

Mitigating Socioeconomic Impacts in Low- and Middle-Income Countries (LMICs)

Update to “Opportunities for Philanthropic Response to the Coronavirus (COVID-19) Crisis”

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1. Context for this update

Critical new needs and opportunities for the philanthropic response to COVID-19 continue to emerge. Bridgespan’s [Opportunities for Philanthropic Responses to the Coronavirus \(COVID-19\) Crisis](#) memo addresses principles of giving in a crisis and high-impact opportunities for philanthropic investment in public health preparedness and response in low- and middle-income countries (LMICs), and public health response and mitigating socioeconomic consequences in the United States. This update contains additional information concerning the socioeconomic impact of COVID-19 in LMICs. It highlights needs and high-impact opportunities for philanthropic investment, as well as credible actors who might serve as partners and effective channels to deploy capital swiftly and responsibly. It does not contain a compendium of all key actors working in these areas, particularly at local levels. We have begun to compile a full list of other actors working in these areas, which we will augment with reader suggestions and can share upon request.

This is a snapshot of needs and opportunities that we have come across to date. In a rapidly changing environment, new opportunities, actors, and channels will likely emerge.

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2. Mitigating socioeconomic impacts of COVID-19 in LMICs

As the pandemic spreads in LMICs, and governments increasingly institute containment measures that disrupt routine activity—such as the national lockdowns declared in [South Africa](#) and [India](#)—the socioeconomic effects of COVID-19 are accelerating rapidly in countries with more limited infrastructure and resources to address them.

Immediate investments are needed to help governments and frontline NGOs and civil society groups mitigate the potentially devastating socioeconomic consequences of the pandemic, and to prepare for longer-term impacts. Government, at all levels, will be essential in leading and coordinating response efforts in LMICs, rapidly mobilizing and deploying public resources to address immediate and long-term consequences at scale. An effective response will also require global coordination of large-scale funding from international financial institutions and major bilateral and multilateral donor agencies. Philanthropy also has a critical role to play. In particular, it can support innovation and localized, community-led approaches to these unprecedented challenges. It can also advocate for direct government funding, and ensure the most vulnerable have access to critical supports in the near term.

As outlined in this memo, philanthropy can consider three major channels for funding in these regions:

1. Local and international NGOs already embedded within and trusted by local communities
2. Organizations with specific technical expertise to advance the response in LMICs
3. Multinational coordination and funding platforms

We have included examples of relevant actors across all three channels in the areas for support and intervention outlined below.

Background on vulnerable and high-risk populations

Vulnerable populations at particular risk and requiring specific attention in the response, as the pandemic spreads in LMICs, include:

1. **Healthcare workers:** Healthcare workers face significant and repeated exposure to infection and mental health consequences from physically and emotionally draining work. Repeated exposure, especially without proper protective personal equipment, and subsequent high viral loads can make healthcare workers particularly vulnerable to acute illness. As Partners In Health founder, Dr. Paul Farmer, [recently cautioned](#), “Always remember the caregivers. ... The caregivers need protecting, too. ... This is another caregivers’ disease like Ebola.”
2. **Women:** Women are likely to experience disproportionate impacts from COVID-19. Given that they comprise [70 percent of the global health workforce](#), women risk greater frontline exposure. There is strong evidence from past health emergencies that women’s traditional role as caregivers for sick family members also [increases their exposure](#) to infectious diseases. Furthermore, disruption to critical reproductive and maternal health services during epidemic emergencies can have [deadly consequences for women](#). During the West African Ebola outbreak, maternal mortality in the region increased by 75 percent. In Sierra Leone, there was a 47 percent increase in teen pregnancy during the same period.
3. **Displaced and refugee populations:** [Due to war, disease, and hunger](#), refugees and displaced people tend to have higher rates of underlying health issues than the overall population, making them more susceptible to epidemics. Displaced persons living in high-population density refugee camps are especially at risk (see for example, [ACAPS’ recent report](#) on the acute risks and

heightened vulnerability to COVID-19 facing the nearly one million Rohingya refugees in 24 overcrowded camps in Bangladesh). In a [recent interview](#), the director of Johns Hopkins Center for Humanitarian Health, Dr. Paul Spiegel, warned that without immediate efforts to scale up COVID-19 preparations and protections for refugees, “The harm is going to be extreme.”

