



Rapid information *from* household high-frequency survey

Summary of Results from Round 4
7 - 29 OCTOBER 2020

Key Messages

This brief presents the main findings from the fourth of eight rounds of a nationally representative survey of 1,500 randomly selected households in all states/regions of Myanmar. The survey was undertaken by conducting a 20-minute phone call with respondents from 7th to 29th October 2020.

1



The small rebounds observed in August disappeared: more households' main workers have stopped working and have lower earnings than in August; food security is degrading; and households have depleted their coping mechanisms.

2



Households at the bottom of the welfare distribution might have been setback even more than households at the top of the welfare distribution. The former households were more likely to have lower income, to have experienced food insecurity and to use coping mechanisms with potentially negative long-term effects than households in top quintiles.

3



Government assistance through food and cash has benefitted on average more households at the bottom of the welfare distribution and households in need.

The Myanmar COVID-19 Monitoring Platform revealed that after being badly hit by the first wave of strictly enforced containment measures in April and early May, the progressive easing of these measures in late May translated into a small rebound in employment in August. At the same time, Government support had increased, with assistance reaching more households in August than before.

As numbers of cases increased from mid-August, strict stay-at-home orders were introduced in Rakhine State in mid-August, followed by similar orders in all townships in Yangon Region (except Cocokyun Township) and several other townships across the country since the end of September, including in Mandalay. The fourth round of survey conducted by the World Bank and the Myanmar Central Statistical Organization (CSO) provided updates on earlier findings indicating that the small rebound in August did not sustain these new orders. The fourth survey round reached about three out of four of the August respondents, while the rest were replaced with new respondents.

The enforcement of stay-at-home orders in the most dynamic economic centers of Yangon and Mandalay were reflected in household employment and incomes. The gradual recovery from the first wave resulted in 15 percent of households' main workers not working in August. By October, however, about a third

of households' main workers was not able to work, affecting households across the whole welfare distribution.¹ With respect to income, close to half of those who were still working reported earning lower incomes than before the second wave. However, households' main workers at the bottom of the welfare distribution were as affected as others across the welfare distribution. With respect to employment and income status, households' main workers in the retail and personal services sectors were most affected by job losses and lower income, given their greater exposure to mobility restrictions. The impact on retail could be explained by the fact that households' demand for goods and services likely decreased since households have been reducing food and non-food expenditures to cope with the impacts of the crisis.

Most households' businesses were still operating but facing lower earnings. While in August, over half of households' businesses reported lower earnings, this figure reached three out of four households' businesses in October. However, fewer households in the bottom of the welfare distribution than at the top of the welfare distribution reported having lower earnings between August and October but differences are not significant across the welfare distribution. Such a result could be accounted for the fact that restrictions were localized in urban dynamic centers while households outside Yangon and Mandalay having households' businesses might have been less affected by these restrictions.

Contrary to the period of earlier countrywide and strict contain-

ment measures, most households engaged in agricultural work managed to work on their farm in October, although incomes were lower than in August. Fewer households' main workers engaged in agriculture² were not working in October than at the time of the first lockdown (21 percent in October versus 61 percent in May). In addition, about 11 percent of farming households stopped farming in October. Slightly more households at the bottom of the distribution than at the top were able to continue farming. However, when looking at employment in agriculture—including agricultural wage activities and farm businesses—more households' main workers at the bottom of the welfare distribution (27 percent) were unemployed than those households at the top (16 percent). Poorer agricultural households include a large share of casual agricultural laborers, who were unable to travel readily where labor was in demand during this second wave of restrictions. The principal reasons why farming households stopped farming were reportedly weather conditions (33 percent) and pandemic-related mobility limitations obstructing their access to markets to either sell outputs or acquire inputs required for production (15 percent). Due to disruptions in market access (lower border trade and closure of large markets in Yangon and Mandalay), and weather conditions, more than half of households' main workers engaged in agriculture had lower incomes in October than in August.

