# REQUEST FOR COUNTRY ALLOCATION OF UNDP COVID-19 2.0

# **RAPID FINANCING FACILITY**

**Clearance:**

|  |  |
| --- | --- |
| **Criteria** | **Yes/No** |
| Funding is provided to support the implementation of the UNDP Covid 2.0 offer in alignment with national priorities and needs, and in partnership with the UNCT and other partners. | Yes |
| Proposal is aligned with priorities identified in national socio-economic impact assessments and/or national Covid recovery plans. | Yes |
| Proposal is complemented by other funds | Yes |
| CO has expended at least 50 per cent of its RRF funding. | Yes |
| Gender marker ratings (GEN2 or 3) validated. | GEN2 |

**Technical Recommendation – Summary:**

|  |
| --- |
| The proposal has gone through a comprehensive GPN/Hub technical review followed by a thorough quality assurance by the senior RBAS team and endorsement by the RBAS Regional Director a.i. for submission to the Investment Group. RBAS confirms that the proposal is fully compliant with RFF selection criteria and recommends the proposal from the CO in Jordan for approval by the Investment Group.  This proposal builds on UNDP’s socioeconomic impact assessment and the following UN’s Socio-economic Framework for COVID-19 Response (SEF), aims to provide reliable, up-to-date, nationally representative data and a gender analysis of the evolving impact of COVID-19 on households, businesses and return migration. It seeks to determine how it affects trends and progress in inequality and identify policy measures to address inequalities and adapt social protection mechanisms in a gender-sensitive manner.  Implementation of this project allows the leveraging of new partnerships and entry points for policy dialogue and co-funding opportunities, including the Ministry of Planning and International Cooperation (MoPIC), Sister Agencies (UNICEF, ILO, UN Women), IFIs (World Bank and EBRD), think tanks (ERF and Jordan Economic Forum) and the private sector. |

## Substantive area of RFF REQUEST

*(Please choose the most relevant area)*

* Continued Health Crisis Support
* Governance

X Social protection

* Green economy
* Digital disruption and innovation

## Proposal details

**Country: JORDAN**

**Requestor: Sara Ferrer Olivella, Resident Representative**

**Project title (5-7 words) Gender sensitive Analysisof the Impact of COVID-19 on Households, MSMEs and Return Migration**

**Requested amount: USD 350,000**

**Gender Marker: GEN 2**

**Date of submission: 17 October 2020**

**Implementation Start Date: 1 December 2020**

**Implementation Complete Date: 30 April 2022**

1. **Situation analysis**

COVID-19, whose full impact is still unfolding, has had a significant effect on livelihoods in Jordan. The crisis exacerbates existing vulnerabilities and inequalities and overlaps with other crises -- including regional instability, significant refugee inflows, years of low economic growth, a fiscal crisis and the impact of climate change. Initial estimates suggest that the economy may contract by 3.5 per cent in 2020[[1]](#footnote-2). Unemployment has risen to 23 per cent in Q2[[2]](#footnote-3), yet as the crisis is still unfolding and the informal sector remains largely unaccounted for, available data does not show the full picture[[3]](#footnote-4). Unemployment remains particularly high for young people and women. The impact of the pandemic and lower oil prices on GCC countries is affecting remittance flows, representing 10.2% of GDP in 2019, and has led to increased return migration adding pressures on the labor market.[[4]](#footnote-5) At the same time, an already large fiscal deficit is limiting the government’s policy space. .[[5]](#footnote-6)

In April, UNDP conducted a series of rapid assessments to determine the impact of COVID-19 on households and, in partnership with ILO and FAFO Institute for Labor and Social Research, on enterprises. UN Women provided inputs into the design[[6]](#footnote-7). Findings received significant media coverage, including internationally, and informed the UN’s Socio-economic Framework for COVID-19 Response (SEF), significantly strengthening UNDP’s positioning as a key partner in the COVID-19 response and opening new partnership opportunities.

