

Myanmar High- frequency Monitoring of COVID-19 Impacts



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Round 1

Background

- Myanmar's economy is expected to suffer greatly from COVID-19, with GDP growth rate expected to fall to 0.5 percent in fiscal year 2019/2020.
- The pandemic and containment measures are likely to affect households' livelihoods through losses in employment and income, due to disruption in large employment sectors.
- Up-to-date evidence is required to assess the impact of the crisis and thus inform policies to protect poor and vulnerable households.

Myanmar COVID-19 Monitoring



High-frequency phone survey – households

Monthly survey of 1500 households starting May 2020 to monitor welfare changes



High-frequency phone survey – firms

Monthly survey of 500 enterprises starting May 2020 to monitor changes in economic activities and adaptation



Community assessment

Key informant interviews to assess changes within communities, with a focus on social cohesion

Highlights (1)

Employment

- Job losses affect **54%** of households' main workers. Agricultural workers are the least resilient with more than **60%** of them having lost employment.
- Job losses are felt across the welfare distribution.
- Among households' main workers still working about **55%** have experienced reduced income. Agricultural workers were particularly hit.
- Reductions in income affect more households in the bottom quintiles.
- Household businesses are not making as much as they used to. Since March 2020, about **80%** of households in retail trade have lost earnings.
- **Half** of farming households cannot perform their activities as usual.
- In May 2020, about **one out of ten** rice growing farmers is concerned they may lack access to finance to be able to plant this season.
- Difficulties in farming are experienced by households across the welfare distribution.

Highlights (2)

Livelihood changes

- Households are not able to diversify as much as they used to before March 2020. About **three quarters** of households have lost an activity or experienced reduced income.
- About 12% of households were receiving remittances in the last 12 months, but **73%** of them have received less or no remittances since the beginning of COVID-19 containment measures.

Food security

- Households are able to access to food, but about **10%** of households ate less in the last seven days than before March 2020.

Coping mechanisms

- About **half** of households have reduced food or non-food consumption to cope with shocks.
- Food security could become a concern.

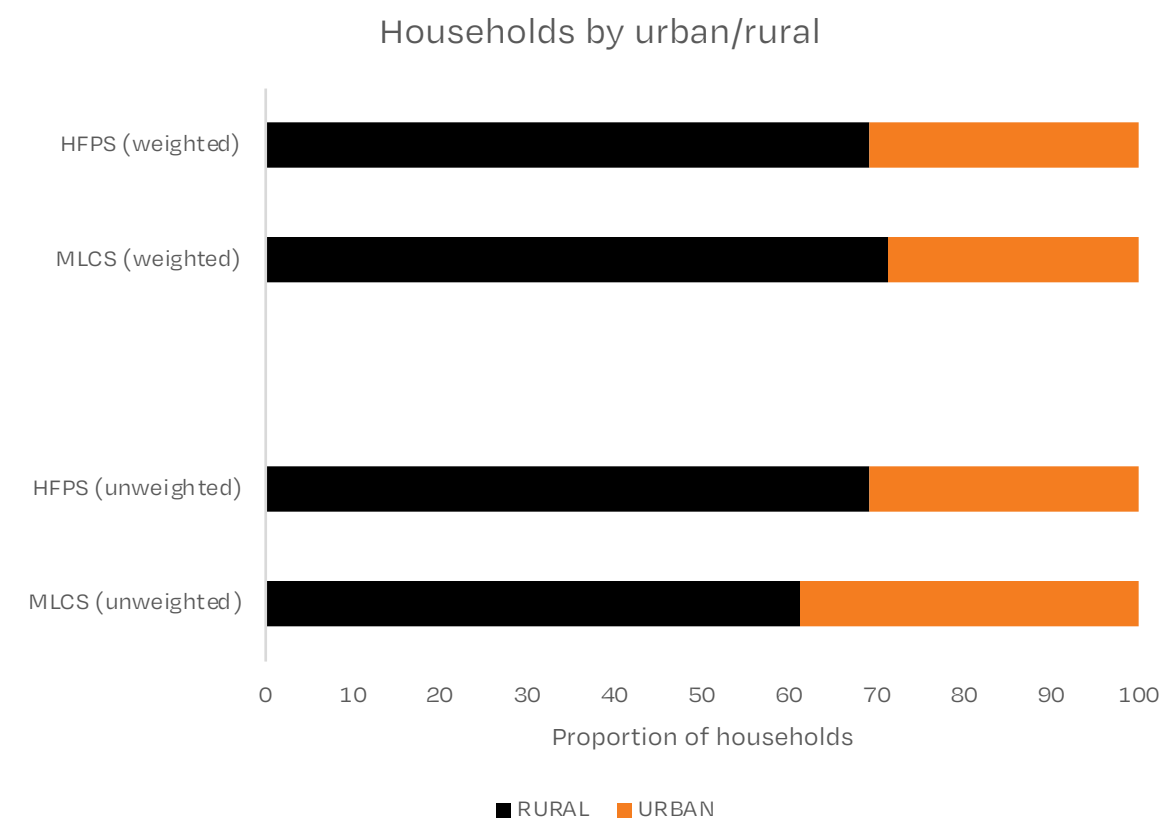
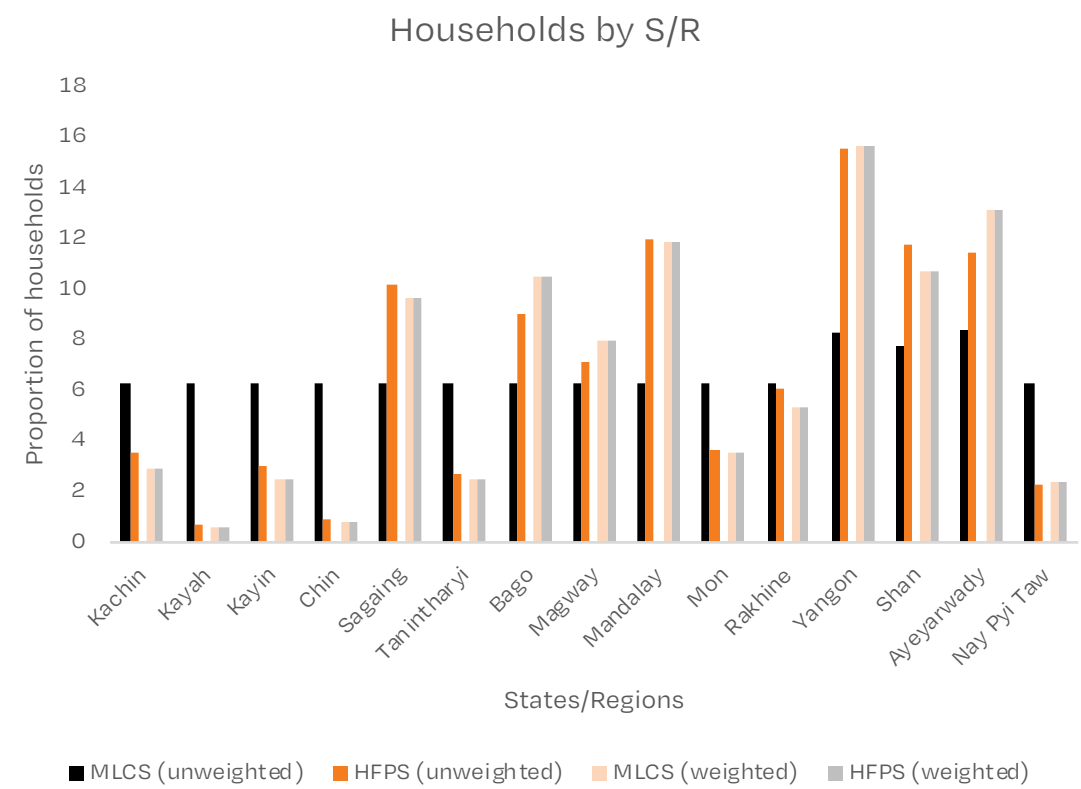
Survey

