

The COVID-19 pandemic is a global threat that continues to require urgent action and international cooperation. The "decade of action" to accelerate the 2030 Agenda, started instead with a reversal of the many years of positive trend of poverty reduction in all its dimensions. Sida has adapted its support to better meet the needs of people affected by the pandemic. As the pandemic continues, Sida commits to fighting its direct and indirect consequences. Sida's response focus on creating conditions for the poorest and most vulnerable to shape their existence and future.

A FEW INSIGHTS INTO INDIRECT IMPACT OF COVID-19

In many countries poverty and hunger has increased due to the pandemic. The crisis cuts across all sectors and countries, and have had enormous consequences on people's health and economy. After almost three decades of positive trends to eradicate poverty, it is now on the increase again. Food insecurity and malnutrition has increased. It is estimated that 700 million persons goes to bed hungry every day. Lock-downs and restrictions have had enormous socio-economic consequences. More than 170 million children have gone without schooling for more than a year and remote learning has only been available to a few. The pandemic has led to sweeping income and employment losses.

In parallel to the economic crisis, many countries have managed to strengthen their social safety systems. The purpose has been to enable individuals and households a better access to health care, access to food and schooling and ability to deal with unemployment and in the longer-term sense improve resilience to crisis. The pandemic has put focus on the need for increased digitalisation and introduction of new technology in many countries. Digitalisation is important to prosper from economic development, to quickly reach persons with information, social protection systems and education. New technology opens up for new possibilities to combat poverty.

Women and children are more affected by the pandemic. Many years of successful work to strengthen access to health care, sexual and reproductive health and rights

(SRHR) has suffered. Maternal mortality has increased and more children are suffering from malnutrition, preventable diseases and lack of routine vaccinations. Gender based violence has increased and more child marriages can be noted. The disruption of essential health services has caused major setbacks. Vaccine immunization campaigns have been postponed leaving about 1.3 million children in Africa short of their first vaccination against tuberculosis and malaria.

The trend since 10 year with shrinking democratic space has been further reinforced by the pandemic. Threats against media and civil society have increased as well as human right violations. There is a risk that large support packages, with high disbursement during a short period, that are put in place during the pandemic, can further exacerbate the level of corruption.

SIDA'S APPROACH SINCE THE BEGINNING OF THE PANDEMIC

Sida's response during the pandemic has the same overriding objective as all Swedish development cooperation – namely to create conditions for better living conditions for people who live in poverty and oppression.

Sweden is a strong advocate for building forward better and greener. The massive recovery packages across the world to alleviate the economic crisis and human suffering caused by the pandemic provide an opportunity to accelerate implementation of the Paris Agreement and the 2030 Agenda and thereby ensure a green, healthy and inclusive recovery. Sida has an important role to play in this work.

In many countries the indirect or crowding-out effects of the pandemic can be more severe than the direct effects, for example in the health and education sectors. Sida is committed to work both with direct and indirect effects of the pandemic.

Countries are affected very differently and with rapid changes, something which calls for flexibility, learning and adaptability for Sida and our partners. The response needs to be adapted to the specific needs in a country, region or thematically. Development effectiveness, including alignment and donor coordination, is a core pillar in Sida's support to partner countries. Sida is engaged in the Joint Team Europe approach for a coherent European response to COVID-19.

Within the COVID-19 response, Sida commits to its standing as a flexible and adaptive donor. A substantial share of Sida's support is channelled as core or programme support, which enables partners to adapt their on-going efforts to respond to the pandemic. An active and frequent dialogue between Sida and partners is of essence to continuously adapt to needs.

The importance of a well-functioning multilateral system has been accentuated during the pandemic – to which Sida is a long-standing and significant donor. Financial support has been channelled through the UN's three-pronged response to COVID-19: i) the health response; ii) the humanitarian response through UN's Global Humanitarian Appeal, and iii) the socio-economic response.

External financing to developing countries has dropped significantly during the pandemic which implies that development cooperation support and humanitarian assistance from Sweden and Sida is ever more important. But, also that we need to work in a more catalytical way, mobilise new and more varied sources of finance for the recovery and achievement of the SDGs.

To manage the COVID-19 pandemic, research and evidence is needed, something Sida is committed to supporting. There is a particular need to understand and mitigate its consequences in low- and lower middle-income countries.

