



THE EDGE OF CRISIS:

**COVID-19's Impact
on Peacebuilding &
Measures to Stabilize
the Field**



**Alliance for
Peacebuilding**

AN EMERGING EXISTENTIAL THREAT TO THE FIELD?

COVID-19 is much more than a public health emergency. It is essentially “**stabilization in reverse,**” upending economies and societies, fueling division and distrust of government, and exacerbating drivers of violent conflict globally, especially in fragile and conflict-affected states. The cascading human toll of this global pandemic – from hundreds of millions pushed into poverty, to escalating gender-based violence worldwide, to health workers and migrants under attack, from Mexico to India – points to the imperative for integration of peacebuilding into global pandemic response.

And yet, at a moment when peacebuilding is needed most, we are facing a potential systemic loss in peacebuilding capacity globally due to the disruptions wrought by the ongoing global pandemic. A March 31 AfP member survey showed **80% of our member organizations significantly to moderately affected by COVID-19, with continuity of operations and funding availability as their top two concerns.** Since April, AfP has observed heightened concern on the far-ranging impact of the pandemic in our near-daily engagements with global members. To better diagnose the situation and propose solutions, we recently surveyed AfP member leaders in depth on COVID-19’s impact on their organizations and asked them to help identify near-term measures needed to stabilize the field.

This report highlights findings from April 29-May 11, 2020 survey responses of 60 AfP member CEOs, representing peacebuilding organizations across the globe. The results point to existential threats to peacebuilding efforts posed by COVID-19: **33% of respondents reported lost staff capacity due to illness or quarantine, 50% suspended programs, 86% projected income losses, and 65% were uncertain of their operating status one year from now.** Findings were further analyzed across small-scale (69%), medium-scale (14%), and large-scale (17%) organizations within participating respondents. Small organizations, not surprisingly, face the most serious near-term financial uncertainty, but medium-sized organizations project the most sizable losses with respect to grants and individual donations and anticipate the greatest difficulty fulfilling grant obligations.

WHAT CAN DONORS DO?

Small, medium, and large-scale organizations agreed on the need for flexibility across funding mechanisms and grant structures, especially since inability to meet current grant obligations was a common challenge. These flexible mechanisms include **conversion of restricted grants to general support,** allowing **re-purposing of funds** towards Covid-19 responses, and/or **reallocation of budget lines** to assist adaptation of organizations.

Additionally, organizations highlight the need for **increased funding opportunities** either through new grant sources, or through renewal of existing grants into multi-year grants.

Member organizations also suggested that **funding streams should be directed towards local actors** and organizations who could respond efficiently to the needs expressed on the ground. They also suggested that funding be allocated towards **online capacity building** training as we are all **shifting to a new virtual reality.**

This report was written and prepared by Jessica Baumgardner-Zuzik - Senior Director for Learning & Evaluation, Shaziya DeYoung - Research Associate, and Uzra Zeya - CEO & President.

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1. Small-scale, medium-scale, and large-scale organizations were categorized based on operational budget brackets of (\$900,000 or less); (\$900,001-\$10 million); (greater than \$10 million) respectively.



47%

are not financially secured for 3 months

50%

have suspended programs

33%

have lost staff capacity

86%

project income losses in 2020

65%

are not financially secured for 1 year

27%

have cut staff pay/benefits



Profit-raising events continue to be cancelled

Across the board, **72% of organizations that rely on profit-raising events said cancellation of these events**, such as convenings, trainings, and fundraising events, have either **already contributed to or are expected to contribute** towards revenue losses in 2020.



Fulfilling grant obligations is a struggle

In addition to diminishing future grant opportunities, small, medium, and large-scale organizations are also struggling to meet current grant obligations. 55% of respondents reflect this concern. This percentage includes **80% of the medium-scale organizations**, 63% of the large-scale organizations and 50% of the small scale organizations.

“Most of interventions involve gathering people and interactions with large community groups and this cannot be done at the moment. Donors are holding [disbursement of] funds until we find alternative ways of delivering our interventions.”