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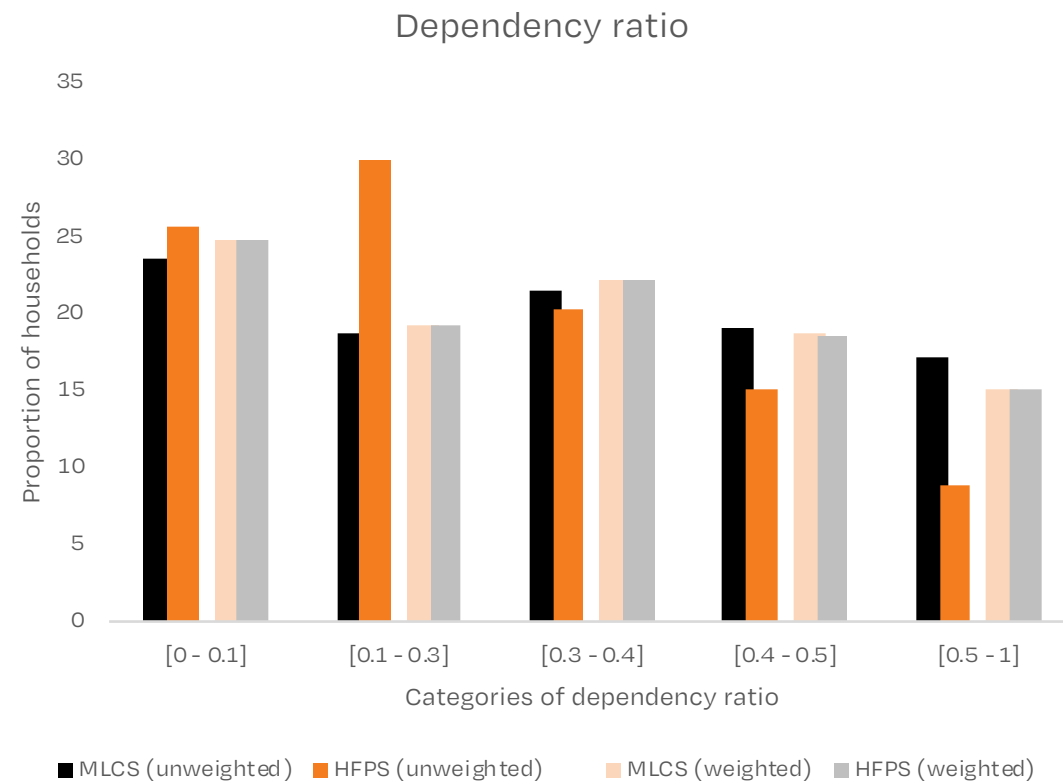
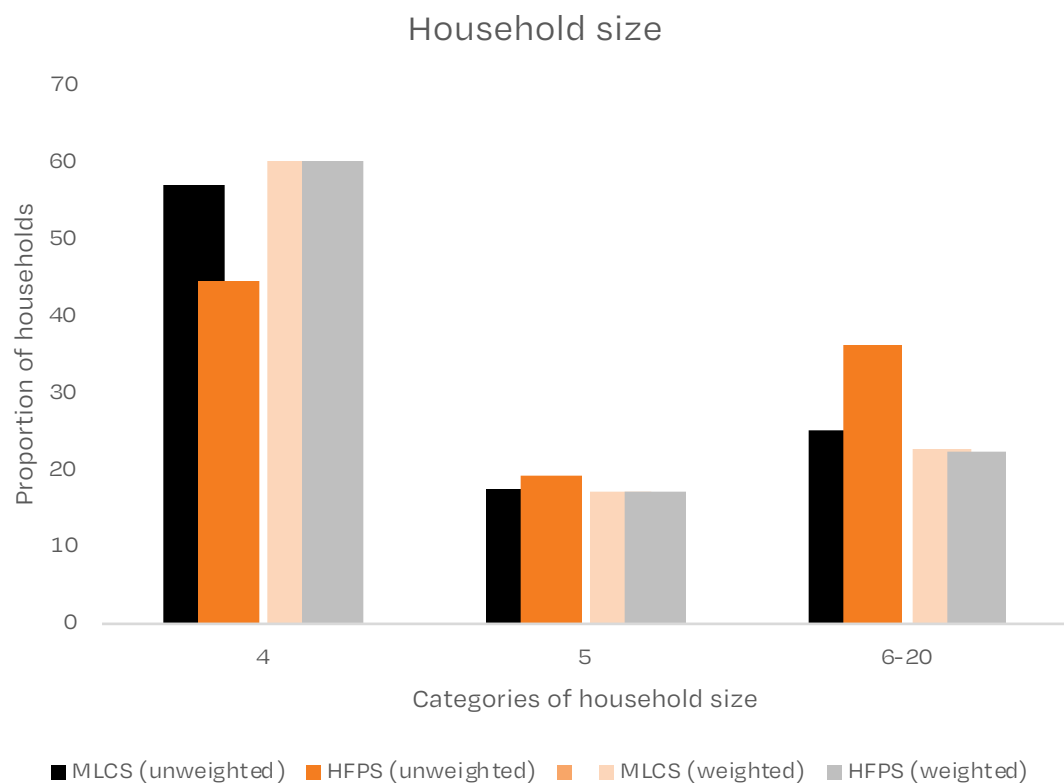
Design

- ❑ **Method:** Panel survey conducted monthly through 20-25 minute phone interview on 1,500 households starting May 2020. Central Statistical Organization providing technical support to implementation.
- ❑ **Tracked indicators:** Labor market and livelihood strategies, food security and poverty, households' coping strategies in the first round. Behaviors, access to health and to education, and migration will follow in later rounds.
- ❑ Respondents were sampled from an existing list created by a private firm. Respondents are adult women and men, irrespectively of whether they are household heads.
- ❑ Estimates are representative at the Union level.

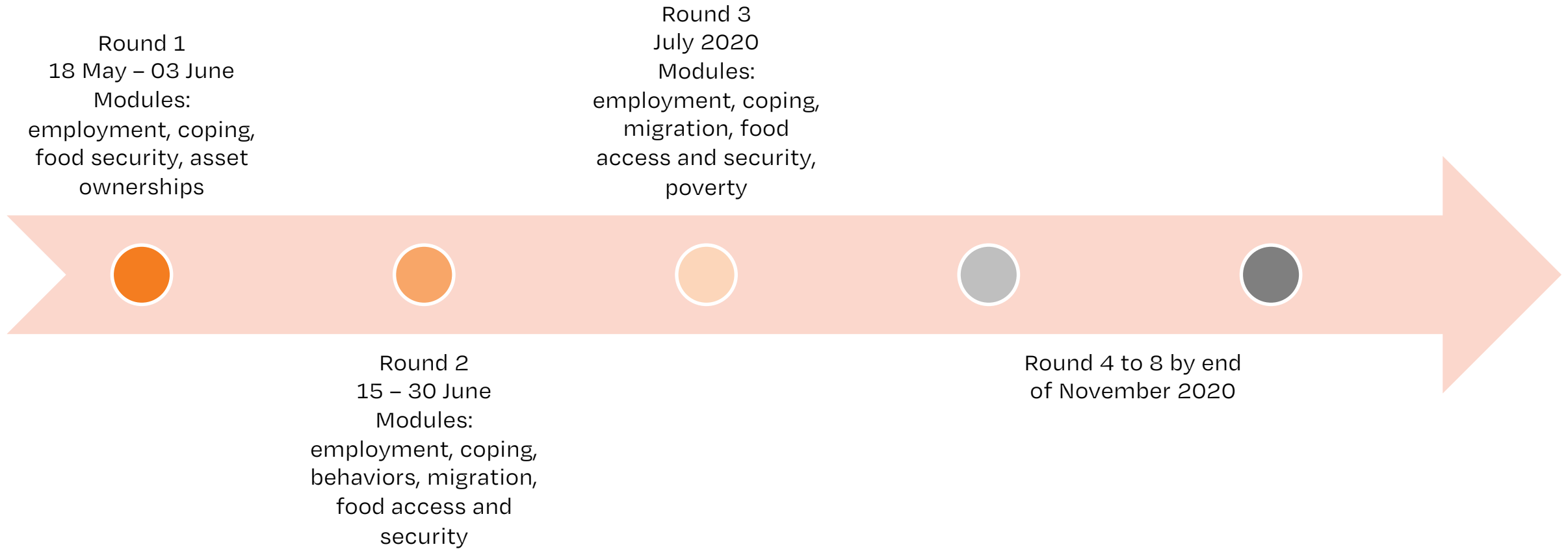
Sample distribution of MLCS 2017 and HFPS 2020 is very similar



... strengthening confidence in the representativeness of the HFPS



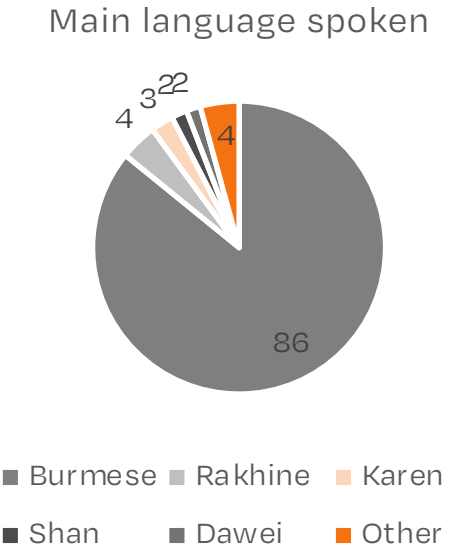
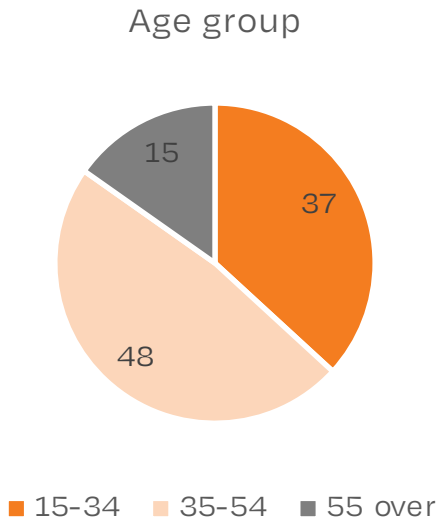
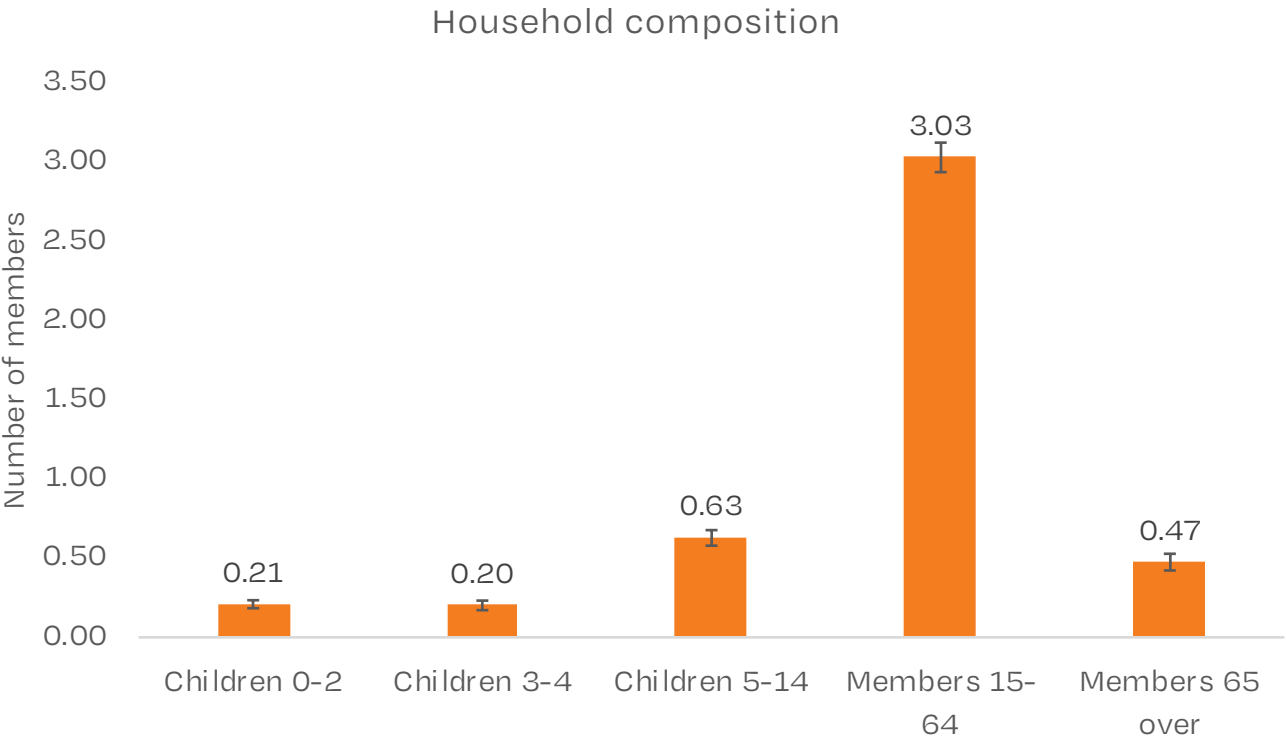
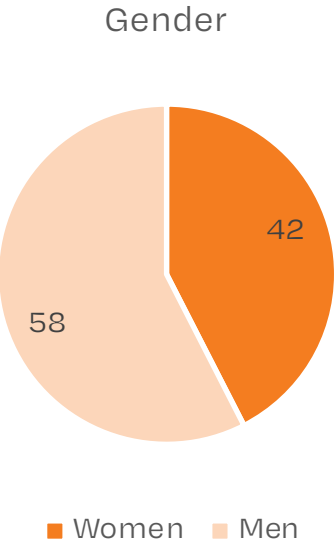
Implementation plan



