

Dalberg

FROM **RESPONSE** TO  
**RECOVERY** IN THE  
EBOLA CRISIS

REVITALIZING HEALTH SYSTEMS  
AND ECONOMIES



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## Dalberg

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### ABOUT DALBERG GLOBAL DEVELOPMENT ADVISORS

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# PREFACE

Over a year has passed since the Ebola outbreak in West Africa began. In that narrow window of time, the disease has claimed more than 10,000 lives, stalled economic growth, and hampered—if not reversed—gains the region had made in strengthening public health infrastructure and service delivery.

And yet, as dire as the crisis has been, hope is emerging. The pace of new cases is slowing. The fear of a truly global pandemic has subsided. We are transitioning from emergency response to longer-term recovery, a very welcome sign.

But let us not mistake these signs of progress for indications that our work is done. In many ways, it is just beginning. For the families who lost loved ones, the communities that continue to struggle, and the countries now stripped of economic resources, let us not turn away from West Africa, but towards it.

Our mission at Dalberg is to tackle the world's most pressing problems with innovative approaches that are inclusive of, and responsive to, the most vulnerable populations in our society. We have engaged in the fight against Ebola from different angles, and we publish this report to share our experience with those now helping to rebuild the region alongside us. Specifically, we write to share our perspectives on what can be done to strengthen the resilience and recovery efforts in West Africa today.

This report presents a portfolio of ideas on where to go from here, including how we might develop creative incentives to support emerging leaders, and design innovative financing products. We aspire to seed a broader conversation with these ideas, and to spark collective action by governments, civil society, foundations, and international agencies in service of the Ebola-affected region of West Africa.



**Yana Kakar**

*Global Managing Partner*

*Dalberg Global Development Advisors*

# INTRODUCTION

The current Ebola outbreak has exposed deep vulnerabilities and disparities in the health systems of the hardest-hit West African countries. Poor and rural communities in Liberia, Sierra Leone, and Guinea bore the brunt of the epidemic; their populations have been more likely to fall sick and less likely to recover. As Liberian President Ellen Johnson Sirleaf noted, Ebola exposed the “inequitable health outcomes”<sup>1</sup> that stem from limited health care options for the poor. This inequity must end—both to avoid a scenario of “endless Ebola”<sup>2</sup> in which the disease becomes a permanent fixture in West Africa, and also to prepare for inevitable future health system shocks. We need to act now to build resilience: the preparedness to address the unexpected.

This report explores specific ways to seize this opportunity for change. We examine what has worked to mitigate Ebola’s spread and why, with an eye towards enabling permanent solutions to take root from emergency measures. In the coming pages we detail some of the critical inputs to long-term resilience as well as the role of the private sector—specifically small- and medium-sized enterprises and financial innovation—in accelerating recovery from the outbreak’s manifold effects.

The first chapter outlines the steps governments, even nascent ones, can take to ensure civil servants are more consistently empowered to respond in times of emergency. Solutions don’t have to be flown in, they can—and should—be constructed locally. In this chapter we also share firsthand perspectives from young Liberian civil servants, who provide a snapshot of what it was like to work in the government during the crisis, how they helped, and what they recommend for the future.

Our analysis then turns to the methods Senegal and Nigeria devised to fight diabetes and polio, which laid the groundwork for stopping Ebola. In both countries,

permanent solutions arose from successful temporary measures. Lessons from coping with the Ebola crisis present affected countries a similar chance to build back better.

In the second chapter of this report we review emergency operations centers, built to be at the frontline of decision-making and rapid response in the face of Ebola—and any future emergency. Read about what makes these centers successful and how we can build on previous work to ensure a better response for the next crisis on page 10.

Next, we lay out the case for why any rebuilding effort should focus on small businesses, which account for up to 90% of all businesses in West Africa and are the engines of economic growth.<sup>3</sup> We detail ways small businesses are uniquely poised to play a key role in recovery.

We conclude our report with an exploration of how to use innovative tools like social impact insurance to get funds where they are needed more quickly.

It is certain that a long recovery period for West Africa lies ahead. However, moments of crisis also carry opportunity for change. In the words of Liberian civil servant Christollie Collins: [we are] “a nation of people who are fighters. We learn to adapt and we keep moving forward.”

I, and my global Dalberg colleagues, hope that the world will help West Africa seize the opportunity at hand so that “getting to zero” for Ebola can simultaneously build a foundation for better health systems and more prosperous economies for the future.



**Vicky Hausman**

*Director, Global Health Practice*

*Dalberg Global Development Advisors*

<sup>1</sup> “Interview: President of Liberia on the Ebola Crisis.” World Economic Forum. December 9, 2014.

<sup>2</sup> Doucleff, Michealeen. “Endless Ebola Epidemic? That’s the ‘Risk We Face Now’ CDC Says.” NPR. December, 15, 2014.

<sup>3</sup> African Development Bank. “Liberia-Approves US\$ 5 Million Loan for Liberian Development Bank.” June 15, 2009.





# ALL HANDS ON DECK:

THE NEXT GENERATION OF LIBERIA'S  
LEADERS ON BUILDING INNOVATION &  
RESPONSIVENESS INTO GOVERNMENT

by Andria Thomas, Rezvan Ma'ani, and  
Alex Fankuchen

**"T**his crisis has had a devastating effect," said Hh Zaizay, a Liberian working closely with government ministries, reflecting on the impact of the Ebola outbreak. "But it also creates a window of opportunity for us," both government and society at large, "to do more than we do now."

When the Ebola virus first took hold in West Africa, Liberia was among the hardest-hit countries, and it was unprepared for the crisis. Government workers and news stories described the initial response to stop the virus as "strained"<sup>4</sup> and "uncoordinated."<sup>5</sup>

In some ways, this was not surprising. When Ebola broke out, Liberia was emerging from decades of civil war in which fundamental institutions—education, health systems, and government—atrophied. When the civil war ended, in 2003, 3 in 4 Liberians lived on less than a dollar per day, and more than 6 in 10 people age 15 to 24 could not read.<sup>6</sup>

There had been progress after the war's end: GDP more than doubled and Millennium Development Goals to reduce child and maternal mortality were met.<sup>7</sup> The situation remained difficult, but Liberia was generally on a positive trajectory. Then the Ebola crisis hit. In Liberia, addressing the virus added an unexpected burden to already-stretched local institutions.

Despite these difficulties, Liberia has gradually begun to build an effective response to Ebola. There are fewer and fewer new cases of Ebola, thanks in part to enhanced health system infrastructure, coordination, and funding. This is the good news. However, over time, other crises will inevitably occur.

To fully eliminate the current outbreak and build ability to withstand the next shock, Liberia must maintain and expand its health and emergency response systems. Developing human capacity to

<sup>4</sup> Maron, Dina. "How Ebola Strains West Africa's Infrastructure." *Scientific American*. November 7, 2014.

<sup>5</sup> "Liberia: Ebola Diaspora Force Head Slams 'Uncoordinated Response'." *Front Page Africa*. September 22, 2014.

<sup>6</sup> Liberia's Millennium Development Goals Report. 2004, 6 -10.

<sup>7</sup> According to UN Data. <http://data.un.org/CountryProfile.aspx?crName=liberia>.

deal with the day-to-day realities of crises is crucial, particularly among civil servants—the building blocks of any government. When individuals (whether government employees or otherwise) have the necessary skills and mindset, the institution to which they belong is able to organize and multiply those talents to achieve much more than the sum of its parts. Developing such effective human capacity is critical in the public sector, where employees are charged with so many tasks fundamental to public well-being, especially during complex challenges like the Ebola crisis.

