



Gender and the current economic crisis

Probably not business as usual



Global-U.S.-regional-national-local ripples

- A weak dollar may affect mission's OE funding
- Economic benefits gains from USAID funding may become more difficult to demonstrate
- Weakening of US macroeconomic performance will negatively affect development performance indicators
- Globally, less lending in general may occur (although MENA region may suffer less)
- USAID may experience increased demand for assistance

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Development Credit Authority

- As banking institutions weaken, overall DCA risk scores drop and partner institutions could face a reduction in liquidity.
- However, most operate in countries decoupled from the global financial system
- Bigger concern is with the loan portfolio guarantees for SMEs and microenterprises
- Also at risk, housing, infrastructure and utility projects of municipal governments

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Non Project Assistance - DEC reference

Nonproject assistance

Complete Notation: [J02.57.M6.2](#)

BT: [Development assistance](#)

NT: [Cash transfers](#)

[Commodity import programs](#)

[Economic Support Fund](#)

[Food aid programs](#)

[Housing investment guaranty](#)

[Sector loans](#)

RT: [Capital assistance](#)



Non-Project Assistance

- Relates to Economic Support Fund (ESF) activities, including grants and loans for program assistance in selected countries of special political interest to the United States.
- Recipients purchase goods and services from U.S institutions and firms under P.L. 480 Title I and the Commodity Import Program. Cash transfers and sector assistance are also provided as non-project assistance (NPA).



General Budget Support from USAID

Obligations and Disbursements, Reported in \$US thousands

Source: U.S. CRS++ Submission to the OECD/DAC from USAID Foreign Assistance Database (FADB)

Prepared by USAID Economic Analysis and Data Services on November 11, 2008

Country	Obligations			Disbursements		
	2005	2006	2007	2005	2006	2007
Egypt			275,000			275,000
Ghana				2,000		
Israel	597,120		120,000	597,120		120,000
Jordan	188,000	167,500	116,000	187,929	166,597	137
Mozambique				5,000		
Pakistan	200,000	200,000		200,000	200,000	
Palestinian adm.areas	50,000			50,000		
Zambia	5,078	2,800				
Grand Total	1,040,198	370,300	511,000	1,042,049	366,597	395,137

General Budget Support [OECD/DAC Purpose Code 51010] is defined as Unearmarked contributions to the government budget; support for the implementation of macroeconomic reforms (structural adjustment programmes, poverty reduction strategies); transfers for the stabilisation of the balance-of-payments (e.g. STABEX, exchange rate guarantee schemes); general programme assistance (when not allocable by sector).

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USAID funding in general

- Budgets determined two to three years out
- Can and have been cut for many reasons
- Some sectors more “protected” than others currently
- Crises will draw attention – and funds may be diverted (e.g., a tsunami)

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We don't know what we don't know

- Short and long term impacts of financial crises at all levels
- What will the new administration focus on – has said the US financial crisis will be a priority but...
- “Buzz” about throwing out the Foreign Ops bill and starting over (too many earmarks!)
- Other?

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What we do know

- Recession in developed countries will spill over to producers all over the world, reducing income growth across the board and around the world
- Global loss of confidence in the US >> decline in the value of the dollar >> spike in interest rates
- Decline in demand for exports from developing countries
- Decline in value of remittances and likely increased demand for support from families back home

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How will the global economic crisis affect these women?



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Gender impacts

- Higher unemployment rates for women and vulnerable populations
- Migration may rise as parents and/or children leave home in search of work
- May mean increased exploitation in both the legal and illegal economy

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Likely to have impacts on SMEs



- Women-owned SMEs
- Microenterprises
- Demand for value-added export goods may decline, e.g., crafts, organic coffee, etc.

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Lack of access to safety nets for the vulnerable



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School dropout rates may increase...

- Especially among girls



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Scenarios

- What do you think could happen in your mission and programs?
- Is the MENA region more or less vulnerable to global economic shocks?
- What about food crises?
- Or climate change?

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