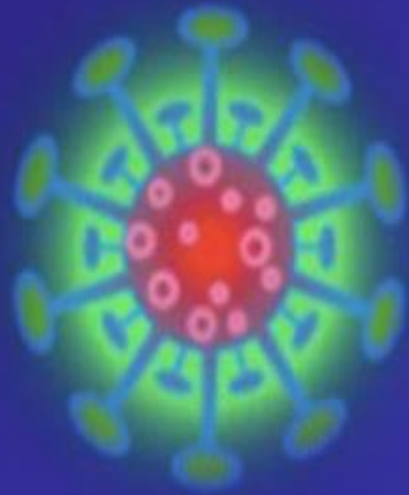# COVID -19 Recovery Needs Assessment (CRNA) methodology

Summary

Covid-19 has led to unprecedented impacts on the economy, lives and livelihoods nations, communities and individuals. This note sets out a methodology to guide UN, EU, WB and partners to assist governments in conducting socio economic impact assessments. The methodology will help to

- Assess the overall socio-economic impact of the pandemic on the people including the various vulnerable groups, as well as on services and production of goods and governance;
- Identify priority needs for affected households and critical sectors of the economy, for restoring safe access to and/or production of goods and services, while managing ongoing COVID-19 transmission risks;
- Recommend institutional mechanisms and policy measures to be undertaken in support of the recovery, including measures in place to prevent and mitigate a crisis of similar nature in future.

The note builds on the experience of over 70 post-crisis assessments undertaken within the partnership between United Nations, World Bank Group, and European Union under the 2008 Joint Declaration on Post Crisis Assessment and Recovery Planning[1]. The methodology draws from the post disaster needs assessment and recovery and peace building assessment methodology with greater flexibility and simpler approach to assessing and planning quick response to the pandemic, including the need for ongoing preparedness and maintaining measures to reduce transmission risks when restoring production and services. **This methodology builds on preexisting partnerships, brings in global expertise from across partners, does a macro, meso and micro level analysis and develops recovery needs with costs.** By bringing in key stakeholders, such as the EU, WB and other MDBs, bilateral donors, and civil society, **under a coordinated and government-owned process**, the CRNA can ensure alignment of the development community behind one comprehensive government-wide strategy which can be converted to common planning and financing outcomes.

The methodology is tailored to the COVID-19 context and needs of individual countries, and where helpful can complement or build on assessments of individual sectors already undertaken or in progress. The methodology aims to be both rapid and light, and achievable within a 3-4-week period. It is built around the following 5 steps.

Step 1: **Establish a baseline.** Examine the general pre-pandemic financial, economic, social, cultural, and governance context to serve as a baseline to compare with post-pandemic conditions. This information includes data for all sectors and information on key development indicators of the country such as poverty levels, human development indicators, food insecurity status, gender inequality, spatial and horizontal inequalities, social exclusion and vulnerable groups, as well as preparedness capacities for this and other types of emergencies.

Step 2: **Assessment of post pandemic effects including estimating Losses**. Assess how all sectors and vulnerable groups are affected by the pandemic focusing on access to services (food, health care, education, water and sanitation, social assistance packages, etc), grants and support by government and other stakeholders. This include a qualitative and quantitative assessment of the effects on all sectors of the economy but also effects on various vulnerable groups, their livelihoods and income. The assessment of effects should include an estimation estimates the economic losses (loss of revenue, income, increased production costs) for the productive and infrastructure sectors such as agriculture, tourism, industry,

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[1] https://www.undp.org/content/dam/rpba/documents/docs/JointDeclaration_Sept2008.pdf

transport etc. and identifying the increased expenditures due to COVID-19 for the social sectors (health, education), as well as income loss to households due to the lockdown. Where required, to simplify the methodology, a quantitative loss estimation may only be done for the productive sectors of the economy while the narrative for other sectors would describe the loss incurred by the sector. Cross-sectoral issues such as changes in employment and livelihood, social protection and human rights, gender, governance and environment will also be analyzed. Government measures put in place in response to COVID-19, such as safety nets interventions, business and stimulus package, and its distribution amongst regions and groups will also be included.

Step 3: Assessment of Impact. The third step consist of using the findings to assess the impact of the pandemic on the economy and aggregated social impact on households. The macroeconomic impact should include an analysis of the impact of the confinement measures on **macro-economy** (country's revenues, expenditures, fiscal resources, balance of payments, imports and exports, GDP growth, and overall implications for external borrowing and balance of payments support) and the **social impact** in five areas 1) livelihoods, 2) living conditions, 3) food and nutrition security, 4) social inclusion and 5) gender equality. It also looks at coping mechanisms of vulnerable groups. Where relevant, examine the root causes and drivers of conflict as informed by a conflict analysis. Sources of fragility and potentials for peacebuilding/social cohesion should also be identified along with its implications for recovery planning.

Step 4: **Estimate the recovery needs**. These are drawn from the effects and impacts described in steps 2 and 3. The interventions directly respond to the COVID -19 outbreak, are identified in terms of short, medium- and long-term needs and per sectors. Recovery needs target the most vulnerable groups in improving their access to all services (education, health, social protection, etc) and restoring livelihoods. This will be complemented with 'building back better' interventions needed to make communities, services delivery and production of goods more resilient for the ongoing risks of COVID-19, and better prepared for future pandemics.

Step 5: Recovery Strategy. The final step of the assessment is to develop a brief strategy with policy recommendations for the short, medium and long term with some guidance on implementation arrangements and accountability frameworks.

Step 1: Identify pre-COVID 19 context → **Step 2:** Identify the effects of COVID-19 → **Step 3:** Identify socio-economic impact → **Step 4:** Identify recovery needs → **Step 5:** Develop a recovery strategy

Guidance is available for each sector taking into consideration the sector specificity. The tools for assessment include data collection and data estimation templates with annotated sector chapter outlines and checklist with key questions.

It is desirable that countries doing assessments complete the first online module of the PDNA methodology to get an overview of the methodology.