ECOSOC Special Meeting

Ebola – A Threat to Sustainable Development

Friday, 5 December 2014, 10:00 a.m. – 1:00 p.m.
ECOSOC Chamber, UN Headquarters, New York

CONCEPT NOTE

Introduction

The current Ebola outbreak is the largest one ever recorded. During the 69th General Assembly, many heads of States called for a global response as an effective way to face the Ebola outbreak. In a historic resolution (S/2177), the Security Council emphasized the role of all relevant United Nations System entities, in particular the United Nations General Assembly, Economic and Social Council, and Peacebuilding Commission, in supporting the national, regional and international efforts to respond to the Ebola outbreak.

As the United Nations, affected countries’ governments, Pan-African institutions and the international community step up efforts to respond to the Ebola outbreak, the Economic and Social Council is convening a Special Meeting to bring this issue to the attention of the Council to discuss in-depth the economic and social impact of Ebola on the affected countries, the region and the rest of the world, identify solutions for a comprehensive and multi-sectoral response, and help mobilize resources to stop the Ebola outbreak.

Background

As of 18 November 2014, a total of 15,319 (confirmed, probable and suspected) cases of Ebola virus disease (EVD) have been recorded in the three most affected countries, including Guinea (2047 cases and 1214 deaths), Liberia (7082 cases and 2963 deaths), and Sierra Leone (6190 cases and 1267 deaths).¹ Nigeria, Senegal and Uganda, however, successfully contained the spread of the virus. The worst affected countries are also among the poorest in the world, with healthcare systems that are not equipped to handle a health crisis of such magnitude. In 2010, Guinea, Liberia and Sierra Leone respectively had 10, 1.4 and 2.2 physicians and 4.3, 27.4 and 16.6 nurses per 100,000 people.² Furthermore, external resources represented about 10.3 per cent of total expenditures on health in Guinea, 34.6 per cent in Liberia and 13.2 per cent in Sierra Leone in 2012.³ The outbreak took a toll in the health sector, as many health workers have been infected or died in these countries. In addition, the diversion of funds and personnel led to a

¹http://www.un.org/ebolaresponse/data.shtml
²In comparison, the countries that successfully contained the Ebola virus, namely Nigeria, Senegal and Uganda, had 39.5, 5.9 and 11.7 physicians, and 160.5, 42 and 130.6 nurses per 100,000 people, respectively in 2010.
³World development indicators
reduced capacity of the public health systems to take care of other prevalent diseases, pregnancy and childbirth.

At the macro level, these countries with fragile economies are now faced with increasing fiscal deficits as a result of increased expenditure on health, security and social protection coupled with revenue reduction due to decreased economic activities. According to IMF and World Bank estimates, the short-term fiscal impact of the Ebola outbreak is US$ 113 million (5.1 per cent of GDP) for Liberia, US$95 million (2.1 per cent of GDP) in Sierra Leone and US$120 million (1.8 per cent) in Guinea. These countries may also face borrowing constraints depending on the duration and spread of the epidemic.

The World Bank also estimates that the GDP loss due to the Ebola epidemic could reach US $7.4 billion in 2014 in West Africa. For 2015, the estimated GDP loss would be US $25.2 billion under a slow-containment, high Ebola scenario, and $1.6 billion under a low Ebola scenario. Direct costs (government expenditures on health care) and indirect costs (lower labor productivity as a result of workers being ill, dying or caring for the sick) are factors contributing to the growing negative economic effects of Ebola. While growth rates are expected to be positive, the World Bank anticipates a short-term reduction in the 2014 GDP growth rates in Guinea from 4.5 to 2.4 per cent (2.1 percentage points), Liberia from 5.9 to 2.4 per cent (3.4 percentage points) and Sierra Leone from 11.3 to 8.0 per cent (3.3 percentage points). Economic effects could be even more important in quarantined areas within affected countries due to disruptions in the movement of workers (especially farmers), goods and services and this is expected to lead to food shortages and increase in commodity prices.

The Ebola outbreak led to lower levels of employment, decreased demand for goods and services and business closures in the affected communities. A major contributing factor to these is the aversion behaviour of people, communities, companies and countries in response to the Ebola virus. Border closures in Western Africa contributed to a reduction in trade in goods. The economic impact, however, goes beyond the national borders, as reductions in travel to and from the affected countries resulted in negative impacts on the businesses of airlines, hotels and restaurants. Some airlines pulled out of Liberia and Sierra Leone, and some countries put travel restrictions on those travelling from affected countries. While some companies are cancelling orders and some mining and oil companies are shutting down their operations, pulling out expatriate staff from affected countries, others are cancelling visits to other African countries in fear of Ebola.