One program that seeks to build this type of leadership is Liberia's President's Young Professional (PYP) program, which President Johnson Sirleaf launched in 2009. The PYP program recruits high-performing recent college graduates into government ministries to improve the caliber of Liberia's civil servants. As of February 2015, the PYP program has placed 73 fellows in government roles. It is currently transitioning from a program managed by JSI Research & Training Institute, Inc. (JSI) to a Liberian entity structured in a public-private partnership with the Government of Liberia.

The program emphasizes training and mentorship and recruits individuals with strong leadership potential, problem-solving skills, and a proactive, independent work style. During the two-year program, each PYP attends regular training sessions and is paired with a mentor. Dalberg completed an assessment of the program in 2014 and found that PYPs generally have much more training than non-PYP peers, as well as stronger professional skills and greater exposure to responsibilities.

In a PYP graduation ceremony, United States Ambassador to Liberia Deborah Malac called the program a Liberian solution for Liberia's problems.<sup>8</sup> She said that she frequently hears the complaint that the government doesn't have the capacity to address the country's vast challenges. But through the PYP

program, Liberia uses its most important resources, its optimistic and talented youth, to tackle capacity challenges, she said, telling the PYP graduates: "You have a vital role to play in Liberia's development."

Dalberg interviewed these young civil servants to understand the government's Ebola response through the lens of their first-hand experience. Below, the fellows describe what they saw during the Ebola crisis, how they helped, and what they recommend for the future. Their experience provides a snapshot of what it's like to work in government during a prolonged emergency. It also shows the very real constraints people faced, along with the ways Liberians, particularly within government, innovated during the crisis.

## **"YOU HAVE TO DO SOMETHING TOWARD THE EBOLA RESPONSE"**

Several PYPs noted the importance of creating pathways for knowledge sharing in the Ebola crisis—person-to-person, within the country, and among different governments. Nigeria and Senegal, for example, quickly contained new cases of Ebola and stopped further spread. Sarah Johnson, a PYP, highlighted the need for regional knowledge sharing when it comes to crisis management, noting that if any country has one case of Ebola, all are at risk. "We need to learn from Nigeria: what are the best practices and what did they do to get to Ebola-free?" Johnson asked.

This concept of connection and shared responsibility is critical, according to Zaizay, the PYP program director. "While the world saw Ebola as a West Africa problem—a Liberian or Guinean problem—we didn't see it that way here." Knowing the disease could easily traverse borders, Zaizay saw it as a worldwide problem. He continued, "We all see this Ebola crisis as 'all hands on deck': no matter which sector you are in and what you are doing currently, you have to do something toward the Ebola response."

## **"ALL OF THIS CAME AS A BIG SURPRISE"**

Though Liberia's health system was able to respond to the first wave of the Ebola outbreak in March 2014, the system could not keep up with the scale of the epidemic as it spread to the capital city of Monrovia, where at least a quarter of the country's 4.3 million people live. Gaps in capacity and infrastructure

"WE ALL SEE THIS EBOLA CRISIS AS 'ALL HANDS ON DECK': YOU HAVE TO DO SOMETHING TOWARD THE EBOLA RESPONSE."

<sup>8</sup> "Liberia: President Sirleaf Urges PYP Class III to Excel Always." *Front Page Africa*. March 27, 2014.



became readily apparent, as people simply didn't have the resources they needed to respond to the outbreak.

Monrovia, explained Zaizay, "had two ambulances to respond to health emergencies. And when the country announced: do not touch the dead, do not touch the sick...call, and an ambulance will come, the question was: where are the ambulances? We have only two."

Along the same lines, PYP Johnson noted the need to develop Liberia's emergency preparedness. She recalled, "There was no agency or government ministry that was prepared for humanitarian disaster or disease control. All of this came as a big surprise."

## **"WE NEED TO BE AWARE OF WHAT THE OTHER HAND IS DOING"**

PYP Christollie Collins highlighted that coordination is a critical success factor for an effective response. Collins was originally assigned to the National Investment Commission, but when the crisis broke

out, she was seconded to the Ebola Command Center to coordinate ministerial efforts to eradicate Ebola. Collins said that the lack of communication and collaboration among government ministries and workers hampered efforts to contain the virus. "We're working with people who are spectacular resources individually, but because we are not coordinating well, we're not able to tap into their knowledge," she said.

Collins continued, "We all need to be aware of what the other hand is doing to have smooth and proper coordination of efforts." Collins feels that a more open system—one with established pathways for coordination in regular times—could help Liberia mitigate panic and confusion during extraordinary times.

## **"CREATING SOMETHING LARGER"**

As important as knowledge and information sharing are, they are even more potent when workers have the space and freedom to identify and test



new solutions to problems. A critical danger of crisis response in a low-capacity environment is a too-restrictive “top-down” management approach in which everyone depends on one or two individuals to provide all of the ideas, resources, and solutions.

The PYP program gave the fellows a community that supported their ability to take initiative: peers with whom they could jointly problem solve before and during the Ebola crisis—including in their shared workspace, the PYP office—and professional mentors whose advice they could rely on. Collins elaborated that these resources drew her to the program. “The PYP offers mentors and supervisors that tutor you and expose you to the government and professional world,” she said. “One of the reasons I joined is because I thought it would strengthen my capacity.”

“I CAN SAY TODAY  
THAT, DESPITE ALL OF  
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REMAINED STRONG, OUR  
PEOPLE RESILIENT.”

These assets are not common in Liberia. There is “almost no training for other civil servants,” a member of the Civil Service Agency told interviewers during Dalberg’s assessment of the PYP program. “So the PYP training is a huge advantage.”

Individually, some fellows proactively leveraged the PYP community and training to launch local initiatives to educate the public about Ebola or ease the crisis. For example, Johnson has tried to make hand washing more convenient, as it is crucial to halting the spread of the virus. She noticed that in Liberia hand washing is “not always very feasible because we have small buckets sitting at the doors or public areas for hand washing and there are usually long lines of people waiting to wash their hands at the buckets,” making the wait time a potential deterrent.

Johnson sought to implement larger hand washing spaces, she said, “with six dispensers so you can have six people washing their hands at a time.” The U.S. Embassy sponsored her program to install multi-faucet water tanks in populous areas to reduce

Ebola transmission rates, including in Monrovia’s densely populated West Point neighborhood, which has more than 70,000 inhabitants. Zaizay explained that these grassroots solutions are critical, even if less visible: “Ebola cannot be stopped at the treatment facility level; Ebola can only be stopped at the community level.”

## “OUR NATION HAS REMAINED STRONG”

The effects of Ebola extend beyond Liberia’s healthcare sector and have presented new hurdles to economic growth and education. “Every sector of government and even the private sector has been set back,” Zaizay lamented. “So there is going to be a lot of rebuilding of services that have collapsed.”

Though Liberia faces a lengthy recovery, the country has made significant strides in stopping the immediate problem: Ebola’s spread. In her last state of the nation address, President Johnson Sirleaf announced, “I can say today that, despite all of this, our nation has remained strong, our people resilient.” At the time of her speech in late January 2015, there were only five confirmed Ebola cases in Liberia.<sup>9</sup>

For Zaizay, the Ebola outbreak underscored the need for initiatives like the PYP program. “The Ebola crisis made me, as a program director, see the need for getting young people into public service and decision-making processes,” he said. The PYP program creates “willing, committed young people who can contribute to the next crisis.”

