



# Ebola and the Private Sector Bolstering the response and West African economies

The current Ebola outbreak in West Africa is unprecedented. The increasing number of cases, the poor health infrastructure, the shortage of skills, knowledge and personnel, and the fear surrounding the disease are proving a huge challenge to affected governments and to the international community as they battle to bring the epidemic under control.

Ebola is a humanitarian crisis first and foremost; but it is also a mounting economic disaster for Guinea, Liberia, and Sierra Leone. The [World Bank estimates](#) the cost of the epidemic to be \$3-4bn by the end of 2015, many times more than the amount donated for the response so far. The impact is measurable in terms of reduced production, diminished trade, disrupted agriculture, output forgone, higher fiscal deficits and rising prices. Household incomes are dropping [due to](#) the reduction in the labour market, the loss of harvests, reduced passengers for transport operators, the temporary and occasional closure of markets, partial operations of banks, restrictions on the movement of artisans, the closure of government offices and laying off of workers: in Liberia, nearly half of those working when the outbreak was first detected in March 2014 [no longer had jobs](#) by early November.

This briefing shows how important the private sector is to both the response and the recovery, and urges:

- All companies: to contribute directly and urgently to the international Ebola response;
- Companies with operations and supply chains across Africa and in affected countries: to be at the forefront in the fight against Ebola: to keep their business operations open, take concrete actions, and to support long-term economic recovery.

## **The role of the private sector in humanitarian crises**

The private sector is playing an increasing role in humanitarian relief, adding its distinctive resources, skills and competencies. Collaboration between Agility, TNT, UPS and Maersk helped to save lives by getting relief supplies quickly and effectively to people after the earthquake in Haiti and the flooding in Pakistan in 2010. These organizations then built on that experience to support the work of the World Food Programme in the Horn of Africa drought in 2011. Google has developed an application to help find people displaced after crises, which was used in Pakistan during the floods and in New Zealand and Japan following earthquakes in 2010 and 2011 respectively; in Japan, thousands of records were uploaded on the first day. While not a comprehensive list of private sector support, these [examples](#) show that private sector contribution during a humanitarian crisis can be innovative, timely and crucial to saving lives.

It should be noted that when private sector firms engage in humanitarian assistance activities, it is important to do so with [guidance](#) from, and in partnership with, experienced humanitarian actors, in order to conform to the humanitarian principles embodied in the [Red Cross/Crescent and NGO Code of Conduct](#). These principles include the impartiality of aid based on assessed need; accountability to beneficiaries as well as to donors; the reduction of future vulnerability as well as immediate relief; and coordination.

## **The role of the private sector in the Ebola crisis so far**

The Ebola Private Sector Mobilisation Group ([EPSMG](#)), a coalition of more than 48 companies with major assets and operations in West Africa, was formed in early August 2014 and has done a commendable job in this crisis. Members of the group have provided direct support through donating funding, personnel, equipment, and through building infrastructure, as well as lending expertise in construction, logistics, and distribution services. Their continued advocacy efforts are an important voice in the collective call for increased action on the Ebola response.

The EPSMG has also developed an Action Pledge which the UN and other organizations are promoting with the goal of reaching every company with a footprint in West Africa and of increasing business contributions to the Ebola response.

### **The Business Action Pledge on Ebola elimination**

1. Our company is committed to sustainable economic development in Western Africa.
2. We will continue to operate our business in Ebola-affected areas, pay our staff, and honour financial commitments for as long as we possibly can in the context of this emergency.
3. We will train and tell our own staff about Ebola, asking them to pass that knowledge to their families, neighbours and communities to prevent infection and fight stigma.
4. We will prepare procedures and assets to respond to an outbreak within our own company. We will ask the same of our suppliers, and pay particular attention to the preparedness of SMEs in our supply chain.
5. We will identify assets, resources and [financial support](#) we can provide to help the UN, governments and NGOs leading on Ebola response. We will make these offers and contributions known through the appropriate coordinating actors: EPSMG, UNMEER, and the [UN Global Compact \(via \[www.business.un.org\]\(http://www.business.un.org\)\)](#).
6. We will contribute to post-outbreak recovery efforts, and will collaborate to help rebuild stronger healthcare systems in affected countries.
7. We will participate in collective efforts with civil society, intergovernmental organizations, affected communities and other businesses with a view to forge long-term partnerships in support of regional economic and sustainable development.
8. We will share our learning with other companies and support collective private sector efforts to combat Ebola and prevent its spread.

