REACTION-ACTION PROGRAM

Addressing and mitigating the economic impact of COVID-19 on businesses and vulnerable communities.

OVERVIEW

The Reactive-Action Program increases income for populations impacted by the COVID-19 pandemic. The program supports inclusive economic growth by strengthening regional and national government capabilities to address current and future crises and economic shocks. The program also works with micro, small and medium-sized enterprises’ (MSMEs) to increase their productivity, create employment opportunities, and become more resilient to future economic shocks. The program is implemented by the United Nations Development Program (UNDP), and it engages informal workers, unemployed youth, the migrant population, indigenous communities, and women who have been victims of armed conflict or gender-based violence. The Reactive-Action Program runs from December 2020 to December 2022.
COMPONENTS

IMPROVING RECOVERY POLICIES

Reactive-Action Program improves public policy making capabilities, specifically related to the collection and analysis of information to inform better recovery responses. The program uses quantitative and qualitative methodologies to identify impacts of the pandemic on different populations and economic sectors to propose evidence-based policy reform.

DEVELOPING INCLUSIVE VALUE CHAINS

Reactive-Action Program maps and strengthens value chains through the integration of MSME’s and local stakeholders. With the help of local and interconnected networks, the program enables MSMEs and entrepreneurs to adapt to changing market conditions, comply with biosecurity protocols, create new and local business models, and find new channels for distribution.

CREATING INCOME GENERATION SCHEMES

Reactive-Action Program uses a Cash for Productivity strategy to create temporary job positions in communities impacted by COVID-19. The Cash for Productivity strategy quickly increases vulnerable populations’ income and improves local employment opportunities in the long-term by providing community members with labor certification and training.

PROMOTING INCLUSIVE VALUE CHAINS

Reactive-Action Program increases MSMEs’ productivity by strengthening their business and management capabilities. The program provides MSMEs with blended finance, micro-franchising, technical assistance, and digital transformation tools to increase their capacity to adapt to new market trends, survive the current economic shock and thrive in the long-term.

RESULTS

- Helped 20 micro businesses start operating;
- Assisted 736 MSMEs to adopt digital inclusion strategies;
- Engaged over 530 individuals through job training programs;
- Leveraged USD 11.5 million in public and private sector funds;
- Trained 85 MSMEs in electronic commerce and the use of information technologies;
- Created 530 temporary jobs created within the framework of Sembradoras por la Reactivación program; and
- Developed more inclusive value chains through partnerships with six anchor companies and 55 supplier companies.