## WHAT DOES ALL THIS MEAN? RECOMMENDATIONS FOR BUILDING LEADERSHIP IN CRISIS

A crisis of this magnitude could be devastating to any country, let alone one with fragile and emerging government institutions. The stories included here are not comprehensive: they provide only a window into Liberia’s Ebola response as seen by civil workers in one program.

More broadly, however, the Ebola crisis is an opportunity for African governments to welcome innovation and creativity in problem solving for a new approach to governance. There are concrete steps that governments can take to ensure staff are consistently empowered to respond—even in overwhelming situations. Here are a few examples:

<sup>9</sup> “Liberia Reports Only Five Confirmed Ebola Cases in Entire Country.” Associated Press. January 26, 2015.



## PRIORITIZE, INSTILL, AND FOSTER BASIC MANAGEMENT AND PROBLEM-SOLVING SKILLS IN CIVIL SERVANTS

Dalberg's assessment of the PYP program concluded that PYPs generally have stronger professional skills, greater exposure to responsibilities, and more experience in critical decision-making roles than non-PYP peers. A key reason some of the PYPs were able to succeed despite the immensity of the challenge before them is that they were recruited through a process that prioritized independent thinking and active problem solving. PYPs had opportunities to deploy these skills in their roles, as well as support mechanisms (in the form of mentorship and training) to rely on should they take a risk and then stumble.

A focus on action, commitment, and results pervades the PYP program ethos starting with recruitment. Amending recruitment and staff development policies of all public agencies to focus on problem-solving and basic management—so it becomes the rule rather than the exception—can be a great boon not just in times of crisis, but in times of strength as well.

## INSTITUTIONALIZE CULTURE, POLICIES, AND PROCESSES THAT SUPPORT FREE THINKING

Many of the PYPs felt ownership over their work and liberty in their roles. This allowed them to break out of standard thinking and try bold new approaches—and they were rewarded for doing so. Building a culture that fosters, rather than reprimands, communication, flexibility, and independence is vital to encouraging initiative and leadership.

Role models, such as PYP fellows or other young leaders, can help inculcate that enabling culture, particularly if they are co-located in the same place or agency. Hubs of change agents can also encourage and reinforce such behavior. For example, UNICEF has a dedicated innovation unit integrating technology, design thinking, and partnerships to support programs and advance change. Similarly, Dalberg has proposed that organizations can establish “free zone units”<sup>10</sup> to encourage experimentation and ease the launch of innovative pilot projects.

## REALIZE THAT HAVING LOCAL CAPACITY DURING A CRISIS MEANS INVESTING IN IT NOW—BEFORE THE NEXT CRISIS HITS

A fundamental reason that PYPs were effective is because they had local contextual knowledge. They were able to be ambassadors for change because the people with whom they worked trusted them. In comparison, some of the foreign experts flown in to help support the response at the onset of the crisis appeared as unfamiliar outsiders to communities. In extreme cases this led to violence, such as the brutal attack and murder of eight Ebola aid workers in Guinea.<sup>11</sup> Sending foreign experts is not a sustainable solution, not only because of high cost, but also because they may not know the cultural context. In the past decade, donors have renewed focus on capacity building—an encouraging shift. However, as the Ebola crisis in countries like Liberia starkly demonstrates, more can be done to equip countries to respond locally.

“WE LEARN TO ADAPT AND WE KEEP MOVING FORWARD.”

Zaizay agrees. “There is going to be a knowledge gap,” he said, because the foreign Ebola experts will move on post-crisis. “If such crises should ever occur again—which is very, very likely—where will we be?”

### “I DON’T LOSE HOPE EASILY”

Despite the challenges facing the country, the young leaders are hopeful for Liberia’s future. Collins is optimistic as she pursues a career in public service: “The government can be more effective with the right staff who have the right training. If we can set up a system that is open and where we have proper coordination, we can move into capacity building and infrastructure development.”

“The story I see here,” she reflected, “is a nation of people who are fighters. We learn to adapt and we keep moving forward.”

In illustration of her point, Zaizay added, “I don’t lose hope easily.” ■

<sup>10</sup> Callan, Paul, Fabyanske, Jordan and Ma’ani, Rezvan. “How to... Make Bad NGOs Better.” *The Guardian*. March 19, 2014.

<sup>11</sup> Phillip, Abby. “Eight Dead in Attack on Ebola Team in Guinea.” *The Washington Post*. September 18, 2014.

# HOW NEW APPS & ONLINE PLATFORMS ENABLED A MORE EFFECTIVE EBOLA RESPONSE

Across West Africa, several new—or repurposed—apps, online platforms, and communication systems helped governments and health workers spread accurate information about Ebola and more efficiently monitor and track the virus.

## SENEGAL



### Using a diabetes text-messaging platform to spread information on Ebola

**mDiabetes**, a text messaging platform set up in 2014 to educate on diabetes, was repurposed by the government to spread 4 million texts with public health messages on avoiding Ebola.

## LIBERIA



### Text message system links health workers and supervisors

**mHero**, a phone app, was launched by the country's Ministry of Health and UNICEF to help transmit information, including lab results and treatment guidelines, and deploy health workers. It has been used by hundreds of health workers in Liberia.

## GUINEA



### 'Contact tracing' with a mobile phone app

UNFPA and the Guinean government developed **CommCare**—a mobile phone application designed to contact trace (track individuals who had contact with the disease). The app helped bring down tracing time from 2-3 days to real-time. It has been piloted among almost 200 health workers.

### Mobile app answers frequently asked questions about Ebola

Developers in Guinea developed the **About Ebola** app—a free service to answer frequently asked questions about the disease, including a “do I have Ebola?” self-diagnosis function. It was translated into French, English, Wolof, Jola, Swahili, Krio, and Liberian English and downloaded 10,000 times.

## NIGERIA



### Mobile phone application improves reporting

**eHealth & Information Systems Nigeria** developed an application for health workers to monitor and report suspected cases, cutting reporting times from 12 hours to almost real-time. A presidential decree helped—it allowed health workers to quickly locate telephone numbers (via mobile network providers) of those in contact with a potentially infected person and trace them to their homes.

### Myth-busting using social media

A group of volunteers organized **Ebola Alert** to address frequent questions and myths about Ebola. Ebola Alert Facebook and Twitter accounts have more than 30,000 followers combined and their hotline with multilingual operators took almost 600 calls per day.



# BUILDING EMERGENCY RESPONSE SYSTEMS FOR EBOLA AND BEYOND:

A CONVERSATION WITH MADJI SOCK, REGIONAL DIRECTOR OF AFRICA

**Madji Sock and her Dalberg colleagues led a project to help strengthen emergency response operations in Côte d'Ivoire and Mali. Below, Madji talks about building emergency operations centers—hubs for coordinating rapid responses—during the crisis.**

## The basics first: what is an emergency operations center (EOC)?

**MADJI SOCK:** As its name indicates, an EOC is a government institution on the front line of decision-making, equipped to, and responsible for, taking rapid action in an emergency.