Demography

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HFPS aimed to capture a diversity of respondents and households



Employment & Income

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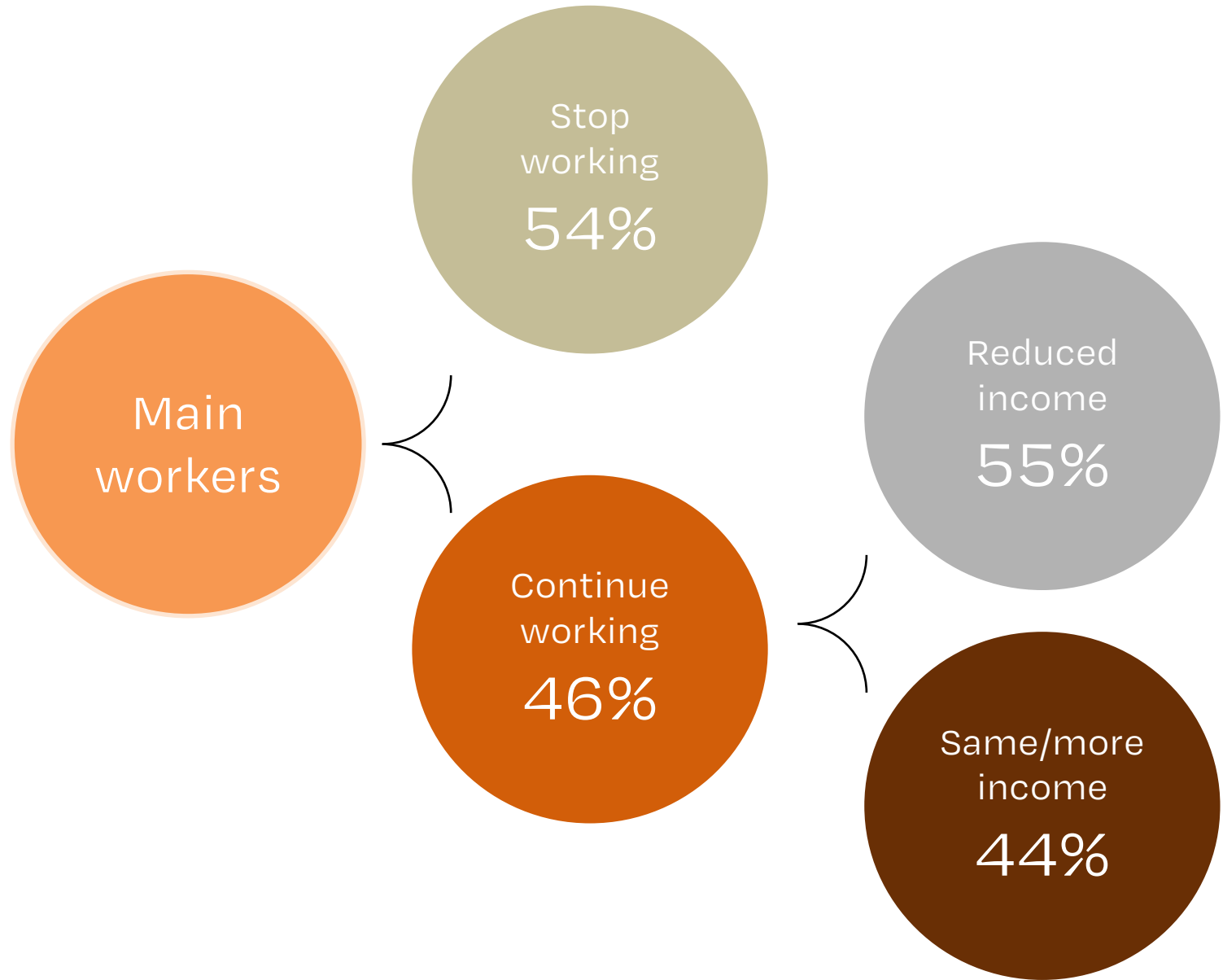
One of the channels of the COVID-19 impacts on welfare can be measured

- Through changes in employment, in own businesses, or in farm activities
- Through reduction of income from these activities
- Through reduction of non-labor income from remittances
- Looking at the situation in May 2020 and comparing that to the situation before March 2020

Work disruption

Three out of four households have one main worker engaged in any type of work before the end of March 2020...

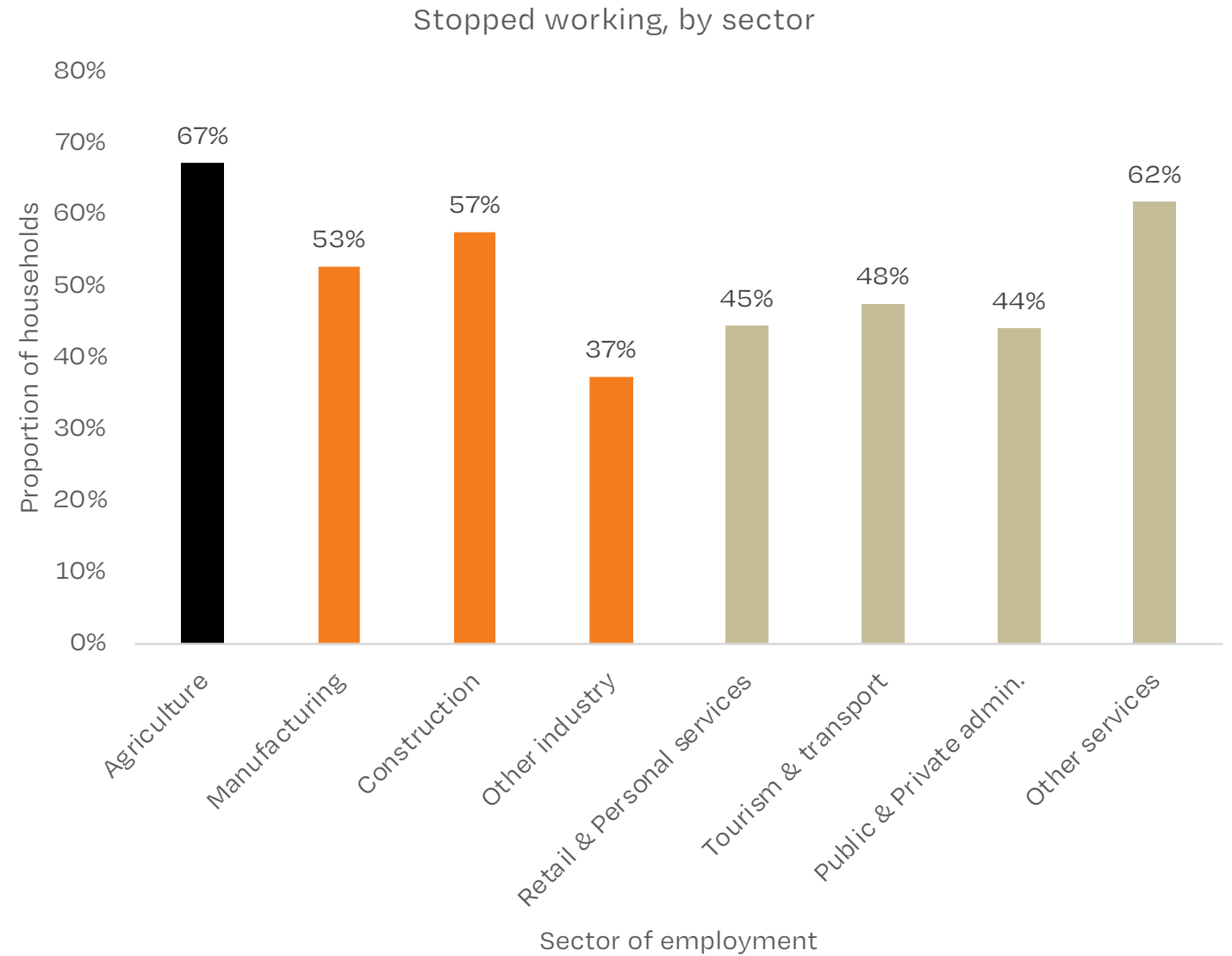
However by May 2020, **54%** of them have stopped working and **55%** of the ones still working are earning less



