

FISCAL YEAR (FY) 2019

ECONOMIC RECOVERY AND MARKET SYSTEMS (ERMS) SECTOR UPDATE



With USAID/OFDA support, World Vision provided this woman with training and a grant to buy cooking equipment. This helped her restart the bakery business that she had left behind when she fled to Colombia from Venezuela. *Photo by Laura Meissner/USAID.*

Supporting Venezuelan Livelihoods in Brazil and Colombia

Deteriorating economic and political conditions in Venezuela that began in 2014 have triggered an influx of approximately 4.3 million Venezuelans into neighboring countries—including Brazil, Colombia, Ecuador, and Peru—and resulted in urgent food; health care; and water, sanitation, and hygiene needs. According to the UN, an estimated 7 million people remain in need of humanitarian assistance in the region, including Venezuelans, returnees, and host communities.

USAID/OFDA partners are supporting Venezuelans in Colombia to rebuild their livelihoods and enhance their self-reliance. With prior-year funding, three USAID/OFDA partners—Acción contra el Hambre/Spain, Norwegian Refugee Council, and World Vision—assisted vulnerable Venezuelan and Colombian families to re-establish livelihoods. Working along the Venezuelan border in Colombia's La Guajira and Norte de Santander Departments, as well as in the capital city of Bogotá, partners provided or facilitated access to business training, reviewed business plans, and distributed seed capital to small entrepreneurs to start or restart their businesses to improve self-reliance. USAID/OFDA also provided World Vision with nearly \$150,000 in FY 2019 to continue this work.

USAID/OFDA ERMS Activities

FY 2019 FUNDING

Standalone Global and Regional ERMS Programs	\$323,814
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ERMS Interventions Worldwide	\$56,637,979
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\$56,961,793¹

Sector Overview

Natural disasters and conflict adversely affect local economies by destroying homes and businesses, damaging assets, and disrupting transportation and markets. To help communities resume economic activity and rebuild livelihoods, USAID's Office of U.S. Foreign Disaster Assistance (USAID/OFDA) supports economic recovery and market systems (ERMS) activities in disaster-affected communities, as well as ERMS interventions that help communities build resilience and prepare for disasters. Reducing the social and economic impact of disasters is the third pillar of USAID/OFDA's mandate.

ERMS interventions strengthen key market systems, help populations restore livelihoods, and increase purchasing power at the household, local, and regional levels. USAID/OFDA-supported ERMS programs complement individual and community recovery efforts following a disaster, helping households and communities regain economic independence.

¹ USAID/OFDA FY 2019 ERMS sector funding supported activities in 25 countries throughout Africa, Asia, Europe, Latin America, and the Middle East.

Restoring Economic Activity for Conflict-Affected Populations in CAR

Widespread insecurity—related to conflict between various armed opposition groups and the Government of the Central African Republic (CAR) that began in 2012—has resulted in acute food insecurity, poor health conditions, and population displacement. An estimated 2.9 million people in CAR require humanitarian assistance, while more than 590,000 people have fled to neighboring countries.

USAID/OFDA is supporting partners to help restore economic activity for conflict-affected populations in CAR, reducing their reliance on humanitarian assistance. USAID/OFDA provided \$1 million to Première Urgence International in FY 2019 to support internally displaced persons (IDPs) and host communities in Bangui Commune and Ombella-Mpoko Prefecture with cash transfers to rebuild income-generating activities abandoned due to conflict and displacement. This included providing cash grants to more than 500 people to clean a local canal in Bangui. Elsewhere in the country, other USAID/OFDA partners are helping conflict-affected Central Africans restore their livelihoods through revival of local artisanal industries to build essential goods for communities, such as traditional kitchen tools, temporary employment programs to rehabilitate local infrastructure, and village savings and loans associations to strengthen communities' financial capacities.

Generating Income and Providing Employment for Vulnerable Syrians

Prolonged conflict that began in 2011 continues to result in large-scale displacement and acute humanitarian needs in Syria. The UN reports that nearly 12 million people in Syria require humanitarian assistance and an estimated 6.2 million people remain internally displaced.

To stabilize livelihoods for vulnerable Syrians, USAID/OFDA is supporting partners to provide assets, training, and other interventions to help IDPs and host community members build their resilience and reduce negative coping strategies. In FY 2019, USAID/OFDA provided a partner with more than \$1.4 million for temporary employment opportunities for vulnerable populations in northeast Syria, with a focus on opportunities restoring vital public infrastructure and services benefitting the whole community. In Damascus and Rif Damascus governorates, another partner is using nearly \$515,500 in FY 2019 USAID/OFDA funding to improve income-generating opportunities for women and young men by establishing vocational training centers to connect them with local employers and learn the skills necessary for the local market. Across the country, USAID/OFDA is also supporting partners to rebuild livelihoods through market-oriented programs engaging at-risk households in vocational training and apprenticeships, providing simple professional tool kits (such as crafting or electrical tools) to help people with marketable skills launch small service businesses, and training business owners to analyze market dynamics and develop business plans.

Global ERMS Programming

In addition to country-level and regional ERMS programming, USAID/OFDA funds global initiatives to strengthen economic recovery capacity and knowledge throughout the humanitarian community. Among others, these include:

Minimum Economic Recovery Standards: USAID/OFDA provided support to the Minimum Economic Recovery Standards, a Sphere companion, with FY 2019 and prior-year funding for the Small Enterprise Evaluation Project (SEEP) Network, a group of development and humanitarian actors focused on promoting market and enterprise development.¹ USAID/OFDA support helps promote the use of the standards through field testing, institutional mainstreaming, technical support, and training.

Marketlinks: Through a buy-in to the Education Performance Improvement, Communications, and Knowledge (EPIC) project—implemented by Training Resources Group, Inc.—and in collaboration with other USAID bureaus, USAID/OFDA works with the Marketlinks.org platform to showcase innovative market-based humanitarian programming and spur discussion on critical and emerging topics related to markets and humanitarian response.

¹The Sphere Project was launched in 1997 by the International Committee of the Red Cross, UN, non-governmental organizations, and donors to develop a set of universal minimum standards for humanitarian assistance and thereby improve the quality of assistance provided to disaster-affected persons and to enhance the accountability of humanitarian agencies.

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USAID/OFDA is now part of USAID's Bureau for Humanitarian Assistance (USAID/BHA). Historical USAID/OFDA information products are available at: <http://www.usaid.gov/what-we-do/working-crises-and-conflict/responding-times-crisis>