4. **Migrant and informal workers:** Individuals who pursue work outside of their home areas, often moving to urban cities in their home countries or other countries, are particularly vulnerable to strict governmental responses. For example, when the lockdown in India was executed with just four hours’ notice to the public and public transit shut down, migrant workers—the majority of whom are employed in the informal sector—were forced to [walk hundreds of miles back to home villages](#). Many experienced brutal police enforcement of lockdown mandates. More broadly, those employed in the informal sector will likely lose their jobs first and will face additional barriers to accessing labor and social protections.
5. **People living in extreme poverty:** There are more than 700 million people around the world currently living in extreme poverty (which the World Bank defines as living on less than \$1.90 per day). Under these conditions, it is difficult, under the best of circumstances, for many to meet basic needs such as food, water, and shelter. Lost income, additional expenses, and instability posed by COVID-19 could be catastrophic for the extreme poor. Those living in extreme poverty [in urban slums](#) are especially at risk. The extreme poor require urgent support, and particular attention within government and NGO social protection responses to COVID-19.
6. **Other marginalized or discriminated-against populations:** These include ethnic and religious minorities and those living in remote or politically marginalized states or provinces. In the face of disasters, traditionally underserved populations, particularly those living in hard to reach or politically volatile areas, often are the last to access services and already experience routine discrimination in health care and service delivery. In some cases, they may also experience heightened discrimination during emergencies due to fear-mongering and misinformation.

Advocacy for global investment and policy supports

Governments in many high-income countries are currently overwhelmed managing their own domestic COVID-19 crises. Multilateral agencies are facing unprecedented demands for support, given the truly global nature of this pandemic. Despite these constraints, it is essential that these funders move quickly to mobilize resources and support for LMIC response and recovery efforts. As UNDP Administrator [Achim Steiner noted](#), “For vast swathes of the globe, the pandemic will leave deep, deep scars. Without support from the international community, we risk a massive reversal of gains made over the last two decades and an entire generation lost, if not in lives then in rights, opportunity, and dignity.”

Especially important will be advocacy to ensure that donor agencies and high-income country governments ramp up and sustain supports for COVID-19 responses in LMICs. This includes policy analysis by organizations like Kaiser Family Foundation, which has produced a [rapid assessment](#) on how current US government global health programs and assets could be leveraged to ramp up COVID-19 response in high-priority LMICs. Investments in advocacy organizations, such as the [ONE Campaign](#), which is mobilizing public awareness and support for the needs of LMICs, will be critical in keeping up pressure and attention.

In addition to broader advocacy regarding global funding and policy changes to support LMICs, targeted advocacy is required to ensure the needs of specific vulnerable populations in LMICs are addressed. Organizations advocating for specific vulnerable populations at both global and local levels of the response include: [Médecins Sans Frontières](#), which is, for example, [mounting an advocacy campaign](#) with the government of Greece for the immediate evacuation of the migrants and asylum seekers trapped in squalid informal camps on Lesbos. The United Nations Population Fund is calling for

governments to [prioritize addressing disrupted access to sexual and reproductive health services](#) impacting the most vulnerable women and girls. [ALIMA](#) is advocating with governments in Central and West Africa and the UN to improve freedom of movement for humanitarian staff and supplies, currently being severely affected by border closures and the halt of air transport in many countries. [WIEGO](#), a global network focused on improving conditions for workers in the informal economy, is developing information and advocacy tools, and arguing for COVID-19 policies and plans that include informal workers around the world.

National NGOs and networks within LMICs are also mobilizing advocacy campaigns to guide their governments' national COVID-19 responses. For example, [Section 27](#) in South Africa is using its legal hotline to record reports of rights violations during the lockdown, and advocating with the country's private sector healthcare leaders for investments to protect South Africa's most vulnerable groups. [SEWA](#) in India is advocating with the government on behalf of self-employed women for expanded social support and policy protections for informal workers.

Basic needs: Food, cash, and essential goods

The acute strain created by quarantine, social distancing, and business closures requires immediate support to vulnerable populations to help them meet basic needs in the midst of intense disruptions to daily life. Governments in many middle-income countries are working to develop short-term support measures. For example, India announced a [\\$23 billion aid package](#), with a focus on helping to feed 800 million of its poorest citizens through distribution of wheat, rice, and pulses, and a one-time cash transfer to 30 million senior citizens and 200 million poor women for the next three months.