Travel restrictions threaten the continuity of critical programming

97% of organizations agree that travel restrictions have adversely affected their organizations. 25% of organizations have had to evacuate staff from field areas. Small-scale organizations expressed concerns with travel, not only to and from target communities, but also within communities. Global lockdowns and government enforced restrictions make it difficult to reach target audiences and threaten the continuation of critical program activities.

“In [...] lockdown measures have included shutting down of Banks (banking halls) This has restricted all transactions to be done online. Organisations like my organisation have not been able to withdraw funds (cash withdrawals) for our peace building work and to respond to covid-19”

Staff capacities are negatively affected – from mental health to planning for the future

33% of organizations have expressed loss of staff capacity due to either contracting COVID-19 or forced quarantine. Medium-scale organizations have also expressed deep concerns for the mental health of their staff as they grapple with diminished funding opportunities, quick turnaround on demanding program adaptations, and shifting to a virtual reality, all at the same time.

“Difficulty adapting to the new reality - mental space to shift priorities and/or work.”

“Amidst the challenges and the reduced capacity due to strict lockdown, we are also facing increased demand for programme adaptations, digitization of engagement, rapid needs assessments, etc.”

“Increased levels of mental illness”

27% of organizations have also reported having to cut pay and/or benefits of staff to cope with the emerging situation.



**SMALL, MEDIUM,
AND LARGE-SCALE
ORGANIZATIONS
ARE STRUGGLING TO
MEET GRANT
OBLIGATIONS**

Uncertainty grows as financial security of organizations rapidly declines within the **next 3-6 months**

An alarming 47% of organizations say they are not financially secured for the next 3 months. **This percentage climbs up a staggering 38%, as 65% of organizations will have to cease activities within the next year if additional funding is not acquired.** Small-scale organizations are impacted the most, as 59% are uncertain of their financial stability in the next 3 months. However, in the longer-run, medium-scale and small-scale organizations are both hit hard as 75% and 71% respectively said they are uncertain about financial security within the next year.

86% of organizations have already projected a revenue loss for 2020 due to Covid-19 related disruptions. While projected revenue losses hold true across small, medium, and large scale organizations, small-scale organizations have taken the biggest hit as 22% of the small-scale organizations have projected a revenue loss of **over 50% for the current year.**



86% OF ORGANIZATIONS SAY THEIR ORGANIZATIONS HAVE ALREADY PROJECTED A REVENUE LOSS FOR 2020

Dwindling individual donations

73% of organizations that depend on individual donations for funding have identified revenue losses due to dwindling donations. Again, medium-scale organizations have been hit the hardest as 83% identified dwindling individual donations contributing to their revenue losses, followed by 74% of small-scale organizations and 57% of large-scale organizations.



AN ALARMING 47% OF ORGANIZATIONS SAY THEIR ORGANIZATIONS ARE NOT FINANCIALLY SECURED FOR THE NEXT 3 months

Hiring freezes and program suspensions continue as instability grows

63% of organizations reveal that hiring freezes are prevalent within their organizations and **50% of organizations confirmed program suspensions** within their organization, both as adverse effects of the pandemic.

Future/anticipated grant opportunities come to a crashing halt

When asked what the major contributors to revenue loss were, an overwhelming **82% of respondents who depend on revenue from grants expressed concern over dwindling grant opportunities** that they were either anticipating in the future or that would even exist in the coming months. Medium-scale organizations have been hit the hardest, as 75% of these organizations identified a loss in revenue due to diminished grant opportunities.

Generating overhead is becoming more difficult

61% of all the organizations expressed concerns relating to overhead generation. **80% of large-scale organizations expressed concern over the inability to generate overhead in 2020.**

WHAT'S NEXT?

On the part of AfP, we hope this is the moment for donors, implementers, policymakers and local communities to come together around a common vision, to include developing funding mandates and mechanisms that will ensure a strong peacebuilding field at this critical moment.

This falls within a three-pronged AfP COVID-19 strategy of ensuring continuity in funding for peacebuilding efforts globally, supporting adaptation of peacebuilding and policy responses to a newly challenging operating environment, and championing the integration of peacebuilding in global pandemic response and recovery, to ensure it is conflict-sensitive, locally-led, and inclusive. We hope that this report will not only inform these lines of effort but also help us identify next steps to make the collective efforts of policymakers, donors, and peacebuilders more impactful and more aligned.



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