During a health emergency, conversations can last for hours on end in meeting rooms, without clarity on who is actually gathering equipment, securing the ambulance, and driving the vehicle to the individuals or the region that needs support. An EOC ensures that those roles and responsibilities are clear. It channels information, coordinates rapid actions between multiple actors, and makes decisions.

## There seem to be a lot of actors in the health sector. What is the benefit of adding one more?

It's true that most countries' health sectors have a multiplicity of actors: the ministry of health, an institute of public hygiene, a health research institution, and other ministries that touch on health—such as a ministry of family or children or youth. But it's precisely the number and variety of players that makes

coordination difficult, which can lead to highly fragmented interventions with unnecessary overlap and neglect of 'blind spots.'

An EOC helps avoid duplicate efforts and gaps in the response by creating a central line of command to ensure nothing 'falls through the cracks' in an emergency. Without a central coordination body, lack of communication not only creates inefficiency and inconsistency—it can also stall decision-making, resulting in significant lost time. For example, in one West African country, decision-makers held discussions for weeks about how to fund an emergency response activity without realizing a donor had already agreed to fund the plan. With an EOC, all of the information and decision-making filters through a central hub.

## It sounds like an EOC plays an important role among policymakers and professionals. What is its role in relation to the public?

Because it is already the information hub, it makes sense that an EOC also takes on public communications and community education. Ebola carries a lot of stigma for affected people and families, and the resulting fear has

the potential to worsen existing political and socio economic tensions. It can also instigate new social divisions, such as discrimination against those who have recovered from the virus. The EOC mitigates this by developing programs to inform the general public about Ebola. These education efforts look different in various contexts, depending on which channels of communication are most influential. In Mali, for example, the government has successfully involved religious leaders in the process of raising Ebola awareness among their followers.

## What makes an emergency operations center successful?

The most critical features are the ability to make decisions, access financing, and begin implementation quickly. This can mean the difference between life and death in an emergency. Moreover, EOCs are most successful when they can leverage local dynamics. An EOC can build skills, institutional knowledge, and health infrastructure—in short, build resilience—to prepare for future emergencies and to respond to them immediately.

## What is the biggest challenge in setting up an emergency operations center?

The hardest part is asking everyone—organizations and individuals, NGOs and the public sector—to set aside their own agenda and follow someone else's lead. It is understandably very difficult for a minister to cede control and allow another person to make important decisions without first requesting that minister's approval. It is particularly difficult to avoid these formalities in West Africa—even asking for a meeting appointment is usually a painfully formal process!

**The focus on Ebola has overwhelmed health systems and led to an increase in mortality from malaria, cholera, and maternal and child health conditions.<sup>12</sup> It has also interrupted essential preventative services like vaccination campaigns in some places. Can an EOC help standard programs continue during a crisis?**

That's exactly the reason for setting up an EOC and making it a permanent institution—so that other ministries and institutions can maximize their ability to continue with their mandate and day-to-day activities as much as possible. The EOC is there to deal with the detour so that everyone else can continue on the main road to manage a health challenge.

**"I AM NO LONGER MINISTER OF HEALTH. I AM MINISTER OF EBOLA."**

That role is critical because we know the entire health infrastructure is now focused on Ebola in so many of the countries in crisis. We have heard ministers in the region say, 'I am no longer minister of health, I am minister of Ebola.' This is very telling and very concerning.

**The EOCs you've worked with address Ebola. Will these emergency operations centers last beyond the Ebola crisis?**

Absolutely. But at the moment, it is important to keep the focus on Ebola. In the future, however, it is possible that a minister of health, president, or prime minister could

decide that malaria is a national health emergency requiring concerted and coordinated action through an EOC over a short period of time. The EOC in Nigeria, for instance, was originally established to deal with polio, not Ebola. But when the first Ebola case came to Nigeria, the EOC was already in place and could act very rapidly. That is the idea—that the EOC can be a lasting operational tool to respond to any health emergency.

The EOCs we are setting up today in the context of Ebola should be very lean institutions that continue to coordinate and deploy responses to Ebola and then become a permanent coordination platform. As such, we expect the EOCs to have a small permanent staff that is able to quickly scale and act if an emergency hits.

**Can the private sector play a role in supporting the EOCs and the broader Ebola response?**

Definitely, but it isn't easy. While some private companies are incredibly engaged in the Ebola crisis, we have heard others in the public sector say that the Ebola crisis is a public sector matter, which does not concern the private sector. We first need to change this notion—we are all in this together.

There are many ways the private sector can play a greater role in the Ebola response. One primary challenge in the response has been logistics: how do you make sure that the farthest health center in a remote village has the necessary gloves, for example? A mining company located in the same vicinity could help if it has the ability to distribute supplies or track where they are. There are also examples of private telecommunications companies that set up hotlines and call centers for free during the Ebola cri-

sis, and companies which have provided free data access for contact tracing, working very closely with the public sector.

**I HOPE THIS CRISIS CAN SPUR ACTION**

There is a strong model for cooperation between the private and public sector, but what is needed is an answer to how this is to be done on a regular basis. A broader framework and mechanism to guide public-private cooperation in emergency scenarios is still needed.

**What do you expect the next six months will look like, as the countries move beyond the initial crisis phase?**

The crisis is not over, but thankfully we are seeing a slowdown in the number of new cases, which makes us optimistic that we are shifting into recovery and rebuilding. Longer-term, we see Ebola as a chance to resolve some of the governance and health system challenges that the crisis exposed as insufficient. We will need to continue and to accelerate strengthening health systems, but we also know it won't happen overnight.

I hope this crisis can spur action to build health infrastructure, institutional knowledge, and skills so that when next emergency strikes, it will not have such a high human toll. ■

<sup>12</sup> Kitamura, Makiko and Gbandia, Silas. "Ebola Cases Mix With Malaria Amid 'Slow-Motion Disaster'." Bloomberg. August 7, 2014.

# LESSONS FROM NEXT DOOR: HOW NIGERIA AND SENEGAL FOUGHT OFF EBOLA

The two countries' prior experience running coordinated campaigns on a large scale helped them launch effective responses that had more than a few things in common:

## TECHNICAL EXPERTISE

## QUALITY INFRASTRUCTURE

## NEW & OLD TECHNOLOGY

## COORDINATED ACTION

## RESULTS

### NIGERIA



**100**  
DOCTORS TRAINED  
IN EPIDEMIOLOGY

**1,800**  
HEALTH WORKERS  
AVAILABLE



First-rate virology laboratory affiliated with the **LAGOS UNIVERSITY TEACHING HOSPITAL** rapidly detected new cases

- Health workers secured:
- Protective gear
  - Safe wards with sufficient beds
  - Access to chlorinated water

**GPS and high speed internet** for real-time contact tracing, daily mapping of transmission chains, and hosting databases



HIGH-SPEED  
INTERNET



GPS TRACKING  
SYSTEMS

President Goodluck Jonathan appeared on **TELEVISION NEWSCASTS** to reassure Nigerians

**NOLLYWOOD** movie stars gave out Ebola facts on TV

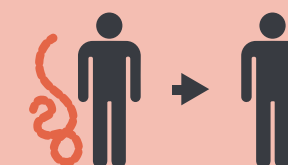


Health workers made over **18,000** visits to **900** people who were linked with the suspected cases to check temperatures

Contract tracing was **100%** in Lagos and **99.8%** in Port Harcourt



**19 CONFIRMED CASES**  
linked back to the 1<sup>st</sup> confirmed case



Tracers found all **74** close contacts of the country's sole Ebola patient and monitored their health **2x A DAY**, offering them food, money, and psychological counseling to

