

K4D Impact Stories #5

K4D supporting the Prosperity Fund for transformative COVID-19 recovery

The global COVID-19 pandemic endangers progress made on more inclusive and sustainable growth patterns and risks slowing down international trade. Growth patterns are highly uncertain and require context-specific social analysis alongside local stakeholder consultation as a means to understand the changing impacts on poverty and exclusion dynamics. In recognition of this need, The K4D Prosperity Fund COVID-19 Evidence and Learning Initiative supported cross-government learning on the impact of the pandemic within upper-middle income countries (UMIC) and lower-middle income countries (LMIC) while also providing key evidence supporting a transformative strategic focus, aimed at linking short-term adaptations with long-term ambitions, setting the stage to push beyond recovery and the Prosperity Fund's **Build Back Better**.

The opportunity

As a result of the COVID-19 pandemic, there are increasing risks of losing the gains made on women's economic empowerment, job creation, decent work agendas, enterprises and business environment development. On the other hand, this juncture presents an opportunity to identify opportunities for formal and informal workplaces and businesses to diversify and transform livelihoods into activities less affected by crisis and to increase resilience. As a response, the Build Back Better pillar of the Prosperity Fund sought to push beyond regaining lost ground, to utilise the crisis as a vehicle in which to leapfrog processes of change to realise a greener, more inclusive, and resilient society.

Capitalising on these opportunities necessitates a firm understanding of the impacts that the pandemic has had on specific development areas, particularly for those working in high-risk sectors and geographical regions. Engagement with the K4D team was recognised by Prosperity Fund leadership as an important vehicle in which to meet this clear need.

"Early on we recognised that we were working in over 20 countries on at least a dozen policy agendas across sectors. Trying to keep some kind of understanding of how different countries, contexts, sectors and populations were being impacted by COVID-19. We recognised that we needed some external technical support to understand what the impacts were and then to support teams to pivot and adapt in response. Obviously, everything was moving so fast – we needed that kind of support."

K4D's contribution

The Prosperity Fund COVID-19 Evidence and Learning Initiative marked a new direction for the K4D team, led by a cross-Government fund reporting to the United Kingdom's Cabinet Office. Given that the majority of participants were not directly able to access K4D without DFID/FCDO endorsement (before the merger of the two departments), this sizable Learning Journey operated essentially as a 'mini K4D', providing a direct channel of access to a range of K4D services. Through

the establishment of targeted work streams and the commissioning of helpdesk requests, the initiative supported learning and action on the impacts of the COVID-19 pandemic, while also providing technical and virtual learning support to assist staff and delivery partners in making decisions on the necessary adaptations to the Prosperity Fund's portfolio and programmes amidst the rapidly changing pandemic context. Cooperation between the K4D team and the Prosperity Fund aimed to meet the following objectives as a means to ensure changes to the Prosperity Fund portfolio were informed by, and contributed to, the evidence base on how the pandemic was directly and indirectly affecting economies of partner countries, as well as the UK:

- > Establish a knowledge and evidence base on the secondary/indirect impacts of COVID-19 that are likely to impact on the relevance and effective delivery of the Prosperity Fund portfolio.
- > Identify international good practice, and learn from past extreme events and crises to help mitigate impacts and promote recovery and resilience, taking into account particular impacts on poor and excluded groups, to Build Back Better.
- > Facilitate cross-HMG capacity, dialogue and learning to support rapid assessment and adaptation to ensure Prosperity Fund programmes are fit for purpose in a post-COVID-19 world.

The participants, many of them ex-FCO and other non-DFID team members, appreciated the K4D learning approaches and supplied positive feedback on their experience engaging with K4D services.

"I think K4D was a really good initiative, it was the right time to get additional research and advice. The quality of research was good, timely and delivered well."

Multiple advisors expressed appreciation for K4D support amidst a period of rapid change and adaptation. Specifically, members of the senior management team noted the timely value K4D provided by supplying rapid analysis in a time of few alternative resources and their quick responsiveness to needs-based demands.

"It was impressive. It worked in real time as we were grappling with new forces. It should remain in institutional consciousness."

One advisor noted the value in commissioned pieces being an action-based part of ongoing learning efforts with reports becoming "important milestones that we have to do something about". Learning Journey engagement that supplied tailored technical support, targeting specific programmatic needs, was appreciated for creating a space for the exchange of experiences and lessons from multiple bilateral and global programmes.

"What worked well was the combination of tailored technical support, access to international good practice and facilitation support, along with using virtual workshop techniques to exchange experiences and emerging lessons."