In Liberia, for example, the mining sector—which accounts for about 17 per cent of GDP and 56 per cent of exports—is expected to contract 1.3 per cent as a result of mining companies closing operations or putting off investments in the country. Ebola’s impact in the agricultural sector in Liberia—which accounts for 25 per cent of GDP, and nearly half of the employed—has been felt through food shortages and higher food prices. Given the timing of the outbreak—during one of the prime planting seasons—, food shortages and higher prices are likely to continue on even if the outbreak is quickly contained since supplies for future periods would be reduced. Another hard-hit sector in Liberia has been the service sector, which accounts for almost half of the GDP and nearly 45 per cent of the workforce, in particular the hotel, transport and restaurant sub-sectors.

5 ibid
6 ibid
Various projections that have been made on the economic impact of EVD on the economies of affected countries and the broader West African sub-region by a number of institutions, including the World Bank and IMF are useful and commendable. However, there is need for some caution in the analysis of the economic impact of the EVD outbreak at this stage because it would seem that a true and accurate picture of the economic consequences of the disease would only be possible once the pandemic has stabilized and when systems have been put in place to assist with social and economic recovery. Modelling of GDP growth and other macro-economic indicators in crises situations would almost always be less than accurate. Moreover, most of the current projections on the economic impacts of EVD have been underpinned by uncertainty about the future epidemiological path of the disease. They are mostly based on a pessimistic hypothesis of the low and weak level of containment measures from countries and partners. Most of them have been constructed on a strong assumption that the epidemic is likely to continue to spread and do not appear to factor in a range of recent policy interventions, including health and humanitarian responses from affected countries, African institutions and non-African institutions; as well as development partners. These projections are further constrained by limitations imposed by the scarcity of reliable data, including data on remarkable behavioural changes that have occurred since the outbreak of the disease, and which are beginning to impact on the pace of its spread.

Like the case with the economic impact of Ebola, it is equally, if not more difficult to quantify and make projections on its immense social impacts. In Sierra Leone, schools have been closed since June jeopardizing the gains made in children’s education. If the outbreak lasts for one year with school closures, all affected children will be lagging a year behind leading to a decline in the educational levels. The closure of schools is expected to impact malnutrition in the country since school feeding programmes have been effective in providing nourishment to children. In addition, thousands of children orphaned by Ebola, face stigma and rejection in their extended families and communities.7 Women and girls are at greater risk of infection given their traditional care-giving role in societies.8 In addition, women’s access to health systems has declined due to overstretched health systems and fear of Ebola, putting them at a greater risk of dying from childbirth and pregnancy in the affected countries. According to UNFPA, 120,000 women could die of complications in pregnancy and childbirth in these countries in the next 12 months if lifesaving emergency obstetric care is not provided.9

We are witnessing a health crisis that is not only causing large numbers of deaths but also affecting the economic and the social fabric of societies, which could last for several years after the end of the outbreak. Experts warn that isolation of affected countries could worsen the economic consequences of the outbreak. Pan-African institutions, led by the African Union, the Economic Commission for Africa and the African Development Bank; as well as International institutions such as the International Monetary Fund (IMF) have on different occasions called for ending the outbreak without isolating countries, insisting in particular that the closure of borders and travel restrictions to the three most-affected West African countries should be uplifted.10

Governments, communities and individuals on the frontlines, including local health workers, Doctors Without Borders, and the International Federation for the Red Cross and Red Crescent, as well as Pan-African institutions and the United Nations system, continue their efforts to stop

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7 http://www.unicef.org/media/media_76085.html
9 http://www.unfpa.org/public/home/news/pid/18503
the Ebola outbreak. The response of Pan-African institutions to the Ebola crisis has been led by the African Union, supported by the Economic Commission for Africa, the African Development Bank and Regional Economic Communities, particularly the Economic Community of West African States (ECOWAS), where the three most affected countries are located. The responses have included among others, the convening of an emergency session of the Executive Council of the African Union in Addis Ababa on 8 September 2014, during which, Executive Council Decisions Ext/EX.CL/Dec.1(XVI) on the Ebola Disease outbreak was adopted. The resolution emphasized solidarity with affected countries at various levels, including in the area of mobilisation of financial and material support in the fight against the disease, breaking the stigmatisation and isolation of the countries, and strengthening the resilience of the affected countries and the broader continent.  