**ENCOURAGE COOPERATION**

### SENEGAL



Before Ebola, the **MINISTRY OF HEALTH** had trained health care staff on:

- **INFECTION CONTROL**
- **LABORATORY TESTING**
- **CASE INVESTIGATION**
- **CONTACT TRACING**

with an oversight committee organized for response

### + HOSPITAL



The world-class **PASTEUR INSTITUTE** reliably and safely tested for pathogens

**FANN HOSPITAL** in Dakar has a dedicated infectious disease ward to isolate potential cases



**MOBILE:**  
**4 MILLION SMS** sent on a platform created for the **mDiabetes** project

### RADIO STATIONS:

Disseminated information in multiple languages to prevent Ebola's spread

In Nigeria, there were a total of **19** cases of whom **7** died and **12 SURVIVED**



**60%**  
SURVIVAL RATE  
(average is **30%**)

The single case reported in Senegal was traced, isolated, treated, and

**DECLARED CLEAR 42 DAYS LATER**







# WHY SUPPORTING SMALL BUSINESSES SHOULD BE THE FOCUS OF POST-EBOLA ECONOMIC RECOVERY EFFORTS

by CJ Fonzi and Sara Wallace



Loss of life is only one manifestation of Ebola's devastation. Less discussed, but of serious concern, are the economic effects of the outbreak. Many people have lost their livelihoods as Ebola ravaged not only citizens' health but also the economies of Liberia, Guinea, and Sierra Leone.

Latest estimates from the World Bank predict negative growth in 2015 for Sierra Leone (-2%) and Guinea (-0.2%), and reduced growth in Liberia (3%—half of its pre-crisis growth projection). These projections imply a loss of about \$1.6 billion in income across the three countries.<sup>13</sup> The economic effects of Ebola extend into the broader region as

well, due to factors like reduced regional commerce and a fall in tourism.<sup>14</sup> The good news is that these World Bank projections are not as dire as initial estimates in October 2014. Yet, these values may not tell the full story, as the macroeconomic figures may not fully capture how local small businesses on the ground are still struggling to get back on their feet.

The priority in the affected countries right now, of course, is to contain Ebola. However, it is not too soon to begin economic recovery efforts. According to W. Gyude Moore, Liberia's Minister of Public Works, "It's impractical to think that economic recovery can start when all the Ebola cases are gone—that needs to start immediately."<sup>15</sup>

Before the Ebola virus broke out, the affected countries had significant economic momentum. In June 2014, Liberia, for example, became one of the first countries in Africa to launch a moving electronic collateral registry, a new chapter in the story of small business success in the country.<sup>16</sup> Collateral registries, which allow businesses to obtain loans using movable assets like equipment or inventory, have been proven to help small-and medium-sized enterprises (SMEs<sup>17</sup>) succeed in challenging business environments. The

"IT'S IMPRACTICAL TO THINK THAT ECONOMIC RECOVERY CAN START WHEN ALL THE EBOLA CASES ARE GONE—THAT NEEDS TO START IMMEDIATELY."

<sup>13</sup> World Bank. "Ebola: Most African Countries Avoid Major Economic Loss but Impact on Guinea, Liberia, Sierra Leone Remains Crippling." January 20, 2015.  
<sup>14</sup> Kamara, Alpha and Lazuta, Jennifer. "Ebola also Killing West African Commerce." *USA Today*. September 21, 2014.

<sup>15</sup> Center for Global Development event, "Liberia after Ebola," held on January 13, 2015 in Washington, DC.  
<sup>16</sup> Kennedy, George. "CBL Launches Country's Collateral Registry." *The Daily Observer*. June 19, 2014.  
<sup>17</sup> Khodakivska, Alla. "Verifying Accuracy of IFC's SME Measurement." IFC Factsheet.

move was a celebrated step forward in Liberia's efforts to build an SME-friendly business environment—crucial because SMEs account for over 80% of all economic activity in Liberia.<sup>18</sup>

Now, only months later, the small business environment in Liberia and the region looks very different. Many residents of Guinea, Liberia, and Sierra Leone have stopped working due to illness (or fear of illness) or the need to care for their

## SMALL FARMERS HIT HARD BY EBOLA CREATING FOOD SECURITY RISKS

In the agriculture sector, planting and harvesting has stalled, creating a risk to food security. About half the populations of Liberia and Sierra Leone work on cocoa or peanut plantations or rice or cassava farms<sup>19</sup> but some farmers have abandoned farm land out of fear around the disease and economic uncertainty and let their fields lie fallow.

Stimulating food crop production is essential to avoid exacerbating the current health crisis with hunger, malnutrition, and poverty. In Liberia, the staple crop cassava is in short supply. It now costs 150% more than it used to due to reduced production because of Ebola-related complications, such as quarantines and absent workers<sup>20</sup>. Price increases like these hit the poor particularly hard. Staple crop price increases could push more than 2.5 million people in Liberia, Guinea, and Sierra Leone into poverty, according to Dalberg analysis.<sup>21</sup>

Buoying these stagnant agricultural small businesses would help those who work directly in the sector as well as mitigate the negative repercussions that agricultural shortfalls inflict on the broader population.

loved ones. Some early economic recovery efforts have turned to large corporations to spur growth.<sup>22</sup> Supporting big businesses is important to recovery, but small- and medium-sized enterprises are a critical engine of economic growth. SMEs—from small industrial companies to agricultural producers and retail shop owners—create more than six in ten jobs globally and employ an even greater proportion in West Africa.<sup>23</sup> In Liberia, which has more available data on SMEs than its neighboring countries, SMEs employ over 90% of the workforce.<sup>24</sup> Consequently, supporting SMEs should be a top priority for policy makers, donors, and NGOs working in economic recovery after Ebola.

## WHY SMEs MUST BE THE FOCUS OF ECONOMIC RECOVERY EFFORTS POST-EBOLA

Even in good times, SME workers and owners face many challenges to growth and sustainability, from limited access to finance to a lack of key business skills.<sup>25</sup> Ebola has exacerbated these difficulties. In a survey, Liberian SME owners reported a 70% drop in advertised tenders for their services in local newspapers and a 33% decrease in their number of employees.<sup>26</sup>

Compounding the usual challenges for SMEs are border closures that have prevented trade with neighboring countries, the population's general reluctance to visit crowded markets (where many SMEs are based) due to risk of viral transmission, and banks that have dealt with uncertainty by, increasingly, stopping lending altogether.

As a result, SME revenue has dropped precipitously since the start of the Ebola outbreak. Initial Dalberg estimates show the overall economic loss caused by the SME downturn could amount up to \$45-60 million in Liberia, \$80-110 million in Sierra Leone, and \$7-10 million in Guinea, (where the impact was less acute due to the relatively lower number of Ebola cases as a percent of the population).<sup>27</sup>

<sup>18</sup> African Development Bank. "Liberia-Approves US\$ 5 Million Loan for Liberian Development Bank." June 15, 2009. "Economic activity" in this case refers to any activity involving an exchange of currency for goods and services.

<sup>19</sup> Northam, Jackie. "Ebola's Toll: Farmers Aren't Farming, Traders Aren't Trading." NPR. September 23, 2014.

<sup>20</sup> Eagle, William. "Ebola Claims Another Victim - Economic Growth." *Voice of America*. September 1, 2014.