The assessments highlighted that most households were struggling to meet even basic needs during the lockdown. Those already in precarious conditions including refugees, migrants, informal sector workers and the poor have been disproportionately affected. Gender disparities, alarmingly high even prior to COVID-19, and the digital divide are intensifying. Women, due to unequal power relations and pre-existing inequalities, have been affected particularly hard: they represent the majority of those working in the education and health sector and assume caring roles for family members increasing their risk of infection. The lockdown and closure of schools have increased the burden on women while also impacting severely on children’s education. The risk of violence within the household has increased[[7]](#footnote-8).

The impact of COVID-19 and restrictions has severely impacted businesses. The ILO/FAFO/UNDP assessment highlighted that only 25 percent of businesses were profitable even prior to the crisis, with only 25 per cent having business continuity plans. Micro and small enterprises have been particularly hard hit. An SDG Impact investor survey confirmed the increased interest of investors in tech-enabled business models and the importance of digitalization.[[8]](#footnote-9)

Timely data and analysis on who is affected, where and in what way and feedback on the effectiveness of response measures are key to mitigating the impact on the most vulnerable, a core ambition of the SEF. They also help identify policy options and interventions for ‘building forward better’, inform ongoing reform processes including the IMF’s Extended Financing Facility (EFF), the 5-year reform matrix and government growth plan. The Government is also just embarking on the development of a new Economic Development Plan (EDP), an important entry point for UNDP to ensure it is anchored in the principles of ‘building forward better’ and the 2030 Agenda and that it links to the development of an Integrated National Financing Framework (INFF)[[9]](#footnote-10).

1. **Proposal overview and expected outputs**

The overall objective is to build on the momentum described above to provide reliable and updated nationally representative data and gender responsive analysis on the evolving impact of COVID-19 on households, enterprises and return migration and how this, in turn, affects inequality trends and progress towards the SDGs. The analysis will inform the evolving SEF, the EFF, above mentioned government initiatives, ongoing and future programming and resource mobilization efforts.

**Output 1: Gender-responsive analysis of the impact of COVID-19 on households and enterprises**

Output 1 focuses on capturing the impact of the pandemic as it evolves, the coping strategies used and obtaining feedback on government and other response measures – building on the first round assessments. The assessments will adopt a gender-inclusive approach to promote evidence-based targeting of vulnerable groups and will be analyzed against vulnerability disaggregated criteria, including age and gender. The project will integrate new data sources (e.g. user-generated mobile data, community-based research) utilizing predictive analytics. The assessments will complement UN Women’s time use survey (in pipeline) and other surveys.

**Activities include:**

* **Gender-sensitive second and third round rapid impact assessments focusing on the most vulnerable households**.
* **Analysis of real-time behavioral data** in partnership with the Global System for Mobile Communications Association (GSMA) and OrangeTapping into new, innovative sources of data, will improve the reliability and relevance of the data collected, allow for the analysis of additional factors relevant to households (e.g. mobility, connectivity) and enhance data triangulation.
* **Second and third round impact assessments focusing on enterprises.** Focus will be on how enterprises, particularly women owned businesses, are coping and adapting business models, the effectiveness of response measures and types of support required to ‘build forward better’. Specific emphasis will be on digitalization and green recovery practices. Findings will inform UNDP’s and other development partners’ support to businesses and the pipeline of catalytic investments planned for the SDG Joint Fund Component II proposal.

**Output 2: Analysis of impact of COVID-19 and low oil prices on return migration**

The aim of the analysis is to better understand the socio-economic impact of return migration, who is returning and why and their perceptions on re-integration and social cohesion all disaggregated by gender and age.. The analysis will focus on two main issues: skills and remittances. Findings will inform the government’s employment program, skills and other related programs of UNDP and other partners.[[10]](#footnote-11).