But many lower-income and least developed countries may not have the domestic resources to rapidly launch these kinds of supports. While bilateral and multilateral support is mobilized, philanthropy can help to support frontline efforts today to ensure vulnerable households have access to food and other essential goods.

1. Support to government social safety net programs and direct provision of goods to communities: In many LMICs, governments are working to activate emergency provision of essential goods, such as food and cooking fuel. To complement these efforts, international and national NGOs are mobilizing rapid frontline provision of food and essential hygiene and sanitation goods like soap and sanitary towels for women. For example, in India, [Goonj's Rahat COVID-19](#) program is delivering family kits of essential dry goods and personal care materials and [Jan Sahas](#) is providing health and hygiene materials and emergency food support to migrant workers and vulnerable communities. Other organizations, like [One Acre Fund](#), are working to shore up access to critical agricultural inputs to protect the livelihoods of subsistence farmers in the short term, and national or regional food security over the longer term. Continued access to power will also be essential, with many low-income households at risk of being disconnected, due to inability to pay energy bills or sustain off-grid solutions. One organization working in this area is [Power for All](#), collaborating with public and private partners to implement renewable energy solutions for people without reliable power across the world.

Community-based organizations (CBOs) will be essential in providing rapid flexible responses to communities' basic needs. For example, [ELMA Philanthropies](#) has launched a relief fund to support community-based organizations in South Africa that are mobilizing response efforts and adapting programs in their communities.

2. Water, hygiene, and sanitation supports: Combating the spread of COVID-19 requires that health facilities and communities have adequate water, sanitation, hygiene, and waste management. For example, [Oxfam](#) is upgrading water facilities in health centers and refugee camps, distributing soap to thousands of people and installing water tanks in quarantine centers across Africa, Asia, and the Middle

East. [SPLASH](#) focuses on developing sustainable, integrated models for children around water, sanitation, and hygiene in Asia and Africa.

3. Direct cash support to affected families: There is [strong evidence](#) that unconditional cash transfers during crises can drive resilience and quicker recovery of assets and standards of living for families and communities. In countries that already have national public social assistance programs, expanding benefits and eligibility will be critical. A [recent World Bank paper](#) notes that, for example, expanding eligibility for Turkey’s social assistance program to all refugees could help refugee communities endure the crisis.

In low-income countries without strong pre-existing government systems, or the means to distribute cash assistance directly to the poor, philanthropy and nonprofit partners can play a role. One organization working in this area is [GiveDirectly](#), which plans to shortly scale up its unconditional cash transfer program to LMICs, leveraging its experience in East Africa with similar programs. Especially for those working in the informal economy, such cash transfers will be essential to enduring during national lockdowns. They can also help support those who were hardest hit during the recovery phase. Cash transfer programs, led by organizations such as [BRAC](#) in partnership with UN agencies, were instrumental for Ebola survivors and orphans in West Africa who [received disbursements to restart livelihood activities](#). It will also be important to address the longer-term economic consequences of the pandemic (*see Economic Recovery section below*).

4. Data systems to track needs and distribution: In LMICs with more limited government data systems, tracking and targeting the distribution of basic goods to those under lockdown presents an enormous challenge. Populations less visible to governments—e.g., migrant workers, marginalized groups—are often excluded from benefits. [Humanitarian OpenStreetMaps Team](#) is helping government agencies and responders with daily map data on key health infrastructure (clinics and hospitals, and their capacity) via the UN’s Humanitarian Data Exchange. This data identifies and maps populations living in places most at risk—such as areas with high proportions of COVID-19 cases, older populations, and populations with HIV/AIDS.