Efforts against corruption are vital during a crisis like the current pandemic. Extraordinary events tend to expose weaknesses in the public sector and thereby create opportunities for corruption. Sida is working to mitigate corruption as an integral part of its COVID-19 response.

The humanitarian needs have increased drastically. This is due to an increase in and complexity of armed conflicts and climate and environment-related disasters, but the pandemic has further exacerbated the needs. Sida increased its humanitarian assistance in 2020 and this is foreseen to continue.

SIDA'S SUPPORT SINCE THE BEGINNING OF THE PANDEMIC

Since the start of the pandemic Sida has continuously adapted and adjusted its support. It has been an unprecedented change during a short period. We have done this change primarily with our existing partners and in accordance with the almost 44 global/regional/country or thematic strategies that Sida is managing.

Until April 2021, around 110 contributions, either new or with additional funds, have been decided upon. Almost 300 on-going contributions were adapted at activity and/or output level and extended in time.

In total Sida has allocated almost 1 616 million SEK (app. 160 million Euro) to combat the pandemic and ease its consequences in societies. Around 700 million SEK of the funds were allocated to contributions that directly aims to decrease the spreading of COVID-19, for example strengthening of health sector systems, sexual and reproductive health and rights (SRHR) and water and sanitation. Around 1000 million SEK¹, was allocated to mitigate the socio-economic impact of the pandemic. This includes areas such as social support systems, access to energy, support to national institutions and civil society as shown in table on next page.

The major part, around 1 300 million SEK, of Sida's new or additional support for COVID-19 has been allocated to multi-lateral organisations such as UNICEF, UNDP, UNFPA, WHO, UNOPS/Cities Alliance, IFAD and WB. Around 230 million SEK has been allocated to strengthen the work of civil society organisations and enable them to respond to needs of local organisations in partner countries.

Table of Sida's C19-disbursements by partner in SEK (1 000's) during 2020 and until April 2021

Sida Total	1 616 000
UN	632 000
IBRD	255 000
WHO	86 000
SEFA/Sustainable Energy Fund for Africa	65 000
IOM/International Organization for Migration	50 000
IFAD/International Fund for Agricultural Development	38 000
WFP/World Food Programme	35 000
Others (below 30 MSEK/contribution)	455 000
<i>NGO & Civ.Soc.</i>	<i>230 000</i>
<i>Other multilateral organisations</i>	<i>117 000</i>
<i>Public sector institutions</i>	<i>46 000</i>
<i>Private sector institution</i>	<i>31 000</i>
<i>Public-Private Partnerships (PPPs) and networks</i>	<i>30 000</i>
<i>University, College or Other Teaching Institution, Research Institute or Think-Tank</i>	<i>1 000</i>

¹ Some contributions are directed at both reduction of spread as well as the indirect effects of the pandemic. Hence the sum amounting to more than 1.6 billion SEK

Examples of support:

- More than 300 MSEK has been allocated to **UNICEFs** work to address the pandemic. They work to ensure access to essential medicines, to improve maternal and new-born health services, to improve access to safe drinking water and sanitation and improve social safety nets.
- The **Rural Poor Stimulus Facility**, a multi-donor COVID-19 support, aims to improve the food security and resilience of poor rural people by supporting production, market access and employment.
- The **Post-Emergency Direct Cash Transfer** program in Mozambique, via the World Bank, aims to assist poor and vulnerable households with cash transfers for food consumption and improved resilience.
- Through **2Gether4SRHR** – Sida support governments to collect, package and communicate critical data on the disruption of essential Sexual and Reproductive Health services as well as measure the consequences of that disruption against key indicators such as maternal mortality.
- To improve access to information about the pandemic, **Internews** supports media in a number of countries with material, and to for example persons in conflict areas or refugees.
- The **Global South AI4COVID** Program supports multi-disciplinary research focused on evidence-based artificial intelligence (AI) and data science approaches to aid COVID-19 response and recovery.
- During 2020 Sida allocated an additional 140 million SEK for **humanitarian assistance** to COVID-19. For 2021 Sida's humanitarian assistance to COVID-19 has been integrated into its support to 33 selected crises, stemming from the Global Humanitarian overview 2021.
- The **Urgent Action Fund for Women's Human Rights** is a fund that protects, strengthens and sustains women and transgender human right at critical moments. Extra support has been provided due to COVID-19.

Table of Sida's C-19 disbursements by sector and continent (1 000's) during 2020 and until April 2021