<sup>21</sup> Dalberg analysis based on population data from the United Nation's Population Division and baseline poverty headcount index data from the World Bank. "Potential Impact of Higher Food Prices on Poverty: Summary Estimates for a Dozen West and Central African Countries" by Quentin Wodon, Clarence Tsimpo, Prospere Backiny-Yetna, George Joseph, Franck Adoho, and Harold Coulombe. 2008. This analysis models a food price increase of 150% across all staples, and forecasts the impact of such an increase on the baseline poverty headcount (BPH) by extrapolating linearly from the upper-bound BPH impact of a 50% increase of staple food prices, as determined in the above-cited paper.

<sup>22</sup> U.S. Chamber of Commerce Foundation. "Ebola Outbreak — Corporate Aid Tracker." December 5, 2014.

<sup>23</sup> ACCA Global. "Small Business: A Global Agenda." 2010. 10.

<sup>24</sup> African Development Bank. "Liberia-Approves US\$ 5 Million Loan for Liberian Development Bank." June 15, 2009.

<sup>25</sup> Musinamwana, Earnest, and Togba, Daniel. "Gathering Competitive Momentum: Overview of the Liberian Economy." November 2014.

<sup>26</sup> Building Markets. "An Overview of the Impact of Ebola on Liberian Businesses." December 2014.

<sup>27</sup> Dalberg analysis based on (i) number of cases as a % of the population as a proxy for the extent to which livelihoods were affected, (ii) understanding the % of GDP that is derived from SMEs, and (iii) actual and imputed values for % revenue drop that SMEs faced. Data sourced from: African Young Voices, "Challenges to Small and Medium Enterprises Development in Sierra Leone" from November 20, 2013; the World Bank, "International Development Association Project Appraisal Document on a Proposed Grant to the Republic of Guinea" from June 6, 2013; and tax revenue drop data from the World Bank, "The Economic Impact of the 2014 Ebola Epidemic" from September 17, 2014.



## HOW TO SUPPORT SMEs DURING THE SHIFT FROM CRISIS TO RECOVERY

SMEs are critical to post-Ebola economic recovery in West Africa. We urge leaders to think creatively about how to tailor common SME-support tactics to this challenging environment.

So what can donors, NGOs, and governments do in both the short and long terms? Based on our work with SMEs globally and in West Africa in particular, we suggest the following:

### 1. Seize Creative Opportunities to Give SMEs Business

#### Simple yet Effective: Channel Funds Locally by Hiring SMEs

SMEs struggling to stay afloat during and after the Ebola outbreak need customers.<sup>28</sup> Donors and private sector figures can help local SMEs by hiring them to provide goods and services. Doing so isn't just good economic development—it's sound business. Local SMEs are likely to stay local when crisis strikes, whereas multinational corporations may pull out of individual regions or countries. SMEs are also agile and may be able to fill roles and adapt faster than larger, more bureaucratic corporations.

#### Ensure Local SMEs Can Compete to Implement Post-Crisis Public Sector Contracts

Policymakers can also take steps to improve SMEs' business opportunities. For example, when West African governments receive relief aid, they could mandate that a certain portion be implemented via contracts with local SMEs.

Multilateral agencies could ease restrictions in their procurement processes to make it easier for local businesses to bid on projects. Channeling funding through local organizations could have significant impact; in Liberia, it is estimated that every \$12,500 of contract value awarded to a local business leads to the creation of one full-time job.<sup>29</sup> Sometimes, local SMEs might not have the technical expertise to fulfill certain contracts, making it difficult for donor agencies to source locally even if they would like to.<sup>30</sup>

Yet, working with technical assistance partners such as Spark, a Dutch NGO focused on entrepreneurship in post-conflict environments, can overcome this hurdle. Spark has funded and worked with entrepreneurs to refine and "Ebola-proof" their business plans in response to new business realities.

#### Use Franchising to Create Viable Local Implementers

In some industries, finding capable SMEs proves very difficult, but even in those arenas large and international companies can create opportunities for local SMEs by developing "turn-key" business models to franchise to local entrepreneurs. These business models ensure shared value for both large companies and local entrepreneurs. For example, a model similar to Tedcor's in South Africa may work.<sup>31</sup> Tedcor is a large waste management company that negotiates and manages contracts with municipalities for trash removal and recycling. However, the company does not own trucks nor do they employ any waste management staff. Instead, Tedcor identifies entrepreneurs from disadvantaged backgrounds and provides them with technical and business training, loaned capital to purchase trucks, and service contracts to fulfill.

STAPLE CROP PRICE INCREASES COULD PUSH MORE THAN 2.5 MILLION PEOPLE INTO POVERTY.

#### At Minimum, Do No Harm

Aside from programs meant to assist SMEs, donors should also "do no harm" and be aware of unintended consequences that could hinder SMEs during rebuilding efforts. In her book *Dead Aid*, author Dambisa Moyo describes a local mosquito net producer who is put out of business when a foreign aid program floods the market with donated mosquito nets. She notes that this ripple effect does not harm just the one mosquito net producer, but also his family, that producer's ten employees, and those employees' dependents.<sup>32</sup>

<sup>28</sup> UNDP. "Socio-economic impact of the Ebola Virus Disease in Guinea, Liberia, and Sierra Leone." November 2014. 9.

<sup>29</sup> Musinamwana, Earnest, and Togba, Daniel. "Gathering Competitive Momentum: Overview of the Liberian Economy." November 2014.

<sup>30</sup> Roopnarine, Les. "Why donor countries are supporting local procurement." *The Guardian*. December 21, 2012.

<sup>31</sup> Tedcor.co.za. 2015. "Tedcor - Home". <http://www.tedcor.co.za/>.

<sup>32</sup> Moyo, Dambisa. *Dead Aid: Why Aid is Not Working and How There is a Better Way for Africa*. Farrar, Straus and Giroux. 2009.





Anyone working to help SMEs fuel growth needs to be wary of creating instability in the markets as they intervene.

## 2. Ensure SME Owners Have the Skills and Information to Persevere and Scale

Market opportunities are the first step; they help SMEs survive in the immediate term. To weather volatility and grow, however, SME owners and operators also need strong business skills.

### Make Business Development Services Available to Build Skills

Many SME owners are often very entrepreneurial, but many lack the formal business training<sup>33</sup> to take full advantage of their businesses and markets. Business development services—including financial

management, strategy support, and mentoring—can make a big difference in how an SME operates. Incubator and accelerator programs equip SMEs with skills and knowledge on how to increase their revenue, which is sometimes even more important than financing. A business development service pilot in South Africa, SME Catalyst for Growth, found that 75% of the participating SMEs experienced revenue growth and 50% were able to increase their staff after two years of support—impressive results given that about 18% of their peer firms fail every year.<sup>34</sup>

However few businesses in the regions most affected by Ebola—for example, only 19% in Liberia—have used business development services.<sup>35</sup> Avril Fortuin, the executive director of Liberia Entrepreneurial and Economic Development Inc. (LEED), says coaching is critical. According to Fortuin, most SME leaders in the country would not know

<sup>33</sup> Kpangbai, Mator M.F. “Building a Culture of Reading in Liberia.” September 8, 2011.

<sup>34</sup> Dalberg and JPMorgan. “The SME Catalyst for Growth Initiative in South Africa – Final Report.” June 2014.