Economic recovery

The global economic impact of the COVID-19 pandemic could be devastating to economies in low- and middle-income countries. In a [recent op-ed](#), former President of Liberia Ellen Johnson Sirleaf and Last Mile Health CEO Raj Panjabi note that while countries like the US have initiated efforts to provide billions of dollars in economic relief to its workers and small business owners, “Many low-income countries will simply not have the capacity to cushion the pandemic’s economic blow.” It will be imperative for LMIC governments to develop recovery strategies for both their formal and informal sectors. In order to operationalize these strategies, many governments will require significant supports from international financial institutions, like the IMF, World Bank, and other global development banks, as well as coordinated recovery funding and policy support from UN agencies. Organizations like [IDinsight](#) are providing technical assistance to governments in LMICs to design policies and programs to mitigate the negative economic impact of COVID-19. Beyond broad-based national economic recovery supports, specific elements of the economy in LMICs will require additional targeted investments. Philanthropy can play a role in bolstering these efforts.

1. Supports to Small- and Medium-Sized Enterprises (SMEs): SMEs are the backbone of many economies in LMICs. Across African markets for example, SMEs account for [up to 90 percent of all businesses](#). Many LMIC governments are already considering policy options to support SMEs during this critical time. (See the International Monetary Fund [tracker of national government policy responses to COVID-19](#), which includes specific supports and provisions for SMEs.) The private sector and

philanthropy have additional roles to play. For example, Google/Alphabet has established a [\\$200 million investment fund](#) to support NGOs and financial institutions around the world to help provide small businesses with access to capital.

Resources and supports could potentially be deployed through organizations with established local networks of SMEs, such as the [National Small Business Chamber](#), which is a nonprofit membership organization of 127,000 SMEs in Africa.

2. Workforce development/economic transition supports: As unemployment grows in the economic downturn spurred by COVID-19, there will be massive disruptions in both the formal and informal sectors. Ramping up workforce development and employment programs will help people get back to work. Organizations currently running high-impact programs, which could play a role in scaling up these supports, include [Harambee](#), which provides training and supports to young job-seekers, and [African Leadership Group](#), which cultivates entrepreneurship through education, leadership development, and community-building with a pan-African focus.

Educational disruption

As of April 2, [188 countries have shut schools nationwide](#), impacting over 1.5 billion children and youth (90 percent of students worldwide). The resulting learning loss for children and strain on families and communities will be enormous. Negative consequences for school children's health and wellbeing are also anticipated. During the 2014-16 Ebola epidemic in West Africa, [UNICEF reported](#) that school closures contributed to spikes in child labor, neglect, sexual abuse, and teenage pregnancy.

UNICEF, the World Health Organization, and the International Federation of the Red Cross have [issued guidelines](#) for schools and parents/caregivers on plans for continuity of learning in the event of school closures. These include online learning strategies; assigning reading and exercises for home study; radio, podcast, or television broadcasts of academic content; and assigning teachers to conduct remote daily or weekly follow up with students. Longer-term supports to make up for lost learning after the crisis period will also be essential.

1. Distance learning: Organizations and programs that have been supporting distance learning for rural or underserved populations could offer platforms that are optimally positioned for COVID-19 adaptations. UNESCO is consolidating a [list of distance learning solutions](#) that could be leveraged as part of national education responses; [USAID](#) has also previously evaluated multiple approaches for using technology to deliver educational content in crisis settings. Mobile-based learning programs that could potentially be scaled up include those provided by [Ubongo](#) in East Africa and [Unlocking Talent](#) in Malawi; television and digital engagement programs include [IRC's Sesame Street workshop](#) for displaced children, and adaptive learning applications like [Cerego](#) developed to teach Syrian refugee children and support educational preparedness for local school integration in Turkey.

For the most vulnerable children—e.g., those in rural areas, without internet access or tech devices, and girls with existing cultural/familial barriers to education—distance learning may not be accessible. These children will be disproportionately affected by learning loss and could fall behind their peers. In these environments, radio instruction—estimated to be [available to 75 percent of global households](#)—could be a vital tool. Broadcast radio on state, private, and community radio stations could be used, and interactive radio instruction (where prerecorded interactive lessons reach students via one-way radio) can be leveraged, such as the programs that the [Education Development Center](#) has produced for more than 25 countries.

2. Community and family supports: As parents and caregivers take on expanded educator roles for children due to school closures, community and family supports will be important for learning

continuity, especially where distance learning is not accessible. Existing programs that provide training and resources directly to caregivers could be adapted for the COVID-19 contexts. Examples of these programs include [the International Rescue Committee's Reach Up and Learn](#) (which trains supervisors and home visitors to help caregivers support learning) and [Build Africa's](#) work providing curriculum and instruction to help young mothers enhance their literacy and numeracy skills.