Stopped working

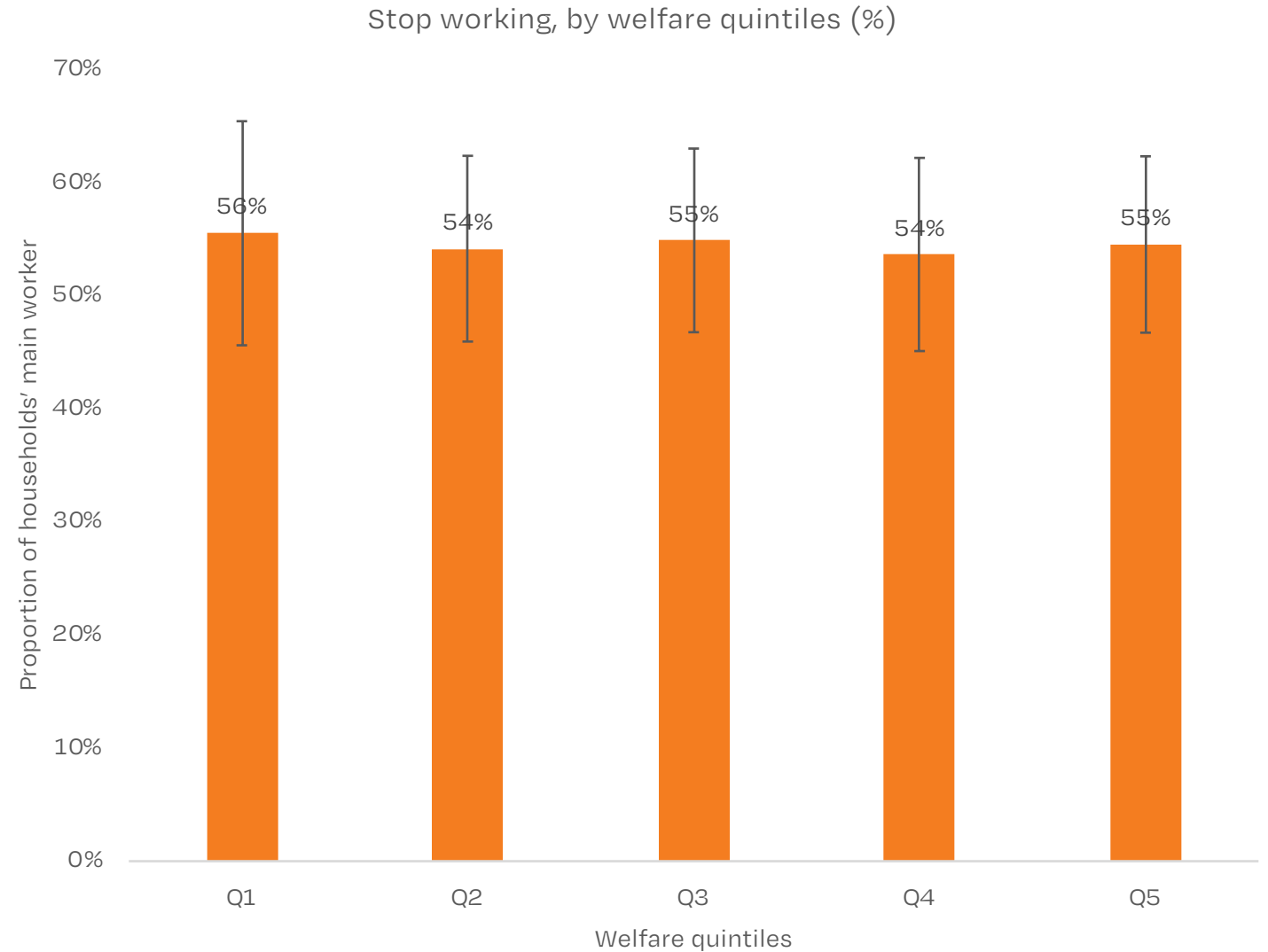
By May 2020, **two out three** workers engaged in the **agriculture sector** have lost their job. This is critical given agriculture was one of the main sectors of employment before March 2020.

The retail sector, second largest sector of employment, was badly hit: nearly **half** of main households' workers engaged in **retail** sector have lost their job.

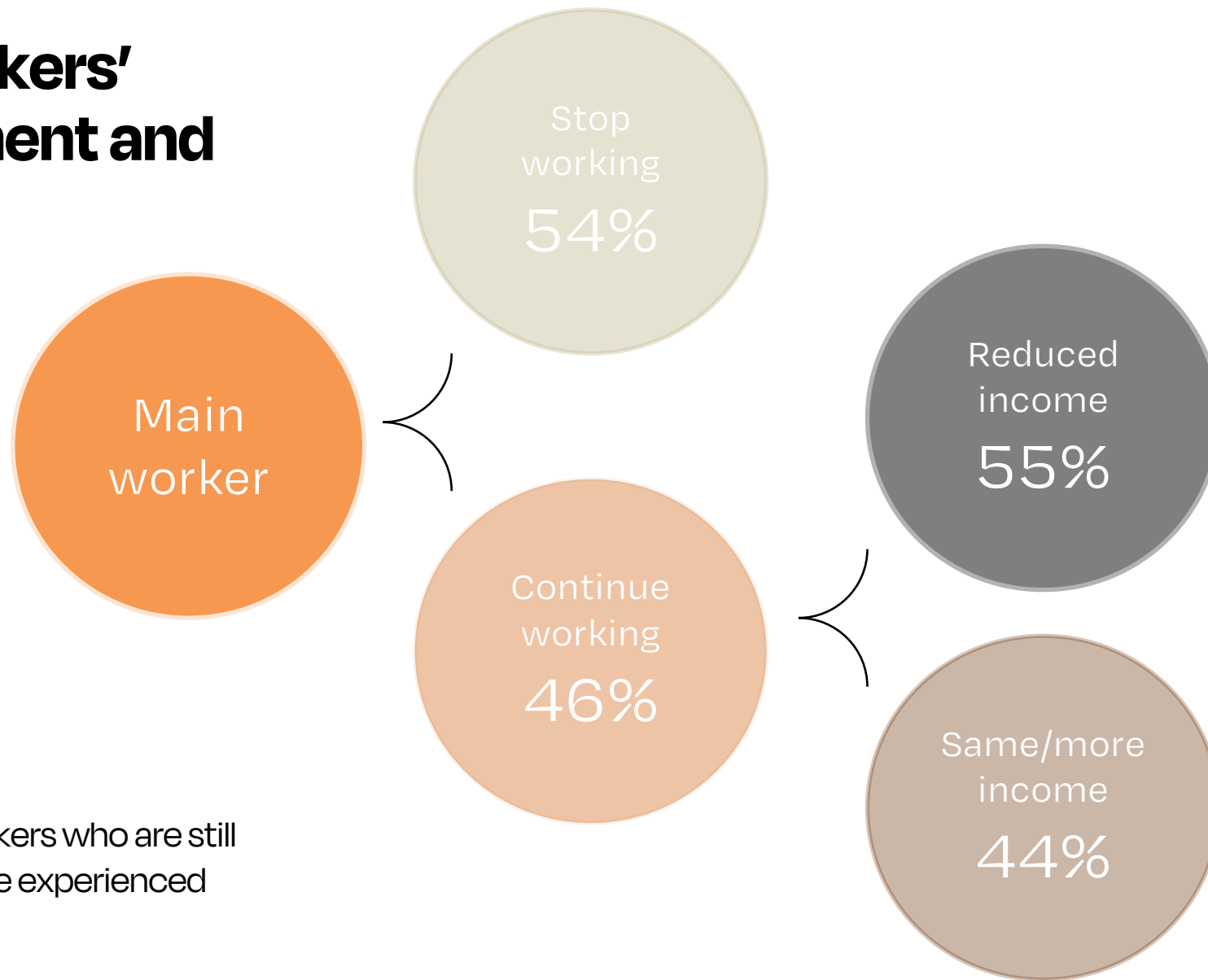


Stopped working

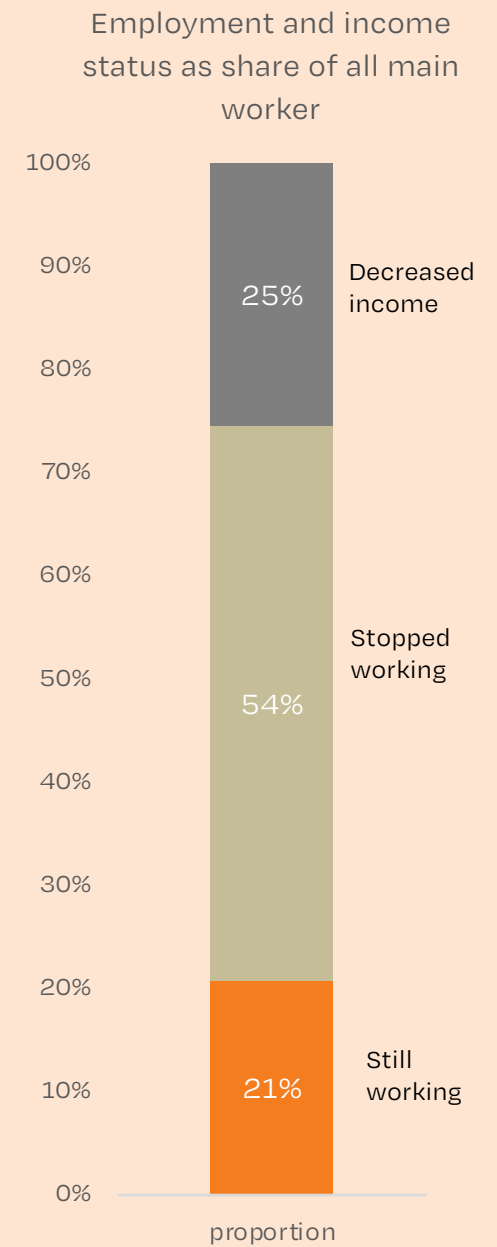
The share of households' main workers who stopped working is the same across all quintiles.



Main workers' employment and income



Among main workers who are still working **55%** have experienced reduced income.