<sup>35</sup> Musinamwana, Earnest, and Togba, Daniel. “Gathering Competitive Momentum: Overview of the Liberian Economy.” November 2014.

to do something like sell assets to weather a rough period, or how to handle a large infusion of cash. “I ask entrepreneurs what they would do if they had the \$5,000 loan they’re asking banks for, and they don’t have a good answer,” she said.

“WHATEVER YOU CAN DO TO CUSHION THAT BLOW, YOU SHOULD JUST DO IT.”

### Take Advantage of Incremental Steps That Can Ripple to the Broader SME Sector

While incubator and accelerator programs typically offer “high-touch” support to small groups of businesses, even focusing on a few SMEs can go a long way in supporting the entire ecosystem. According to Fortuin, LEED’s executive director, helping 50 SMEs grow their businesses post-crisis would have a multiplier effect. “Sometimes it’s just showcasing successes and showing other SMEs that investments are worth it even if they don’t pay back immediately,” she said.

Richard van Hoolwerff, the country manager for Liberia at Spark, agrees. When his team could no longer hold in-person business trainings with the SME owners participating in its program due to prohibitions on public gatherings during Ebola’s peak, the team started using email and SMS to coach SMEs. This strategy has been challenging, as many of the entrepreneurs have limited tech literacy and the method is less efficient for Spark, but, he says, every little bit helps: “Whatever you can do to cushion that blow, you should just do it.”

### Fortify Existing SME Support Sources to Prime SMEs for Financing Post-Crisis

As the crisis subsides, organizations focused on business development services for small businesses will need to ensure their own operations are stable and ready to kick into higher gear to support SMEs when they need training and incubation the most.

SME access to opportunities and business support will mean better access to finance—a persistent

challenge for SMEs.<sup>36</sup> SMEs are often turned away from banks because they either cannot put together a complete application with realistic financial numbers, or because the investments they want to make will not generate sufficient capital to service their debt. Business development services can help them overcome these barriers to become more qualified applicants for loans.

### 3. Accelerate Access to Finance for SMEs through Subsidies, Innovative Financing, and Repayment Flexibility

In an Ebola environment, access to finance can be challenging even for qualified SMEs, because banks, too, are having a difficult time staying afloat. As a result, some actors have already made efforts to improve SMEs’ access to finance during the crisis. The IFC and Ecobank-Liberia announced a \$7.5 million loan to distribute to Liberian SMEs most affected by the virus. Additionally, in October 2014 Dutch foundation Cordaid made a \$4.6 million investment in the West African Ventures Fund to go directly to SMEs in Liberia and Sierra Leone.<sup>37</sup>

### Enable Local Banks to Respond Flexibly to Their Borrowers

Donors can play a catalytic role by subsidizing local banks and mitigating banks’ risk so the banks have the flexibility to lend to SMEs profitably during crisis and recovery. This flexibility could include longer grace periods for repayment to allow companies time to recover before they must repay the principal or interest on a loan. Typically, banks would avoid making these loans altogether, viewing a business’ inability

INVESTMENTS IN SMEs WILL HELP REBUILD COMMUNITIES BY CREATING JOBS AND HIGHER INCOMES.

<sup>36</sup> African Development Bank. “Financial Innovation in Africa.” 2013.

<sup>37</sup> Cordaid. “\$4.6 Million for Ebola-affected economies.” October 14, 2014.



## CASE STUDY: HIRING SMEs IN THE WAKE OF THE CRISIS

In Liberia, a group of five SMEs are providing relief organizations like Médecins Sans Frontières (MSF) with key services such as water, food, logistics, and construction through a program called the Ebola Business Case. Most of these small businesses provided similar services pre-Ebola and were able to quickly adapt to the new context and customers.

One business owner, David Tuazama, whose original business was constructing houses, shifted his approach to help provide MSF with wood, sand, and plastic for covering construction during rain. A former tailor Israel Moses is now making scrubs for a nursing center. Two other entrepreneurs, James Walker and Samuel G. Collins, have sold rice and oil and helped provide pharmaceutical supplies, respectively. These projects have yielded the twofold benefits of filling gaps in relief services and pumping money into the local economy, and are a good illustration of the way foreign actors can stimulate local business to help an economy in crisis.

to begin immediate repayment as a sign of its lack of creditworthiness, making the business, therefore, too risky a borrower to justify making a loan.

In a blended finance approach like this, the “donor” might be best played by a foundation that can provide philanthropic capital.<sup>38</sup> If banks were to ease credit requirements during the crisis to open the door for SME borrowers, a foundation could subsidize banks to capitalize interest if SMEs are not able to pay back loans on time. SMEs could then regain responsibility for servicing their loans after a certain period of time, such as one year.

## Consider Unconditional Cash Transfers to Bridge Temporary Liquidity Issues

Some donors have also experimented with cash transfers to support SMEs. Recognizing that Ebola has disproportionately affected women, who make up 85% of daily market traders in Liberia,<sup>39</sup> UN Women, for example, gave a grant to the Central Bank of Liberia to provide 2,500 female cross-border traders with mobile cash transfers. These cash transfers will help them restart or expand their businesses while travel is restricted and market centers are shut down<sup>40</sup> Unconditional cash transfers have been proven effective and can help SME owners avoid defaulting on their loans.<sup>41</sup>

## CONCLUSION

Ebola’s effects on the economies of Guinea, Liberia, and Sierra Leone have been devastating. It will be easy for relief efforts to focus on helping the economy through high-profile contracts with multinational corporations seeking to return to the region or open there for the first time. These contracts will help Guinea, Liberia, and Sierra Leone recover, particularly by increasing investor confidence in the region. But, unless creatively implemented, they may not help SMEs receive the support they need as drivers of economic growth in the affected countries.

Investments in SMEs will help rebuild local communities by creating more jobs and higher incomes. Support for SMEs benefits the people who depend on SMEs—people with families to feed and children to send to school.

Affected countries can rebuild in an inclusive way that supports SMEs and the faces behind them—but donors, NGOs, and governments must be intentional in their efforts to support SMEs. Through innovative financing, business development services, and engaging SMEs’ services during recovery, post-Ebola rebuilding efforts can give SMEs the support they need to recover and continue to grow. ■

<sup>38</sup> Dalberg. “Innovative Financing for Development: Scalable Business Models that Produce Economic, Social, and Environmental Outcomes.” September 22, 2014.

<sup>39</sup> UN Women. “In Liberia, Mobile Banking to Help Ebola-Affected Women Traders.” November 14, 2014.

<sup>40</sup> UN Women. “In Liberia, Mobile Banking to Help Ebola-Affected Women Traders.” November 14, 2014.

<sup>41</sup> Dalberg. “Can Giving Money to The Poor—No Strings Attached—Create Development Impact?” *D. Blog*. April 25, 2014.



# RISK MITIGATION IN A TIME OF OUTBREAK:

## SOCIAL IMPACT INSURANCE CAN ACCELERATE AID FUNDING AND INSURE EBOLA WORKERS

by Ted Macharia, Barbara Kong, and Liesbet Peeters

**A**n Ebola patient risks infecting up to two people every 9 to 15 days.<sup>42</sup> For a feverish patient, each handshake, crowded market, and family meal presents a possibility to inadvertently infect others. Within this context, rapid response—through treatment and containment—becomes crucial to outpacing the spread of the virus.