Impact

Providing an evidence base

A key initial goal of The Prosperity Fund COVID-19 Evidence and Learning Initiative was to support establishing a knowledge and evidence base on both the direct and indirect impact of COVID-19 likely to impact the relevance of the Prosperity Fund portfolio. Team members noted the value of having access to rapid reviews as a means to evaluate potential pathways forward. Looking at the Build Back Better agenda, multiple K4D Helpdesk Reports were commissioned within the initiative focusing on different aspects of the issue. Reviews were well recognised for their provision of evidence on the *impacts* the pandemic has had on specific development areas (e.g., [Global Value Chains](#), [Inclusive Economic Growth](#)); insight into how to recover greener (e.g., Trade Facilitation and Environmental Goods and Services; [Costs of Climate Adaptation](#)), *more inclusive* (e.g., [Business Environment Reforms and gender inclusion](#)) and *more resilient* (e.g., [Factors influencing Inclusive Economic Resilience](#)); and for their linkage of these responses with *UK strengths and opportunities* (e.g., COVID-19 responses and Secondary Benefits). Critically, as tools to deliver evidence-based action, advisors noted the utility of these products in supporting quality engagement with partners.

"Equally on the global value chains work, that was really valuable background and context to support engagement with the World Bank. I think that work helped contextualise for me and it gave me more knowledge with which to question the World Bank Group, so it helped indirectly to improve my performance by giving me more knowledge."

Facilitating dialogue, learning and the development of capacity

A central theme of this initiative was facilitating cross-portfolio learning focused on clarifying and supporting Prosperity Fund's evolving approach to Building Back Better. Several events were held with the aim of providing a platform for team members across HMG to share experiences, learning and ideas, with a concerted focus on how to deliver Build Back Better within the context of a constrained budget. Advisors recognised these events as important vehicles to bring staff together outside of their sectoral programme focus and consider what the Build Back Better principles would look like in practice.

"The workshop was really, really useful. Questions from participants mainly focused on how to build back better within a constrained budget while poverty and gender gaps have increased due to COVID-19. Thinking about the levers, and this is really critical and relevant to our current approach, what are the levers beyond budget and funding to achieve Building Back Better. The Learning Journey challenged us to think beyond the usual programme design and delivery to what other levers are available, how can we do more with less?"

Promoting resilience

Learning Journey events and Helpdesk Reports were recognised as key inputs in supporting team awareness and embedding an understanding of the multiple dimensions of sustainability, resilience and inclusion into the planning and objectives of work moving forward. Tailored technical support, alongside facilitation of learning exchanges, were both seen as critical means to inform the Build Back Better Agenda to push beyond regaining lost ground on women's economic

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empowerment, job creation and poverty reduction due to the pandemic. Additionally, activities were recognised as a key input in building understanding and capacity for both FCDO and delivery partners. Specific results can be seen in work supporting the partners to consider gender equality impacts.

"I think we certainly went on a journey with the World Bank to get a more gender-specific impact. Certainly, we ended up with some gender-specific outcomes in places like Pakistan which we didn't have at the beginning of the programme. I think the K4D work was useful in showing what could be done and that had been done and how you might measure that. It was one of a number of things that helped me talk with the World Bank, I would say it contributed to increased ambition."

Opportunities for Improvement

While interviewees were positive about the achievements the PF Learning Journey was able to realise, they also highlighted a few missed opportunities. For example, an exploration of potential synergies across learning, learning products and other learning journeys was identified as one key avenue that could have provided an additional means to capitalise on knowledge-building efforts. Participants agreed that the closing of the Prosperity Fund itself was the key obstacle to achieving the full impact from learning efforts.

FURTHER READING

- > **[COVID-19, Global Value Chains, and the Impact on Gender: Evidence from the Garment and Electronics Sectors in Asia](#)**
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- > **[Impacts of Trade Facilitation on Carbon Emissions](#)**
Brian Lucas
5 March 2021
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Jacqueline Hicks
2 March 2021
- > **[The Economic Impact of COVID-19 in Colombia](#)**
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- > **[Linking Business Environment Reform with Gender and Inclusion: A Study of Business Licensing Reform in Indonesia](#)**
Amrita Saha, Jodie Thorpe, Keir Macdonald and Kelbesa Megersa
January 2021
- > **[Factors influencing inclusive economic resilience in middle-income countries](#)**
George Herbert
24 September 2020
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Laura Bolton
20 September 2020
- > **[The Covid-19 pandemic and the future of Global Value Chains \(GVCs\)](#)**
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- > **[Projections of Demand and Estimates of Global Production of Personal Protective Equipment \(PPE\)](#)**
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- > **[The Costs of Climate Change Adaptation in Middle-income Countries](#)**
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- > **[Impacts of Covid-19 on inclusive economic growth in middle-income countries](#)**
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Acknowledgments

This case study was made possible through the contribution of the K4D Programme team, staff at the Foreign, Commonwealth and Development Office, and others who engaged with the resources and K4D Programme.

SUGGESTED CITATION

Freed, D. (2022) *K4D Supporting the Prosperity Fund for Transformative Covid-19 Recovery*, K4D, Brighton, UK: Institute of Development Studies. DOI: [10.19088/K4D.2022.162](https://doi.org/10.19088/K4D.2022.162)

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Knowledge, evidence
and learning for
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