**Output 3: Inclusive policy dialogue in support of key findings on ‘building forward better’**

Building on the engagement with Government and the partners highlighted in section 4, policy options will include looking at the adaptation of gender-responsive social protection mechanisms (including measures specifically tailored to micro businesses and the informal sector, equal access to benefits, and empowering women and girls) and identifying policy measures to address inequalities.

Analysis will also inform policy dialogue and programmatic interventions related to business support measures with a specific focus on identifying policy measures and incentives for businesses to shift towards more resilient and SDG-aligned business models.

1. **Management Arrangements**

The project will be implemented by UNDP Jordan under the overall leadership of the Resident Representative.

**UNDP’s Senior Economic Advisor** will provide overall guidance and lead the policy dialogue. She will be supported by a multi-disciplinary policy team pooled from across the Country Office involving:

* **The Accelerator Lab** will take the lead on identifying and securing access to new data sources and advanced analytics capabilities including through a partnership with GSMA, local mobile operators and its other extensive network and partnerships. The lab will also conduct a series of community-based research to measure perceptions of inequality across different demographic segments.
* **The Livelihoods Team** will provide inputs to the design of various assessments and ensure that analysis feeds into and is followed-up by UNDP’s programming on livelihoods and inclusive growth.
* **The SDG Data Advisor** will ensure strong linkages with the Department of Statistics (DoS) and the Ministry of Planning and International Cooperation (MoPIC). This will ensure that data collection activities are coordinated with and build on the government’s own efforts to collect data and feed into our ongoing support to DoS on SDG and COVID-19 response related data.
* **UNDP Jordan’s Central Team** will provide M&E as well as any other related required support.

An analyst/ development economist will be recruited and support the implementation of the project.

External expertise will be recruited to support specific activities.

1. **Partnerships**

The initial round of assessments has opened up new partnerships and entry points for policy dialogue and

(co-) funding opportunities that this project seeks to leverage.

* Government: **MoPIC** will be a key partner in Government as it is coordinating the EDP and is the focal point for the SDG Joint Fund on SDG financing and the implementation of the INFF and the five-year matrix. **The Jordan Economic Forum** (JEF), a think-tank attached to MoPIC is keen to partner with us on analysis and developing evidence-based policy responses informing the EDP and the updating of Vision 2025. DoS will be essential for coordinating all data collection efforts.
* The assessments of the impact of COVID-19 on enterprises will build on the successful partnership for round one with **ILO,** and Norway’s **FAFO** research institute. ILO will also be a partner for the return migration study and in the policy dialogue follow-up.
* **UN Women** has been providing inputs into the design of the first round surveys to ensure a gender lens to questionnaires and sample design. The **World Bank** will be a partner in the return migration study and is a key partner for the policy dialogue.
* **ERF** in partnership UNDP Jordan is currently analyzing inequality trends based on the 2019 Human Development Report and may be interested in collaborating and potentially co-financing a survey/ rapid assessment with the **Arab Barometer.**
* **UNICEF** is a partner inSDG Impact Jordan’s ‘response lab’. The lab supports companies ‘build forward better’ and is run in collaboration with and catalyzing support from leading private sector players as well as **EBRD.**
* **Industry associations, chambers of commerce and women business associations** will be partners for policy dialogue.

1. **Complementarity with other funds available for COVID-19**

Below table outlines complementary funds of **ongoing projects and initiatives**:

|  |  |  |
| --- | --- | --- |
| **Funding source** | **Amount in USD** | **Purpose of / period covered by funding** |
| Canada | 35,000 | **SDG Impact Jordan – Investor Mapping Update** (including COVID-19 survey of investors)  July to October 2020 |
| SDG Joint Fund, UNDP component | 60,000 | **Enabling SDG Financing Ecosystem, SDG Joint Fund (Component I),** follow-up on impact investment ecosystem/policy dialogue (Output 2.3)  Q4 2020 to Q1 2022 |
| UNICEF USD 50,000  UNDP CO 50,000  in-kind contributions from EY, ISSF (see partnership section) | 100,000 | SDG Impact Jordan – response lab (co-financed by UNICEF)  Q2 to Q4 2020  (follow-up under discussion incl. financing through SDG Joint Fund Component II) |
| UNDP CO | 75,000 | First round of series of rapid impact surveys (two household level and one enterprise level). Data collection (telephone-based interviews) and analysis. Most analysis, drafting of policy papers done in-house.  Q2/Q3 2020 |
| UNDP Regional  UNDP CO (staff time) | 100,000 | Inequality research, partnership with ERF  Q2 2020 to Q1 2021 |
| UNDP CO (TRAC) | 30,000 | SDG data project (supporting DoS and MoPIC) to monitor the SDGs  2020-2021 |
| Accelerator Lab  (staff time) | 35,000 | Exploring new data sources, partnerships  ongoing |
| **Total related budget** | **435,000** |  |

Below table highlights **pipeline opportunities that project seeks to inform and help catalyze**:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Financial Partner** | **Project Title** | **Link to RFF** | **Pipeline Category** | **Tentative Budget** |
| UN Joint Fund (component 2) | SDG Accelerate | Assessments will inform pipeline for catalytic investments and TA component | B | 10,000,000 |
| Bureau of Population Refugees and Migration | Supporting entrepreneurship& self-employment among vulnerable Syrian refugees and host communities in Jordan | Assessments will inform pipeline and scope of support | B | 990,000 |
| European Union | Decentralization & Accountability at Local Level | Assessments and analysis will inform local planning | A | 5,000,000 |
| Government of Norway | Network of Local Governments to recover from COVID-19 crisis | Assessments will inform local planning | A | 1,600,000 |
| GEF 7 | Conservation of Shobak Forest (focusing on livelihoods in rural settings) | Assessments will inform project development and implementation/ targeting | B | 1,500,000 |
| **TOTAL** |  |  |  | **19,090,000** |

The budget (see below) further details co-financing by each activity.

1. **Risk Mitigation**

* **Lockdown measures and movement restrictions** hamper the conduct of the assessments and effective policy dialogue.

The project will, building on the successful first wave, use a variety of research methods. Assessments will rely on telephone interviews and mobile data (in partnership with GSMA and Orange).

Policy dialogue will, if physical convenings are not possible, be conducted via online discussions/ webinars.

* **Changes in government and shifting focus in priorities.** The current administration has become increasingly interested in and started to align policy processes to the sustainable development agenda. With the impending election and a change in government, there is a risk that this momentum is lost or that it will take to re-ignite the momentum.

The Project builds on and will work with a diverse range of partners from private sector, to private sector associations to think tanks and development partners. This will ensure the sustained engagement of a key range of partners.

* **The economic situation deteriorates significantly with severe implications on public finances. This could lead to increased discontent and affect social cohesion.**

The project will help identify policy options that can mitigate some of the adverse impacts of the current crisis as well as increasing inequality trends. By linking it to the policy dialogue on the INFF and EDP the project can also help prioritize response measures and help maximize public expenditure.