That rapid response requires two material components: (1) money for clinics and treatment programs and (2) trained health workers to care for those infected. However, moving capital and placing workers into an outbreak zone are both high-risk activities that have faced significant delays in the Ebola crisis. A relatively new concept called social impact insurance may be able to help. By applying insurance principles from the private sector, social impact insurance can accelerate aid funding and insure health workers on the frontlines.

### PROBLEM: THE FUNDING LAG TIME

There is often a significant delay between the moment funds to address an immediate crisis are committed by governments or donors and the time that money gets to the ground. Funds committed to fighting the Ebola outbreak from multilateral or donor agencies can be caught up in bureaucracy and logistics for many weeks before they become cash-in-hand for a hospital that needs to buy beds in Liberia, Sierra Leone, or Guinea.

We don't yet have robust data on how quickly Ebola funding has been disbursed, given that the crisis is still unfolding. However, past evaluations provide a point of reference; one study found it takes an average of 80 days for bilateral grants to get to NGOs.<sup>43</sup>

Pooled emergency response funds, such as the United Nations Central Emergency Response Fund (CERF) were designed to avoid lengthy delays by mandating a shorter timeline for review, approval, and disbursement. A 2012 evaluation found that NGOs typically wait for 40 days to receive CERF rapid response funds during emergencies.<sup>44</sup> However 40 days is still a relatively long time given the nature of the Ebola crisis. Further, the vast majority of Ebola funding is not channeled through emergency response funds and is therefore at risk of being distributed in slow motion.

"Delays in disbursements of funding may have contributed to spread of the virus," wrote Karen Grepin of New York University's global health policy department in a recent report on Ebola funding. She added, "We need a mechanism to enable more rapid disbursement of funds to fight public health threats such as Ebola."<sup>45</sup>

### HOW SOCIAL IMPACT INSURANCE CAN ACCELERATE FUNDING DURING A CRISIS

Social impact insurance can underwrite—or assume the risk for—donor-committed funding, allowing local banks to loan money immediately to social projects.

Here's how it works: the donor (typically a government, agency, or multilateral institution) agrees to financially support a social impact project—for instance, a hospital clinic carrying out on-the-ground treatment programs. The agreement outlines how and when the funds are going to be paid out. With that funding agreement in place, the clinic can access immediate financing from a local bank using the

<sup>42</sup> "Ebola Spreads Slower, Kills More Than Other Diseases." *Washington Post*. October, 14, 2014.

<sup>43</sup> Jeffries, Anna. "NGOs Look to A New Humanitarian Funding Model." *IRIN*. November 6, 2013

<sup>44</sup> Jeffries, Anna. "NGOs Look to A New Humanitarian Funding Model." *IRIN*. November 6, 2013

<sup>45</sup> Grepin, Karen. "International donations to the Ebola virus outbreak: too little, too late?" *BMJ*. February 3, 2015.

donor's payment agreement (or repayment schedule policy) as a guarantee that funds from the donor are forthcoming. The social impact insurance underwrites the agreement, so that the clinic can borrow from the bank immediately and repay once it receives donor funding. If the donor doesn't release funds within the time it promised, the social impact insurance entity pays back the bank. Thus, the social impact insurance unlocks funds by facilitating access to a bank loan, allowing on-the-ground relief programs to start up faster.

## HOW SOCIAL IMPACT INSURANCE CAN ENCOURAGE HEALTH WORKER VOLUNTEERS

In addition to slow deployment of critical funds, the shortage of trained and health workers in Ebola-affected areas contributed to the protracted crisis. Health workers and volunteers are critical to frontline Ebola operations. However, high rates of Ebola transmission among health care workers, stringent travel restrictions, and the uniquely stressful working conditions made recruiting international volunteers difficult.<sup>46</sup>

In October 2014, the UN Mission for Ebola Emergency Response announced it needed at least 5,000 additional health workers to assist local and international teams already on the ground.<sup>47</sup> The African Union responded by pledging 2,000 health workers from member states, but less than half that number has been deployed to date.<sup>48</sup>

A dedicated social impact insurance policy could help encourage more health workers to volunteer. The policy would cover the cost of evacuating and treating health workers infected in the line of work. Donors, development agencies, and international health agencies like the World Health Organization could pay the premium and, in the event of death as a result of the disease, the family or beneficiary of the policy would receive the sum insured, offering the volunteer's family an extra layer of protection should something tragic occur.

Other similar insurance products do exist, however they are not always readily available.<sup>49</sup> In Kenya, for example, health workers were stalled from deploying to Ebola-affected areas for weeks because of the lack of appropriate insurance coverage.



## MAKING THESE SOLUTIONS WORK

D. Capital Partners, an impact investment advisory firm in the Dalberg Group, is looking to apply these solutions to help accelerate Ebola funding and encourage health worker volunteers through HUGinsure, the world's first social impact insurance entity. We hope that these initiatives to support the current Ebola crisis and any potential future health emergencies will follow the lead of past successful HUGinsure transactions around the world, including a program to distribute free Wi-Fi to a South African township and an insurance product to protect smallholder farmers from risks created by unpredictable weather.

However, as with any solution that bridges the private and public sector, HUGinsure only works if incentives and objectives between the insurance sector and the development sector are aligned. Social impact insurance's success is dependent upon the willingness of insurance companies and the development sector to understand each others' priorities and operating contexts and to go out their "comfort zone" to make these solutions work. For example, financial institutions need to accept donor commitments as a credible guarantee of funding, and policyholders need to be confident that the policy will pay out in a timely manner.

Because they require open-minded actors willing to try something new, cross-sector innovations like HUGinsure are challenging to pull off, but their results can be truly tremendous—especially when they accelerate and amplify response to crises where every second counts. ■

<sup>46</sup> Linshi, Jack. "Ebola Healthcare Workers Are Dying Faster Than Their Patients." *Time*. October 3, 2014.

<sup>47</sup> "5,000 Health Workers Needed in West Africa, World Bank Chief Says." *Haaretz*. October 28, 2014.

<sup>48</sup> Vollgraaff, Rene. "Africa Union Asks Continents Billionaires to Fund Ebola Battle." *Bloomberg*. November 3, 2014.

<sup>49</sup> "Medevac Policy Gaps Slow Volunteer Recruitment." *Inside The Ebola Hot Zone*. IRIN News.

# WHAT COMES NEXT?

After West Africa reaches zero new cases—and we hope that day will come very soon, when protective suits come off and everyday rituals like handshakes and hugs return—international attention must stay focused on rebuilding the region. With two out of three households in parts of Liberia reporting reduced income, 85% of households eating fewer meals a day, and as many as 10,000 children<sup>50</sup> in the region orphaned, this is a human tragedy as much as a health and an economic crisis. Recovery will take creativity, sensitivity, and time.

As we rebuild, we must also invest in emergency responses to form a foundation for resilience against future emergencies. As discussed in the preceding pages, this requires taking concrete steps to empower local leaders; build up local and regional response and coordination institutions; leverage social media and technology where possible; and involve the private sector as a partner in crisis response.

We hope the ideas in this report help spark conversation and concerted, coordinated action. We all—governments, donors, NGOs, and the private sector—must think long-term in emergency response and rebuilding efforts. It is not a question of if but when we are faced with another crisis. It is incumbent upon all of us to ensure that when the next emergency does strike, we are ready.

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<sup>50</sup> "Homes and Hugs for West Africa's Ebola Orphans." UNICEF. December 17, 2014.