The business community in Africa has now started to respond. At a meeting of the African Business Roundtable in Addis Ababa in November, business leaders from across Africa discussed how to support AU efforts to respond to Ebola. \$28.5m was [raised](#), and the Africa United Against Ebola Fund was set up (to be managed by the Africa Development Bank) to fund the deployment of African medical staff to the affected countries. Mobile Network Operators in Africa, including Econet Wireless, MTN, Safaricom, Vodacom, Tigo, Airtel, and Orange, have launched a [service](#) to allow their customers, to contribute \$1 (in their local currency) to the Ebola Fund.

As of the 4<sup>th</sup> of December, a [total](#) of £89m has been donated to the Ebola response by private individuals and organizations. Several companies have made major donations – [including](#) \$10m from the South African MTN Group, \$6.2m from Ikea, and \$6m from Financial Prudential; and many companies have given significant in-kind donations, including medical supplies, vehicles, and logistics. Other companies have facilitated financial giving by their customers: [Facebook and Google](#) have been proactive in urging customers to donate simply and easily through their sites, with Google matching every dollar donated with \$2, up to \$5m.

Also worth noting are the contributions from wealthy entrepreneurs, including [Mark Zuckerberg](#) donating \$25m, Google CEO, [Larry Page](#) donating \$15m and [Paul Allen](#), co-founder of Microsoft, committing \$100m.

## **Further actions needed from the private sector**

### **1. Contributing to the international response**

While acknowledging the contributions given, the scale of the crisis, its long-term implications, and its potential to spread geographically, demand urgent increased assistance from the private sector to help stem the tide of the disease. Support can be given in a range of ways, including through the [online platform](#) of the UN Global Compact (UNGC) which shows how companies can direct both financial and in-kind donations to UN agencies and responding partner organizations. Oxfam's experience is that financial support, rather than donations of goods, is usually the most effective way to deploy resources.<sup>1</sup> Practical support - such as rehabilitating roads and other infrastructure - is also much needed in this response.

### **2. Staying the course**

Companies with operations or supply chains in Africa, especially in West Africa, have a key role to play in maintaining their operations in order to uphold stability and to mitigate the economic impacts and fallout from the crisis. There are [reports](#) that some companies have reduced their operations or closed down entirely, and inevitably this has serious [impacts](#) at both the macro-economic and the household levels. In [Sierra Leone](#), sectors such as agriculture, trade and services, tourism, transport, and construction have been weakened by the epidemic, and in [Liberia](#), there are delays in investment for mining projects and in the rebuilding of key road and energy infrastructure. This will result in significant financing gaps for the fiscal and external accounts, resulting in inflationary pressure and a weakened medium-term growth outlook.

A large portion of the economic damage to West Africa – and indeed the wider economic impact – will be from [aversion behaviour](#), rather than from the direct impacts of the crisis measured by 'cost of illness' estimates. This was clearly the case during the 2003 SARS epidemic in southern China and Hong Kong, where [aversion behaviour](#) accounted for more than 80 per cent of lost economic activity. The Ebola crisis has already seen aversion behavior; in some cases the response has been disproportionate to the level of risk. Neighbouring countries Gambia and Senegal are [seeing](#) tourism activities substantially curtailed, and Kenya's growth estimates have been [revised](#) downwards as a result of Ebola-related tourism cancellations. The longer the epidemic continues, the more likely it is that the West African economies will face a difficult year in 2015 as investor aversion takes a further toll. Implied [forgone income](#) across the affected countries could be well over \$2bn for 2014–2015. [Experience](#) shows that companies that have closed their operations and which failed to help mitigate the crisis will themselves face an uphill battle in re-engaging.