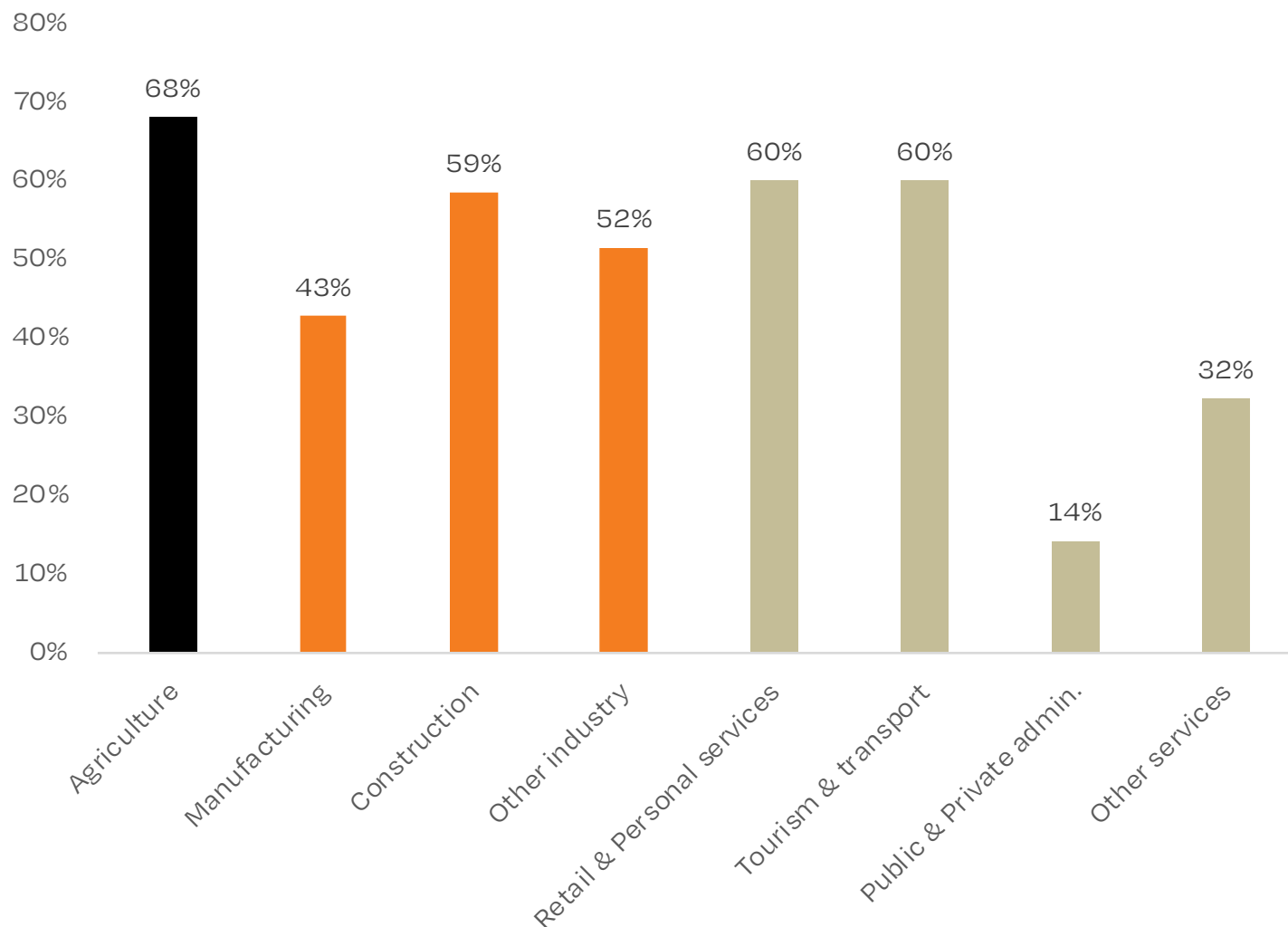
Still working but facing income losses

Nearly **seven out of ten** workers engaged in **agricultural sector** have experienced reduced income in May 2020.

Six out of ten workers engaged in **retail** or in **tourism/transport** have experienced reduced income.

Workers in **public or private** administration are more resilient.

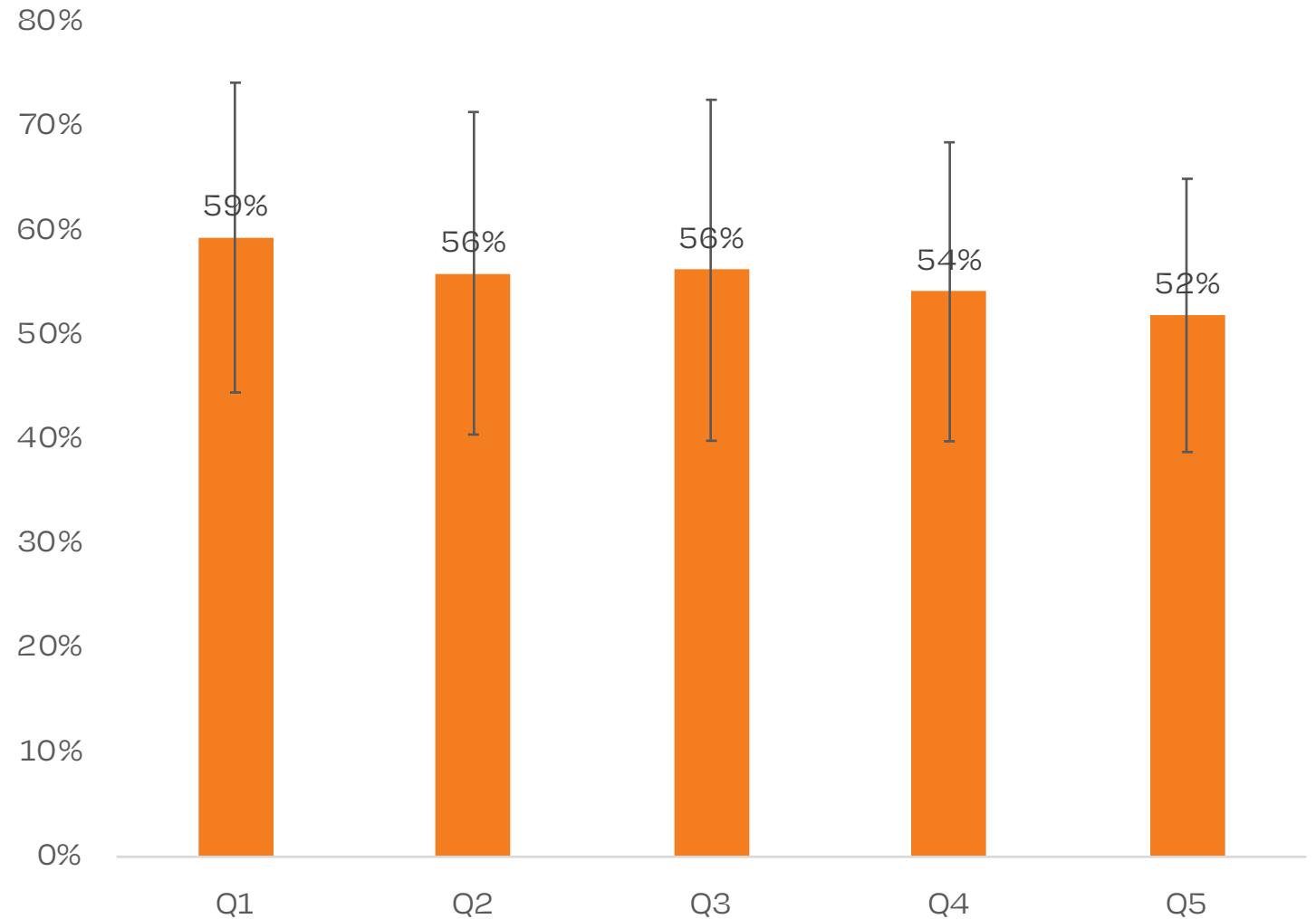
Households with reduced income, by sector (%)



Reduced income

In relative terms, more households' workers in the bottom welfare quintiles have experienced reduced income than households' workers in the top welfare quintile.

Reduced income, by welfare quintiles (%)



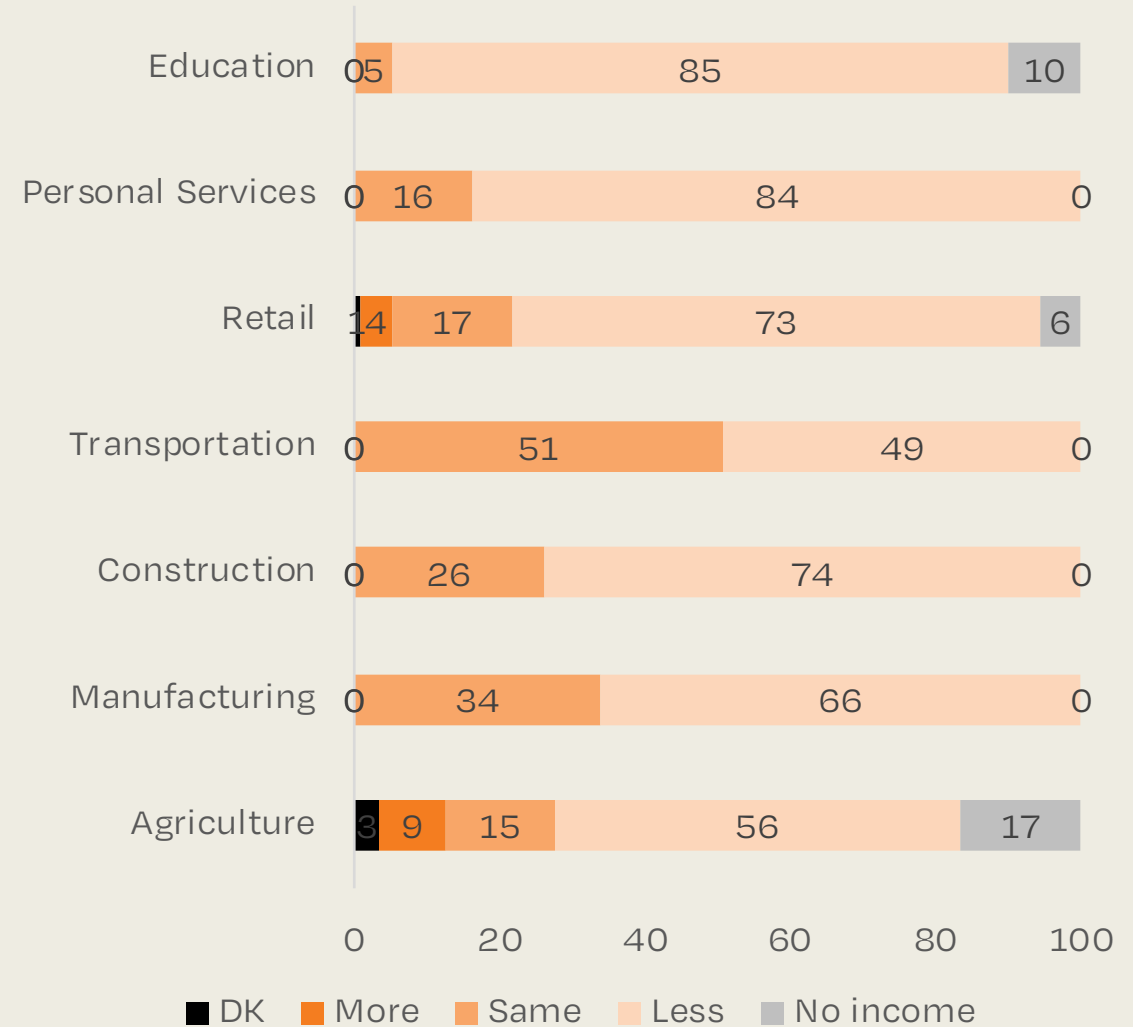
Household businesses

One out of four households has a business in the last 12 months...