3. Post-crisis accelerated learning supports to recapture lost learning: After the crisis period, as schools reopen, there will be a need for additional support to help recapture lost learning, particularly for children who have fallen behind. Examples include: Save the Children (which has experience establishing [Accelerated Learning Programs](#) for children in conflict areas and child soldiers whose education had been interrupted) and [Teaching at the Right Level](#) (an approach pioneered by the Indian NGO Pratham, which has proven highly effective at helping primary school students make up lost learning).

Psychosocial and physical safety

Disasters such as COVID-19 drive population-level [increases in anxiety, acute stress, and grief](#). Social isolation and economic strains generated by epidemics exacerbate psychosocial, mental health, and physical safety challenges for individuals, families, and communities. For example, given more volatile home environments for at-risk women and children, levels of domestic violence will likely rise. [Increased rates of child abuse and exploitation](#) have been documented in prior public health emergencies. From Brazil to China to Greece, advocates and service providers are reporting [an increase in domestic violence](#) under lockdown conditions. In countries with large COVID-19 caseloads or intensive containment measures, expanded psychosocial supports can help communities and families manage these challenges.

1. Prevention of violence and abuse and supports for those experiencing it: Governments and NGOs are working to roll out anti-violence campaigns, [launch new domestic violence hotlines](#), and move helplines online to facilitate access to resources during the COVID-19 crisis. [The International Foundation for Crime Prevention and Victim Care](#), which provides comprehensive, holistic services to women burn survivors in India, many of whom are victims of domestic abuse, is currently working to ensure continuity of services for a particularly vulnerable population and prevent [women from slipping through the cracks](#).” The Global Partnership to End Violence Against Children, which supports initiatives in humanitarian settings to protect children against abuse and violence in conflicts and crises, has [activated a COVID-19 response](#), directing resources to child protection.

2. Ramping up psycho-social supports for COVID-19 affected communities: Targeted psycho-social supports are required for healthcare workers and survivors of acute COVID-19 illness who are at high-risk for developing psychiatric disorders such as depression, anxiety, and post-traumatic stress disorder, as seen [during the 2003 SARS and 2014 Ebola virus outbreaks](#).

In past emergency epidemics, the WHO has partnered with Ministries of Health, [such as Uganda's](#), to train primary and community health workers to provide mental health and psycho-social support to impacted communities. Organizations providing psycho-social and community-based mental health supports, such as [Glasswing's programs in Latin America and the Caribbean](#), could also provide key resources to help affected communities cope with COVID-19 impacts.

Protecting cultural institutions and the arts

Galleries, theaters, museums, and other cultural organizations across the world are facing financial hardship and potential permanent closure, due to the effects of COVID-19 social distancing measures. Governments in some high-income countries—like the [UK and Germany](#)—have made specific declarations of support to artists and cultural institutions. As low- and middle-income countries face competing priorities and limited governmental resources, their cultural institutions and arts sectors face potentially catastrophic impacts. In India, [the cultural sector and creative industry is the second largest](#)

[employer](#), meaning that closures and loss of livelihoods will have a big impact. The survival of creative industries may depend in part on organizations that support artists, such as [Khoj](#) which provides financial resources and residences, and organizations that support cultural initiatives and institutions, such as [The Prince Claus Fund](#), which provides rescue aid to cultural heritage threatened by natural disasters and supports artists through grants and mentorship.

Taking a longer-term view: preparing for cascading effects and sustaining core services

Addressing the enormous socioeconomic impacts of the pandemic will require action today and in the month and years to come. It will also require coordination with and across sectors to address complex interdependent needs. In addition to mounting response efforts specific to COVID-19, continued support is also required to sustain core services in the face of massive disruptions caused by the pandemic. Sustaining momentum in key development areas from education to the environment, despite the cascading impacts of COVID-19, will require sustained funding from governments, multilaterals, and philanthropy.

We are only beginning to glimpse the enormity of the potential socioeconomic impacts of the pandemic on LMICs. Effective philanthropic action will require continual and rapid reassessment of needs and opportunities, which may evolve differently in different LMICs.