This was subsequently followed by the establishment of an African Union Support Mission to the Ebola Outbreak in West Africa (ASEOWA) and the effective deployment of medical personnel (contributed by members states) to mission. The Executive Heads of the three Pan-African institutions – AUC, ECA and AfDB, later jointly paid solidarity visits to the Liberia, Sierra-Leone and Guinea, during which, they restated the commitments of their respective institutions to continue to support these countries and the continent in fighting the pandemic. Fairly recently, on 8 November 2014, the AUC, ECA and AfDB, convened African Business men and women around the African Business Initiative in response to the Ebola virus Disease. This meeting culminated in the establishment of a Fund under the auspices of the African Union Foundation, through a facility to be managed by the AfDB, aimed at boosting efforts to equip, train and deploy African health workers to fight the epidemic.

On its part, the United Nations established its first-ever UN emergency health mission, the Mission for Ebola Emergency Response (UNMEER) in September to respond to the EVD outbreak. The strategic priorities of the Mission are to stop the spread of the disease, treat the infected, ensure essential services, preserve stability and prevent the spread to countries currently unaffected.

As the international community continues to elaborate on a post-2015 development agenda, the Ebola outbreak is a stark reminder that our policy choices and actions at all levels have economic, social and environmental implications, and we need a comprehensive and integrated approach to address today’s complex challenges. For example, the chronology of the Ebola outbreaks raises questions about the environmental dimensions in the emergence of infectious diseases that are transmitted from wild animals to humans as deforestation and land use continue to bring people closer to wildlife. National policies and resource allocations that do not prioritize the health sector can make countries vulnerable to such outbreaks, as evidenced in the lack of capacity in the public health systems of the affected countries in responding to this outbreak.

While the urgent priority is to stop the spread of the disease and to treat the infected, the international community needs to look at the short, medium and long-term measures needed to minimize the impact of this outbreak and to make countries more resilient to any possible future outbreaks. The Ebola outbreak reminds us that health care needs to be considered as a public good. Strengthening the capacities of health systems, that are currently under-financed and under-resourced in many developing and developed countries, to deal with such a crisis must be

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12 For details on how the UN system is responding to the Ebola outbreak, please visit http://www.un.org/ebolaresponse/mission.shtml

a priority at all levels. Serious discussion needs to take place on the market failure that resulted in the lack of an approved vaccine or drug for a disease that was identified in 1976, and the responsibilities of the international community, national governments and the private sector. The possibility of establishing a mechanism that could focus on issues of coordination and financing should be explored.

Objectives of the event

The ECOSOC Special Event aims to:

- Provide context on the economic and social impact of Ebola in affected countries, their neighbours and the rest of the world;
- Situate the Ebola crisis in the context of the global health equity agenda;
- Identify concrete ways to link the current response to longer-term systems strengthening in all three affected countries;
- Explore specific policy recommendations and mechanisms needed to address the multidimensional nature of the Ebola outbreak; and
- Propose appropriate, short, medium and long term solutions.

Proposed questions for discussion:

- What are some lessons learned from existing risk reduction and emergency preparedness strategies for health and other emergencies and crises? To what extent are they integrated into national development plans and development cooperation policies, programmes and projects?
- What are some lessons learned from the successful containment of the Ebola virus in Nigeria and Senegal? Are there models in those countries that can be learned from regarding systems strengthening in Guinea, Liberia and Sierra Leone?
- How can we minimize the economic social and environmental dimensions of the Ebola outbreak? What are the implications for sectors beyond health, such as education, agriculture and natural resources? What role do communities, local authorities, national governments, civil society, and the private sector play?
- How can development actors at the national, regional and international levels play a meaningful role to help in early recovery efforts to stabilize the worst-affected countries?
- In what ways can we link the provision of and investment in global public goods such as investment in vaccines and other health-related R&D for “orphan” diseases into the SDGs? What role for technology?
- What mechanisms can be put in place to maintain continuous attention and monitor results for Ebola and other emerging diseases in the short, medium and long-term?
- What specific policies and approaches could be incorporated in the current Ebola response in order to ensure durable, systemic, positive outcomes (e.g. ministries are strengthened and are increasingly able to improve social and economic outcomes)? Are there lessons we can learn from any of the three affected countries?

Expected Outcome

The outcome of the event will be a summary by the President of ECOSOC, highlighting the main conclusions and proposals for follow-up actions.