Three out of four household businesses are losing earnings

- **60%** of these businesses are in retail, 10% in personal services, and about 9% in agriculture (outside farming).
- Losses in business earnings affect all sectors. **80%** of retail businesses having lost earnings.

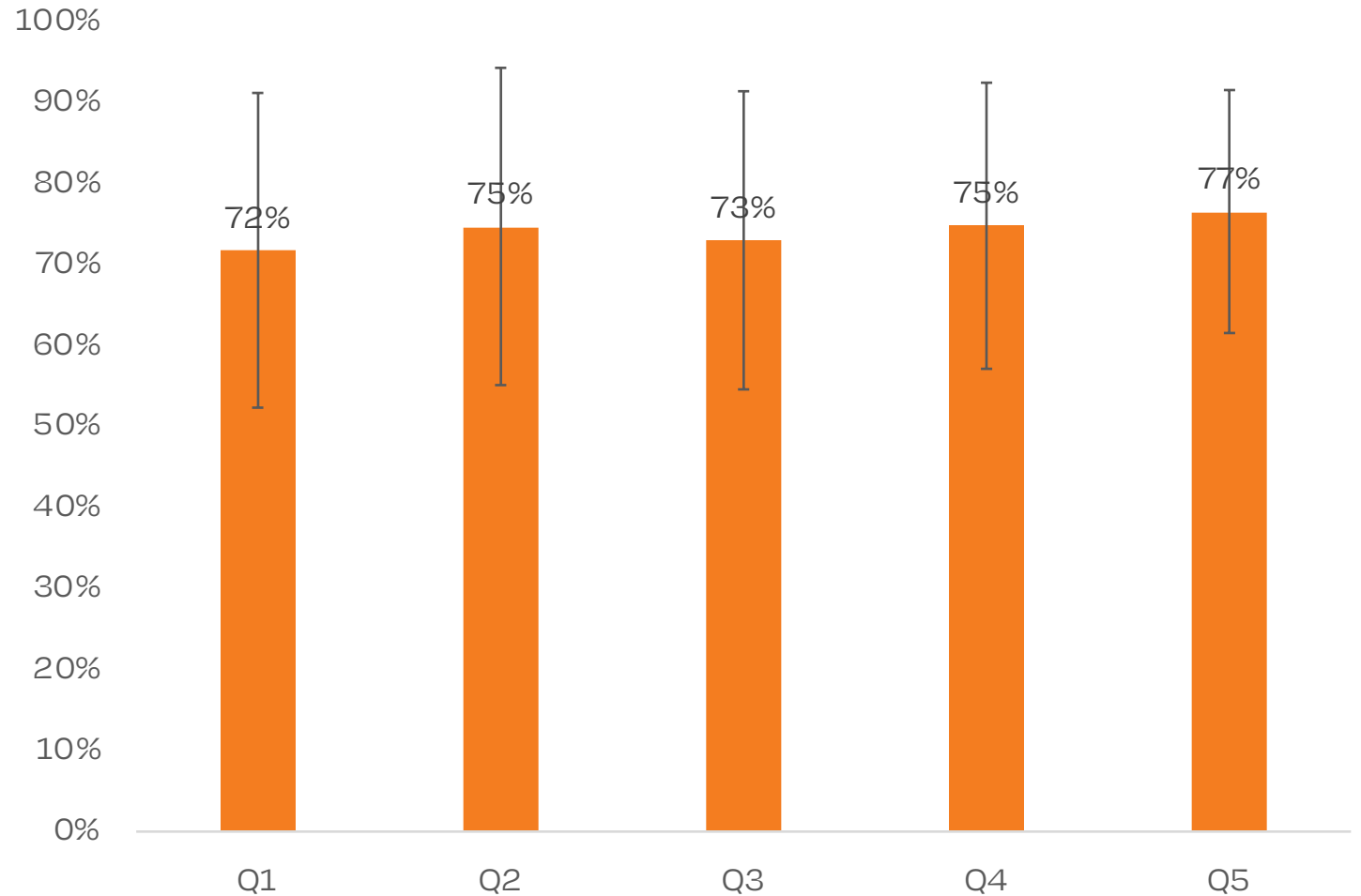
Share of household with reduced business earnings, by business type (%)



Household businesses with reduced earnings

In relative terms, more households in the top welfare quintiles have businesses experiencing reduced earnings, compared to households in the bottom welfare quintile.

Share of households with reduced business earnings, by welfare quintile (%)



Household farming activities

Half of the households are working in farm activities:

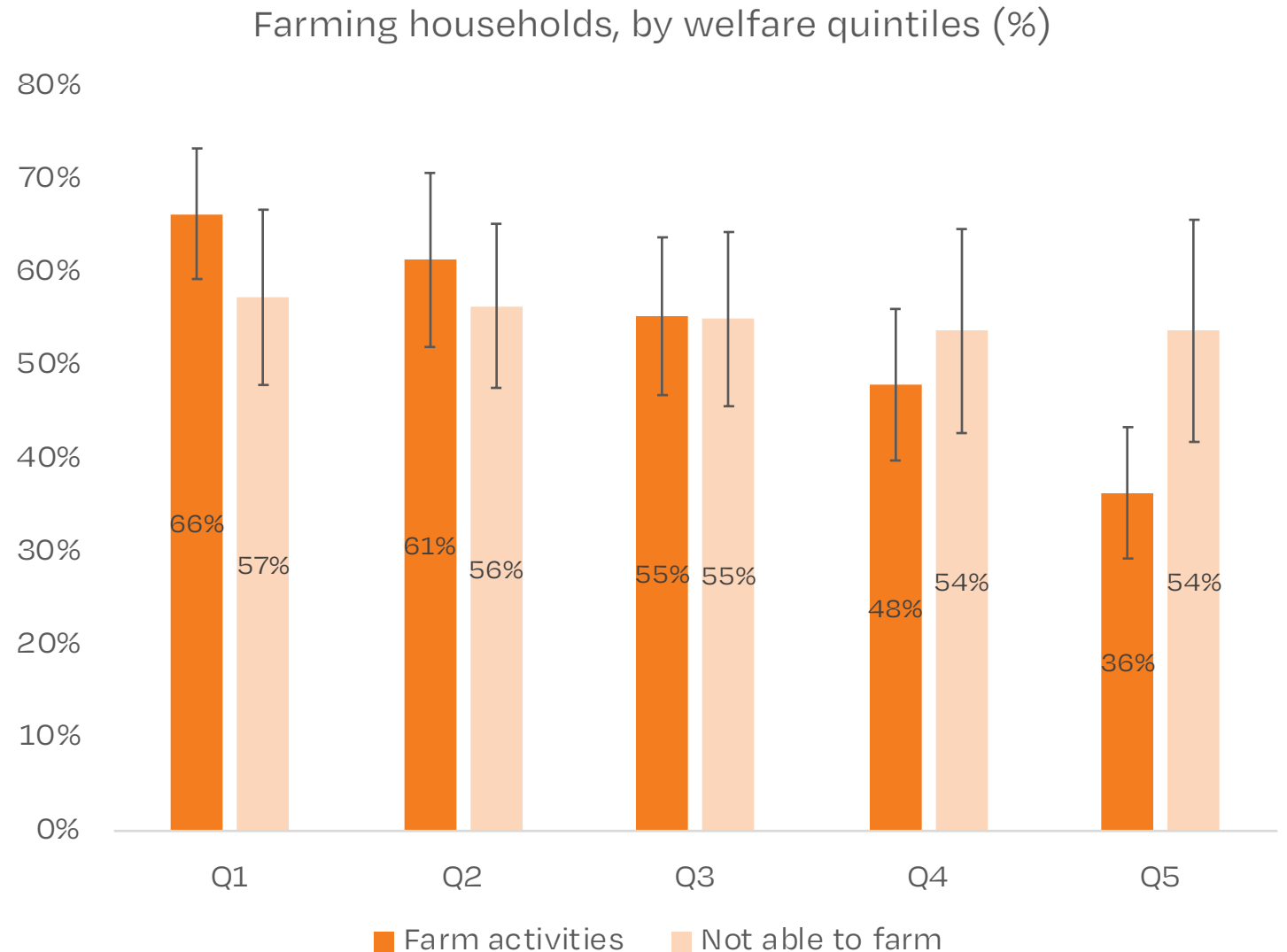
- 71% cultivating land;
- 58% growing crops;
- 50% owning livestock; and
- 3% doing aquaculture.

But **half** cannot farm.

Households not able to farm

More households in the **bottom quintile** are engaged in farming activities.

