot areas:

face-to face and online training delivered to train 1,750 health-care employees working in hospitals, Tehran Municipality waste management personnel working (a) in landfills and disposal sites; (b) in waste processing sections; (c) as supervisors and managers of the waste collection, processing and disposal projects; and Contractors and MSMEs working in sanitary waste handling sections.

***Activity 1.5.***Piloting of alternative, COVID-19-compatible, solid waste management tools and technologies (including new equipment) to ensure the effective adoption of safety and health standards (including appropriate disinfection protocols) throughout Tehran’s waste management chain (collection, transport, transfer and disposal)

Following an in-house feasibility study and considering innovate practices in other countries, UNDP Iran purchased and customized, 54 Reverse Vending Machine (RVM) to be used as part of the waste recycling system in Tehran. RVMs were found appropriate for systemic collection and recycling of beverage containers as well as for reducing the waste sorters, waste collectors and any other relevant personnel exposure to the risk of infections and transmission during COVID-19 or any future pandemics (233,280 beverage containers recycled daily). Globally, the RVM technology is used to improve sustainable urbanization by increasing recycling rate in urban areas.

The machines were procured having in mind the requirements of a complex urban context like that of Tehran.

In another initiatives of UNDP in response to COVID-19, procurement services of health products including personal protective equipment (PPE) has been done 460 bottles of 500ml Alcohol-based liquid hand sanitizer 13,770 Surgical Masks were procured and delivered to Ministry of Health.

The wide spread of COVID-19 has led to increased volumes of waste and associated health risks imposed by municipal waste which could potentially lead to intensifying the COVID-19 spread in metropolitan cities such as Tehran. A Contingency Plan and a new technical guidance were prepared for the safe management of solid waste. Vocational training and awareness raising campaigns were conducted among different target groups to minimize risk of COVID-19 transmission through waste management’s chain. Additionally, an alternative COVID-19-compatible technology was piloted through installation of Reverse Vending Machines (RVMs) across Tehran city to ensure effective adoption of waste management system in response to the COVID-19 outbreak. This would also minimise the risks of transmission/spread of pandemics/outbreaks in the future (233,280 beverage containers recycled daily).

Project observations show that the RVMs contributed to increase level of automation of recycling system leading to keeping reusable materials/substances out of landfills resulting in reduced landfilling and demand for energy and subsequently green house gas (GHG) emissions.

Additionally, Procurement services of health products including personal protective equipment (PPE) has been done 460 bottles of 500ml Alcohol-based liquid hand sanitizer 13,770 Surgical Masks were procured and delivered to Ministry of Health.

# Relevance to Sustainable Development Goals

RASER’s achievements and results are in line with multiple Sustainable Development Goals (SDGs) - namely, SDG 1 (No Poverty), SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth) SDG 10 (Reduced Inequality) and SDG 15 (Life on Land)). The relationship between the results and SDGs is demonstrated in the following chart.

# Lessons learned

Generally, RASER dealt with issues related to existing local capacities in terms of project implementation, financial delivery due to fluctuations in exchange rate and complexities of creating buy-in for a new integrated approach.

Finding qualified local contractors to carry out the project posed the largest challenge operationally. To compensate for delays in project implementation and balance occasional sub-standard performance, UNDP invested in regular online monitoring of the project. In this regard, RASER proved to be a human resource- intensive activity for UNDP Iran. In future interventions in less developed areas of the country, UNDP can draw on its integrator role to act as a coordination platform to mobilise resources for developing local capacities.

Fluctuations of exchange rate due to the volatility of the foreign currency exchange market in Iran is an established risk that affects project implementation and delivery. To mitigate the risk, UNDP project staff regularly monitored and optimized expenditure, especially with regard to procurement of goods and services.

A long history of charity-based interventions has resulted in many residents of under-developed area of the country being more accustomed to unconditional cash- and in-kind transfers. Therefore, occasional resistance from local community members to RASER’s novel integrated approach was expected. Peer-to-peer facilitation, knowledge-sharing and advocacy proved to be extremely useful, as opposed to the time-consuming socialization workshops, which could not be organized in any case, due to pandemic-related restrictions.

Specifically, lessons learned from RASER can be divided into three categories - namely, management, supporting businesses and social protection.

**Management**

* It is important to ensure that all stakeholders have a thorough understanding of the development model and conceptual approach from the start of the project.
* Beneficiaries should have a clear grasp of the project’s exit strategy and steps for sustainability.
* Recovery and relief interventions (rapid response) need to be combined with medium-to long-term planning and a community development approach.