## **BUDGET / WORKPLAN**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **EXPECTED OUTPUTS** | **PLANNED ACTIVITIES**  *List all activities including M&E to be undertaken during the year towards stated CP outputs* | **TIMEFRAME** | | | | | | | | | **RESPONSIBLE PARTY** | **PLANNED BUDGET** | | | |
| 2020 | | 2021 | | | | | | | Source of  Funds | Budget Description | Amount  (in USD)  Requested from RFF | External co-financing opportunities |
| Q3 | Q4 | Q1 | | Q2 | | | Q3 | Q4 |
| **Output 1:**  **Gender-responsive analysis of the impact of COVID-19 on households and enterprises** | Gender sensitive rapid impact assessment – household levelsecond and third round (most vulnerable, gender sensitive data collection) |  |  | |  | |  |  | |  | UNDP, TUA | UNDP CO,  RFF  TUA | Staff inputs, consultancy inputs for data collection (telephone interviews) and analysis, communication | 40,000 | TUA  67,200 (co-financing) |
| Survey and analysis of inequality trends – Arab Barometer / ERF |  |  | |  | |  |  | |  | UNDP, ERF, Arab Barometer | RFF  UNDP CO, in-kind contributions from ERF and Arab Barometer | Staff inputs, consultancy inputs for data collection (telephone interviews) and analysis, communication | 60,000 | ERF contribution tbd |
| Analysis of real time/ near real time data (partnership with GSMA and Orange) |  |  | |  | |  |  | |  | UNDP, GSMA, Orange | RFF  Accelerator lab (staff inputs) | Staff and consultancy inputs | 20,000 | GSMA and Orange in-kind contributions |
| Enterprise survey – second and third round with a specific focus on women led businesses |  |  | |  | |  |  | |  | ILO, FAFO | RFF  co-financed by ILO | Staff inputs, consultancy inputs for data collection (telephone interviews) and analysis, communication | 50,000 | ILO co-financing tbd |
| **Sub-total 1** |  | | | | | | | | | | | | | **170,000** |  |
| **Output 2: Analysis of impact of COVID-19 and low oil prices on return migration** | Analysis of impact of return migration on Jordan (piloting regional initiative in Jordan) |  |  | |  | |  |  | |  |  | RFF  Co-financing by partners (regional UNDP, ILO, WB, etc.) under discussion | Staff inputs, consultancy inputs for data collection and analysis, communication | 70,000 | level of co-financing by partners still to be discussed |
| **Sub-total 2** |  |  |  | |  | |  |  | |  |  |  |  | **70,000** |  |
| **Output 3: Inclusive policy dialogue in support of key findings on ‘building forward better’** | Inclusive policy dialogue using different fora and building on different partnerships |  |  | |  | |  |  | |  |  | RFF  UNDP CO (SDG Joint Fund, inequality research, investor maps) | Staff and consultancy inputs, small workshops/ convenings | 50,000 |  |
| Support to EDP development |  |  | |  | |  |  | |  |  | RFF  UNDP CO | Staff and consultancy inputs | 30,000 |  |
| **Sub-total 3** |  | | | | | | | | | | | | | **80,000** |  |
|  | Support to programme management and communications |  |  | |  | |  |  | |  |  | RFF  UNDP CO |  | **30,000** |  |
| **TOTAL** |  | | | | | | | | | | | | | **350,000** |  |

## **RESULTS FRAMEWORK**

**Note:** The M&E framework for the UN Socioeconomic Framework for COVID-19 Response is currently being finalized. Once this process is completed proposed baselines can be updated. Sample size for various assessments are still being discussed so baselines indicated below are only preliminary.

For Output 2, the scope of the study is still being discussed so below table will need to be updated.