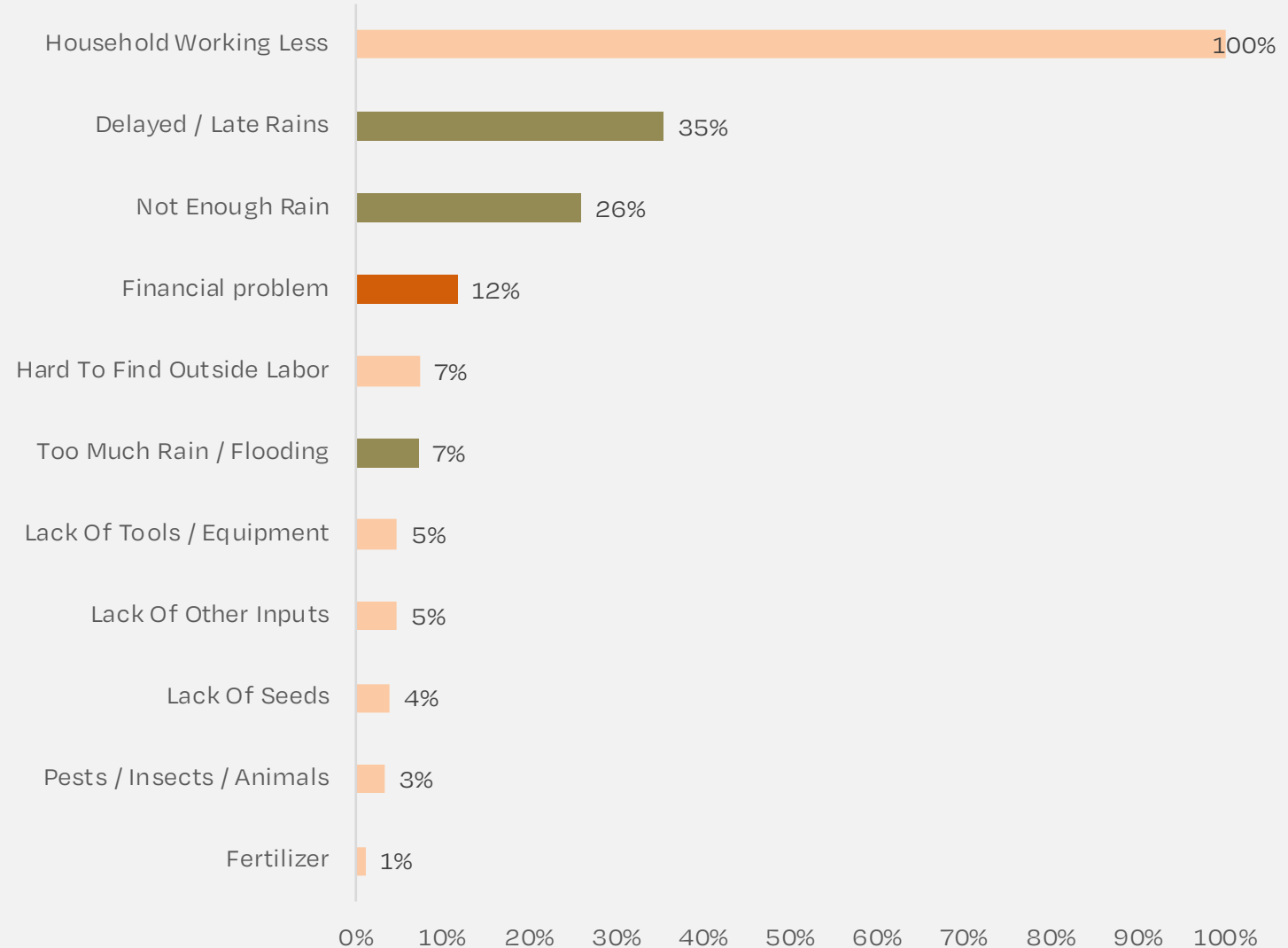
However, issues to farm since March 2020 affect households in all welfare quintiles.



Rice cultivation

- **43%** of agricultural households are planting rice.
- But **26%** of them are facing problems to plant rice.
- About **12%** of rice growing farmers are facing **financial problems.**

Type of obstacles faced by rice growing households (%)



Diversified livelihood sources

Households have diversified livelihood sources and **12%** of households also receive remittances.

Households' sector participation

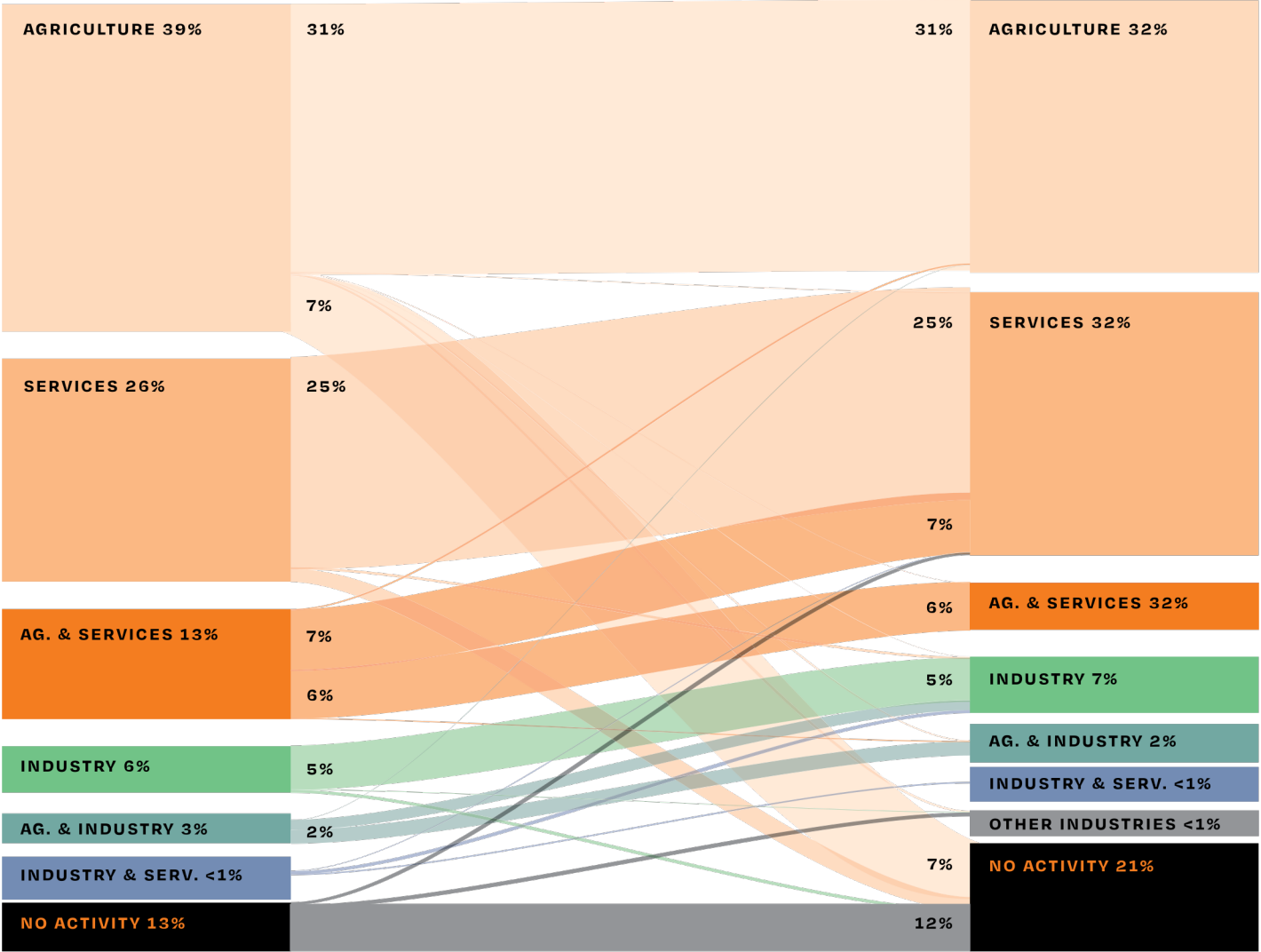
Before March 2020, about **17%** of households were engaged in two sectors. **13%** had **no activity**.

In May 2020, fewer households rely on agriculture for their livelihood and more than **1 out of 5** households have **no activities**.

Change in sector participation

Before end of March 2020

By May 2020

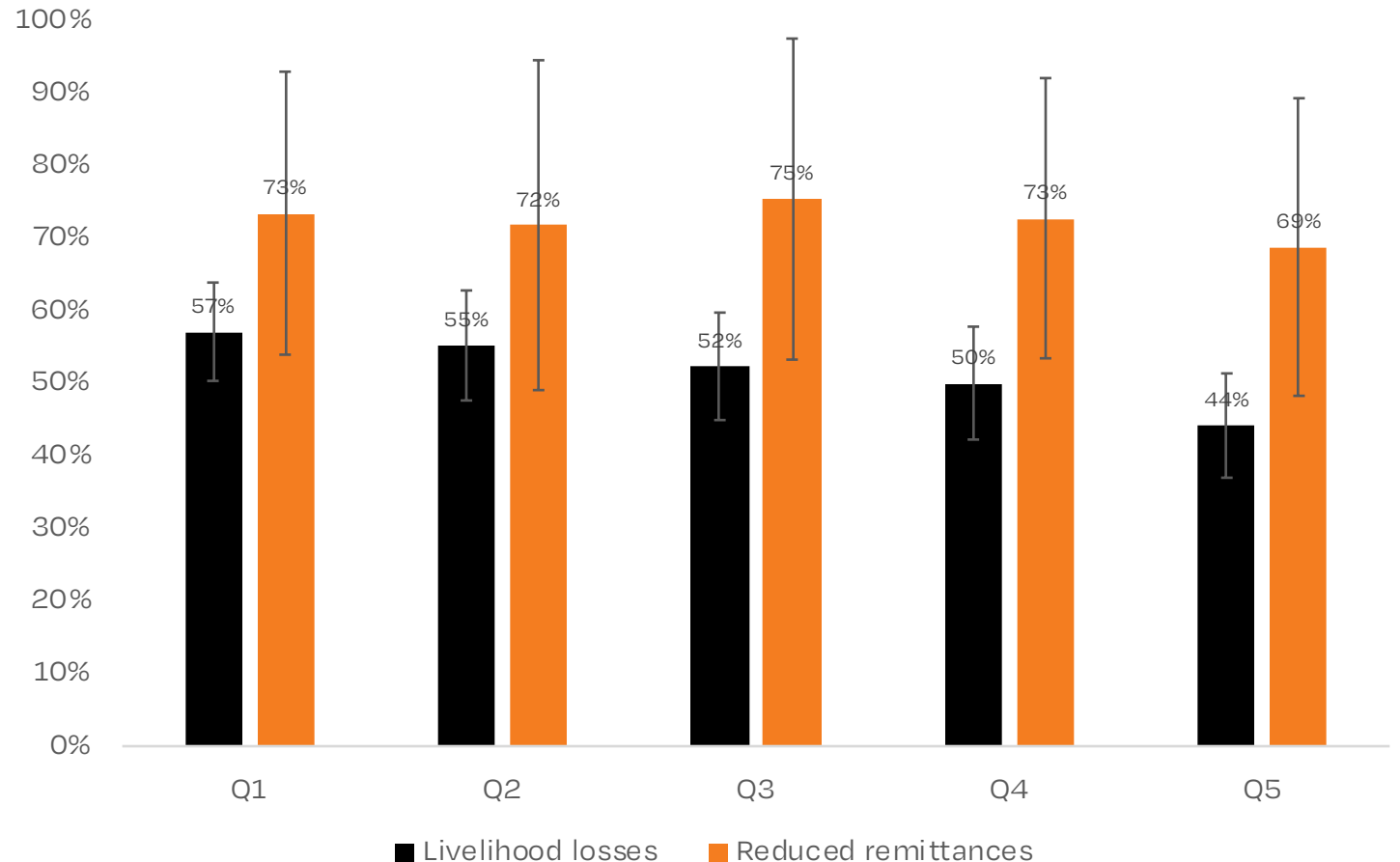


Fewer sources of livelihoods

On average, **52%** of households have experienced disruptions in their activity since March 2020.