**Job revival/generation**

* Capitalizing on the growth potential in Macro and Small Enterprises with low overhead costs could be further explored as a durable way to resolve development challenges in Iran’s rural communities.
* Lead home-based businesses and MSMEs toward sustainability by sensitizing them to the importance of knowing their comparative advantages. In the process, their access to inexpensive raw materials could translate to higher value for investment (benefiting the supply side) and create a demand for ethically sourced local products in the market (the demand side).
* Territorial branding and building capacity of local businesses are needed for branding and marketing their products in larger markets.
* Moving away from a silo approach in terms of supporting businesses can ensure sustainability. Historically, such support is given through either training or financing. An integration of the two can help affected businesses bounce back faster and more sustainably.
* Instead of maximizing production, efficiency needs to be maximized, especially in respect of developing functional value chains that translate into higher employment and more value addition on each product.
* Investing in developing capacities of local/community facilitators is essential for participatory planning and project progress.
* Although vocational training is crucial for entrepreneurs, access to practical business management training sessions is also essential for developing sustainable businesses.
* Marketing is the most important part of the value chain. By addressing the digitalization gap, rural markets can be linked to existing domestic and international markets.

**Social protection**

* Access to comprehensive and updated data sources on the target population disaggregated by age, sex, income level, etc. is a necessity. Negotiating with local government partners to either establish or enhance these sources is required for efficient modelling, planning and management. In the absence of such data, establishing baselines and tracking progress in the mid-to long-term could prove to be very complex.
* Creating soft conditionalities for cash- and in-kind transfers is a way of addressing multiple development issues in an indirect, informal manner. However, these conditionalities should be customized based on localized needs assessments and feasibility studies.
* Protective and promotive approaches need to be integrated. In this way, the connection between social protection schemes and job revival/generation interventions can be fortified.

# The Way Forward

The service sector and informal businesses proved to be most vulnerable to economic shocks. Women-headed enterprises in rural areas on the other hand demonstrate promise in terms of sustainable income generation that can provide employment opportunities to women as well as people living with disabilities. As such, by investing in integrated development interventions such as RASER in rural areas, employment rates, especially among women, can be increased.

Establishing soft conditionalities for development interventions/assistance can link different areas of the Human Development Index. By devising smart and informal conditionalities, issues pertaining to access to sustainable livelihoods, health services, uninterrupted quality education and life-long learning can be linked to birding the digital divide and climate action.

Now that the Islamic Republic of Iran is moving towards a knowledge-based economy, the role of UNDP as a development partner convening and providing integrate approaches that has a proven track record of investing in relevant and multi-faceted research into human development can be further explored. In collaboration with UNDP Iran’s main government counterparts. RASER+ could be the next actionable step in which learnings from the three pilot provinces can be scaled and replicated in another geographical location within the country, which is dealing with complex development issues exacerbated by the adverse impacts of unilateral economic sanctions and climate change.

RASER+ could prove to be a way to employ a circular economy approach to community development based on existing provincial development vision documents and plans. In doing so, UNDP can experiment with placing soft conditionalities on cash transfers, sustainable job generation, alternative climate-smart livelihoods and ethical marketing and branding of locally- sourced products and services.

RARER+ could link the results and achievements of RASER with available public investment opportunities to address the socio-economic challenges in particular areas of the country.

1. Statistical Center of Iran [↑](#footnote-ref-2)
2. . Iran Labour Force Survey [↑](#footnote-ref-3)
3. . <https://www.amar.org.ir/english> [↑](#footnote-ref-4)
4. https://poverty-research.ir/wp-content/uploads/2021/08/16.pdf [↑](#footnote-ref-5)
5. <https://www.reuters.com/article/us-health-coronavirus-iran-idUSKBN21F0V6> [↑](#footnote-ref-6)
6. According to the Central Bank of Iran and Ministry of Cooperative, Labour and Social Welfare : Affected businesses include: 1- restaurants and fast food production and distribution sector, 2- tourism sector, 3- public transportation of suburban passengers, 4- inter-city public transportation, 5- tour and travel agencies and pilgrimage services, 6- Production and distribution of clothes , 7- bags and shoes production and distribution, 8- nuts, confectionery, ice cream and juice retailers, 9- sports clubs and recreational complexes, 10- cultural, educational, arts and media centres, 11. handicrafts ‌production, distribution and sale, 12- private institutions licensed by the Ministry of Health and Medical Education to provide treatment and diagnosis (including laboratory and paraclinical) services 13- driving schools , hairdressers, beauty salons and swimming pools [↑](#footnote-ref-7)
7. *- Activity 1.1 and 1.2 were merged and conducted as one consolidated activity.* [↑](#footnote-ref-8)