| **EXPECTED OUTPUTS** | **OUTPUT INDICATORS** | **BASELINE** | | **MILESTONES AND TARGETS** | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Value** | **Year** | **2020** | | **2021** | | | |
| **Q3** | **Q4** | **Q1** | **Q2** | **Q3** | **Q4** |
| **Output 1:**  **Gender-responsive analysis of the impact of COVID-19 on households and enterprises** | * 1. Number of gender sensitive socio-economic impact assessments in response to COVID-19 crisis at household and enterprise level | **TBC** | **2020** |  | **BL+2** | **BL+3** | **BL+5** | **-** | **-** |
| * 1. Number of households covered in socio-economic impact assessment (disaggregated by gender of head of household, vulnerability and geographical location) | **TBC** | **2020** |  | **BL**  **+3600** | **BL**  **+5000** | **BL**  **+5000** |  |  |
| * 1. Number of enterprises covered in socio-economic impact assessment (disaggregated by gender of business owner/ entrepreneur, size & type of business and geographical location) | **TBC** | **2020** |  | **BL + 1100** |  | **BL + 1000** |  |  |
| * 1. Number of policy briefs and discussions organized in support of assessment findings to shape policy recommendations towards mitigating the impact of the crisis on vulnerable households and businesses and addressing inequalities | **TBC** | **2020** |  |  | **BL+ TBC** | **BL+ TBC** |  |  |
| **Output 2:**  **Analysis of impact of COVID-19 and low oil prices on return migration** | * 1. Number of assessments focusing on impact of return migration on Jordanian households | **TBC** | **2020** |  |  | **BL+1** |  |  |  |
| * 1. Number of policy recommendations to assist re-integration of returning migrants | **BL: 0** | **2020** |  |  |  | **TBC** | **TBC** |  |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Output 3: Inclusive policy dialogue in support of key findings on ‘building forward better’** | |  | | --- | | 3.1 Number of response measures and EDP references informed by  series of assessments and analysis | |  |  |  | **BL+2** |  |  |  |  |
| 3.2 Number of policy briefs developed, dialogues, advocacy and engagements on inequality organized | **TBC** |  |  |  |  |  |  |  |
| |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | 1. 3.3 Policy momentum towards addressing inequalities (including on 2. gender, digital and geographical disparities) gains momentum 3. through dialogue with key stakeholders | **No** | **Yes** |  |  |  |  |  |  | | **No** |  |  |  |  | **Yes** |  |  |

1. Estimates vary. Latest World Bank estimate suggests a 3.5 per cent drop. IMF estimates a 3.7 drop. See <https://www.imf.org/en/Countries/JOR> (accessed 29 September 2020). [↑](#footnote-ref-2)
2. Department of Statistics <http://dosweb.dos.gov.jo/> (accessed 21 September 2020). [↑](#footnote-ref-3)
3. As part of its Defense orders, the government has set restrictions on companies to dismiss staff, as a result of which many dismissals are postponed and will only reflect later. The informal sector has been particularly hard hit by the lockdown but no comprehensive survey has been undertaken. [↑](#footnote-ref-4)
4. The World Bank Migration and Remittance Data. Accessed June 2020. [↑](#footnote-ref-5)
5. The fiscal deficit reached 4.7 per cent of GDP and debt to GDP ratio 99.1 per cent by end 2019. For a macro-fiscal update, please see <https://www.worldbank.org/en/country/jordan/publication/jordan-economic-monitor-june-2020>. [↑](#footnote-ref-6)
6. UNDP, May 2020 *COVID-19 Impact on Households in Jordan - A Rapid Assessment.* This assessment is based on an online survey of 12,084 respondents and took place during the lockdown. UNDP, May 2020, *COVID-19 Impact on Most Vulnerable Households in Jordan – A Rapid Assessment* uses the same questionnaire and is based on a telephone survey of 1,648 households across all governorates. The sample is from Tkiyet Um Ali (TUA)’s beneficiary database, an organization that supports families struggling to meet basic food needs with many living below the poverty line. ILO, FAFO and UNDP, June 2020, *COVID-19: Impact of the pandemic on enterprises in Jordan.* The assessment is based on a sample of 1,190 enterprises. [↑](#footnote-ref-7)
7. UN Women, April 2020, Rapid Assessment of the Impact of COVID-19 on Vulnerable Women in Jordan, (<https://jordan.unwomen.org/en/digital-library/publications/rapid-assessment-of-the-impact-of-covid19-on-vulnerable-women-in-jordan>) [↑](#footnote-ref-8)
8. The investor survey was part of the updating of the SDG investor maps, a service offer of the SDG Impact initiative. [↑](#footnote-ref-9)
9. A joint program with UNICEF and UN Women focuses on establishing the building blocks of an INFF as part of the SDG Joint Fund, providing important synergies with above efforts. [↑](#footnote-ref-10)
10. See separate concept note for details. [↑](#footnote-ref-11)