In addition, **73%** of households usually receiving remittances have received **less in remittances**.

Share of households with reduced labor income or remittances, by welfare quintiles (%)



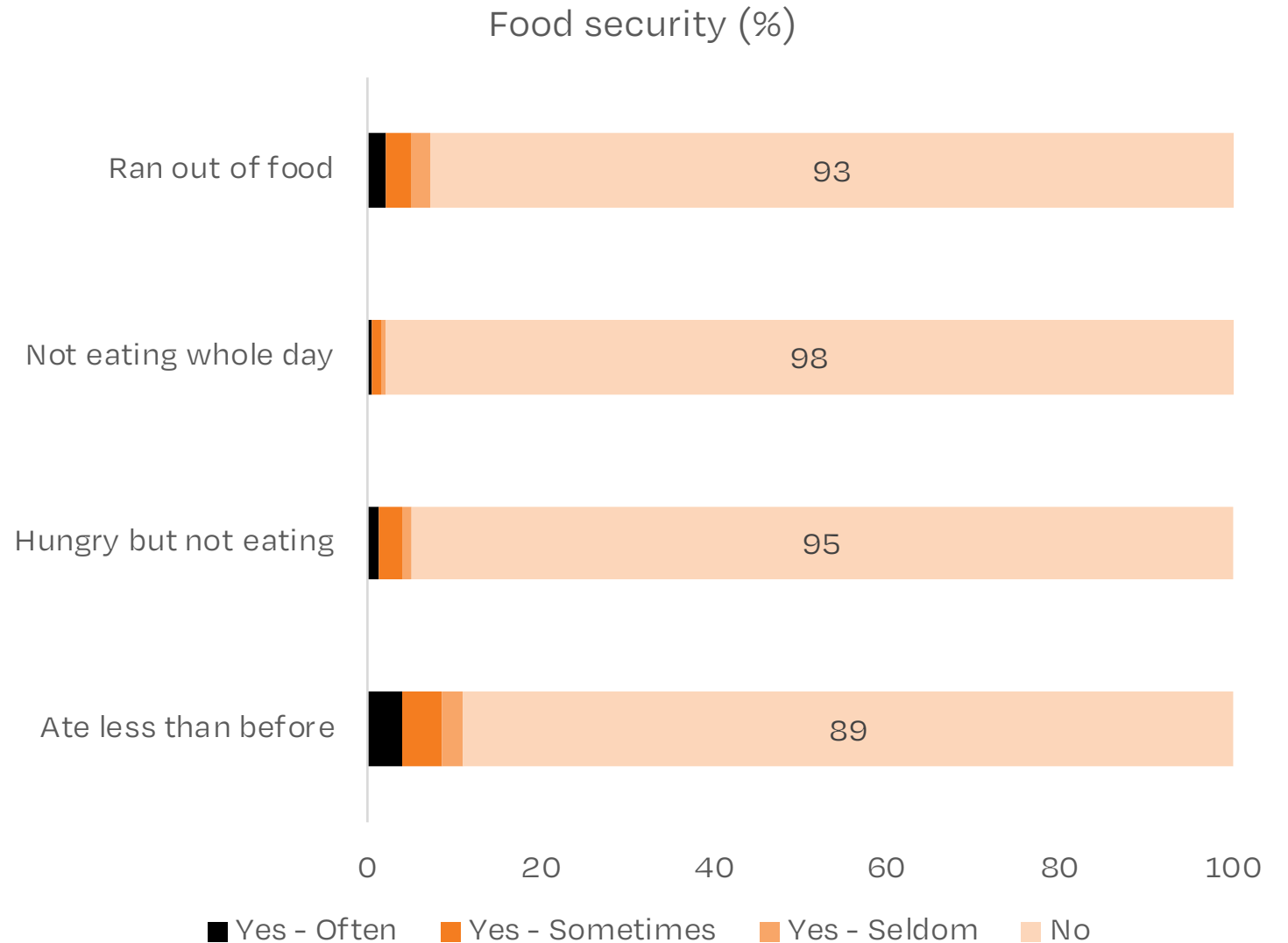
Food access and security

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Food access and security

Households do not report any issues accessing the main food products.

About **11%** of households report eating less than before March 2020.



Coping mechanisms

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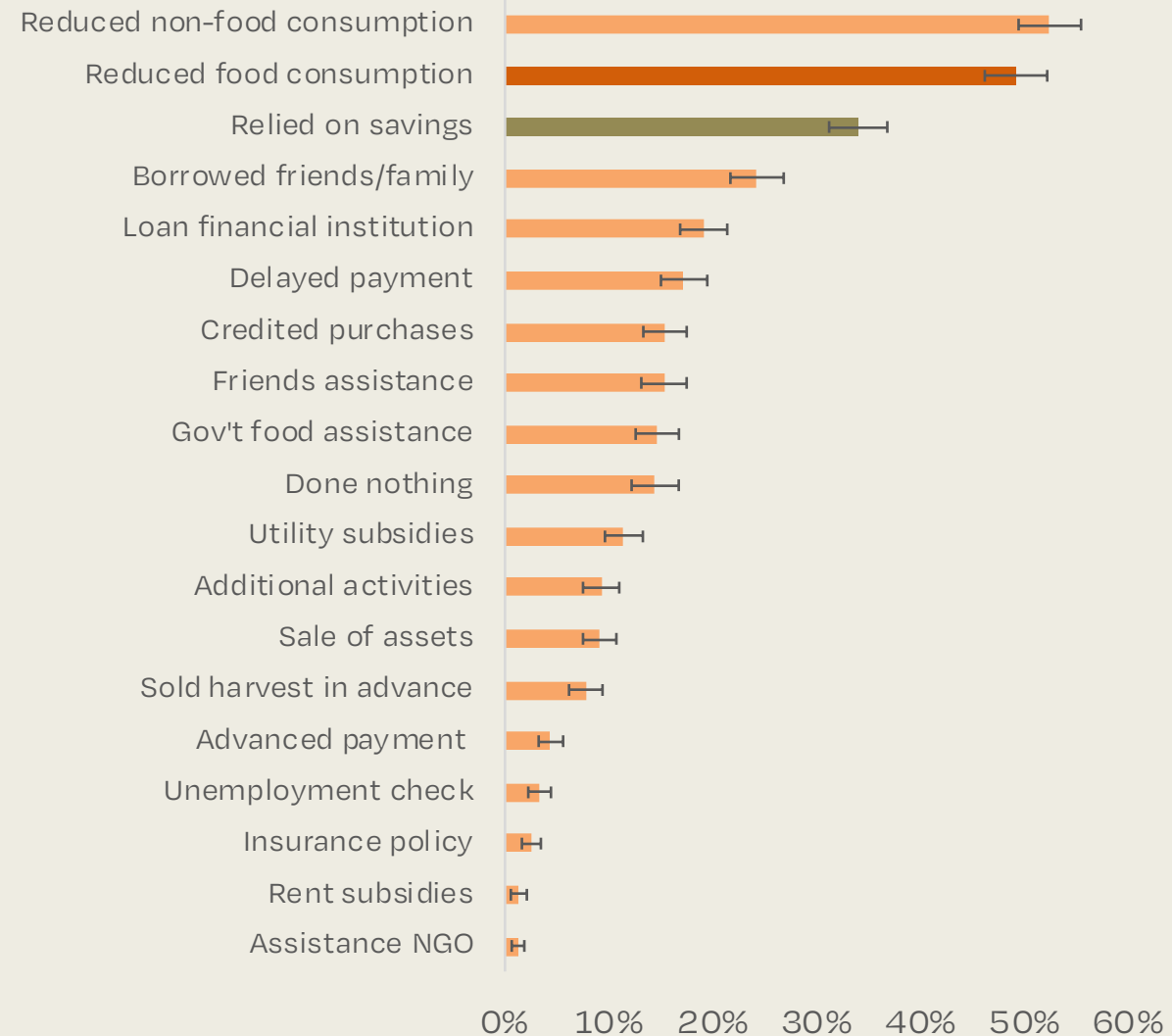
Coping strategies

Households are adopting coping strategies that could worsen their welfare in the long run.

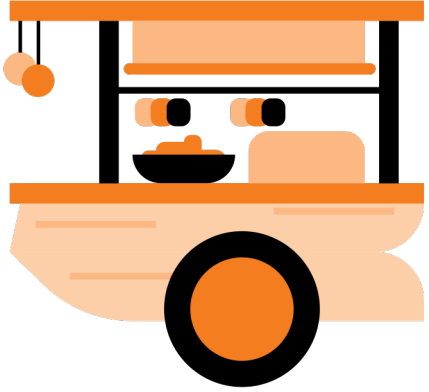
Half are reducing **food** consumption or **non-food** consumption.

A **third** of households are using their **savings**.

Households' coping strategies (%)



Implications



Employment & income losses

Jobs and income losses are huge concerns. Compared to other countries, agriculture does not represent a buffer as farming households are also suffering.



Livelihood diversification

Households have fewer ways to diversify their livelihood sources as all sectors of the economy are affected. It is very hard for them to switch activities.



Food security & coping mechanisms

Concerns over food security could increase, as households are reducing food consumption to cope with shocks. Close monitoring is required.

Next steps

- Discussions with relevant stakeholders, with support from CSO
- HFPS activities
 - Round 2 data collection completed (July 2020), panel constructed over 1150 households.
 - Modules: food security (follow-up), migration, and behaviors as part of Round 2.
 - Preparing for the new school year and adding questions on access to schools in Round 3 or 4 depending on school reopening.

Thank you

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