For companies operating in the region, signing the EPMSG's business action pledge – and acting on it – can help create confidence that economic activity will continue and that companies are committed to work through the crisis with their employees, the communities where they operate and affected governments.

### **3. Strengthening economies and contributing to long-term development**

Companies that have facilities in West Africa, source raw materials from the region or sell their products there have the greatest impact through their business practices in the longer term. [Positive business practices](#) can contribute to strong institutions and good governance. Fair wages and prices bolster livelihoods and the standard of living, contributing to inclusive economic growth, stability and development. Furthermore, companies can build the skills of their employees and [invest in communities](#) through training programmes. Job creation will be key to recovery and economic growth in the region.

The Ebola crisis is symptomatic of a systemic problem in terms of weak health systems; without major change it could happen again, and elsewhere. [Paying fair taxes](#) and being more transparent about the wealth created and the taxes paid per country not only ensures that companies are contributing their fair share, but also enables active citizens to hold their governments accountable for how resources are spent. These resources could facilitate greater public investment in healthcare and other essential services, which will ultimately benefit both communities and companies doing business in West Africa.

## **Recommendations for all companies**

- Increase the quantity of financial donations from company funds.
- Leverage employees, boards, trustees and partners, and encourage them to donate. Match all or some of these donations.
- Mobilize customers and the wider public to contribute. Match all or some of the donations made via marketing and communications channels.
- Free up and enable medical personnel to deploy to the affected countries, including doctors, nurses, infection control experts and laboratory technicians. This is a key gap in the current response.
- Provide logistics, transport, telecommunications and other services needed to move food and supplies to the right place at the right time, and improve links between affected people and emergency responders.
- Provide technical expertise and human resources in innovation, problem solving, and efficiency, as well as specific skill sets to assist in the various aspects of the response: such as information management, coordination, strategic planning, logistics, communications, linguistics, health, behavioural science etc. This is a very broad response, requiring experts in a wide range of disciplines.
- Invest in development programmes such as major infrastructure that would speed up recovery through employment creation and in the longer term make the region more resilient.

## **Additional recommendations for companies in Africa**

- Sign the Business Action Pledge and demonstrate leadership through taking action and being accountable. The strength of the pledge would be undermined if not accompanied by rapid mobilization of the necessary resources for the response in affected and at-risk countries.
- Promote the Africa United Against Ebola Fund (AUEF) with staff and other stakeholders in Africa.
- Use the business sphere of influence to lobby corporate counterparts and supply chains to increase financial and other support.
- Lobby governments at business headquarters to increase financial and other support.
- Enable the rapid recovery of key services (e.g. cash transfers, telecommunications, logistics and travel) and the resumption of supply chains in crisis-hit areas.
- Ensure that risk analysis is based on scientific evidence, and a proportionate response is taken to the risk.
- Make every effort to continue full business operations in West Africa.
- Develop or continue advocacy with governments around social issues such as healthcare, to ensure preparedness, build national capacities and minimize shocks to the economic system of any future outbreak.

### **Oxfam's Ebola response**

Oxfam is working alongside communities in Sierra Leone and Liberia, providing water and sanitation support to Ebola treatment facilities and information, hygiene assistance, and access to safe water to prevent disease in communities. It is also involved in active case-finding and the operation of community care centres in Sierra Leone. Oxfam plays a role in giving a voice to communities and to their concerns, to improve the effectiveness of treatment centres and therefore contribute to the overall response.

Oxfam is also working to strengthen preparedness measures in Mali, Guinea-Bissau, Gambia, and Senegal through mass public and community awareness campaigns, training community health volunteers in surveillance, supporting local government prevention initiatives and the provision of hygiene kits and hygiene assistance in communities.

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<sup>1</sup>In-kind contributions can be less effective because of problems with spare parts, wrong specifications, or products at the end of their shelf-life. Companies should ensure that any in-kind donations meet a clearly-defined need, and that they evaluate the short-term suitability and the long-term impact.