Food and nutrition security degraded rapidly between August and October: the share of households experiencing moderate to severe food insecurity increased by 13 percentage points, with poorer households disproportionately affected. In August, 12 percent of households experienced food insecurity and 25 percent of households did so in October.³ Households were not only worried about having enough food to eat, but many ate less healthy food (31 percent) which could increase the risk of stunting and nutrient deficiencies. In October, households at the bottom of the welfare distribution were more likely to report any of these issues. Troublingly, the gap between households at the bottom of the welfare distribution and those at the top has widened: the largest difference across food insecurity dimensions was 9 percentage points in August and 22 percentage points in October.

Households have been adopting risky and unsustainable coping mechanisms to buffer the shock. Approximately half of households have resorted to reducing food or non-food consumption in October—a significant deterioration from about 30 percent in August, when people had been able to return to work. The increased reliance on these coping mechanisms is greater for households at the bottom of the welfare distribution than at the top, providing further indications that circumstances are worsening for the poor. In addition, since the beginning of the pandemic households have contracted new loans from financial institutions, money lenders or their family. Relatively poorer households did so to a larger extent. Households at the top of the welfare distribution were more likely than other households to use their savings, although 36 percent of the households at the bottom of the welfare distribution relied on savings in October. The need to repay debt, invest in inputs for the new agricultural season, and the prolonged nature of the crisis might push households into a cycle of indebtedness.

Myanmar now faces a health crisis on top of an economic slowdown, which adds even more pressure on households' and poor

households' welfare. Although more than 80 percent of households reported wearing masks and gloves, and washing their hands as ways to mitigate the spread of COVID-19, fewer households reported adopting adequate social distancing, with less than 32 percent of households avoiding gathering and five percent maintaining distance when conversing. While there were no differences between households across the welfare distribution except with respect to the use of hand sanitizer, the adoption rates of these behaviors have also gone down since August. Finally, this health risk combined with the uncertainty in income and food security could potentially increase households' stress: in October about 64 percent of households reported they were somewhat worried or very worried about their finances, which could have potential longer-term implications for mental health and intra-household relations.

While households did not report any COVID-19-related issues to accessing health services, Myanmar has high rates of foregone care and the pandemic may further discourage households from seeking care. On average 60 percent of households reported they needed health services in October, mostly to purchase medicine (90 percent of households who needed healthcare). About a quarter of households who needed care went for adult healthcare and again did not report any challenges. However, even prior to the pandemic, poorly resourced health posts and other primary care facilities in rural areas might have discouraged households to seek care.

Education is worrying due to the potential decrease in enrollment rates when school reopens, disproportionately affecting children in poorer households as they were less likely to receive learning support since closures commenced. Schools have remained closed for more than seven months, with little prospects of reopening in the short term. Over that period, less than 40 percent of households indicated that their children who were enrolled in school in February 2020, had been engaged in learning activities. This varied from about 26 percent of households at the bottom of the welfare distribution to 54 percent for households at the top. For 83 percent of households, these learning activities were mostly carried out by parents' tutoring, while about 6 percent of households could provide online learning to their children.

In October, government support through food and cash assistance had been more successful in reaching the ones in needs. About 23 and 41 percent of households reported having received food assistance or received cash assistance from the government, respectively.⁴ Both transfers seemed to have benefitted slightly more households at the bottom of the welfare distribution: 21 percent of households in the bottom quintile received food assistance versus 18 percent of households in the top, and 40 percent of households at the bottom of the welfare distribution received cash assistance in October compared to about 30 percent of households at the top. However, nearly two thirds of households whose head had lower income while working did not receive any cash support and 86 percent of these households did not receive food assistance. Food assistance seemed to have benefitted more to those who experienced several food insecurity issues: 68 percent of households with five out of eight food insecurity issues reported receiving food assistance compared to 31 percent of households with no food security issues.

1 Welfare quintiles are measured using a consumption aggregate predicted using multiple imputations and stepwise regressions and dividing the whole consumption distribution with imputations into five continuous intervals.
 2 This includes both farming households (cultivating land, harvesting any crops, owning livestock or engaging in aquaculture), households with a non-farm agricultural business, and households engaged in wage agricultural activities. This variable is measured at the level of the main worker in the household.
 3 The food insecurity experience scale (FIES) is defined using eight criteria as ex-

plained by the FAO (2020). Food and Agriculture Organization of the United Nations. 2020. <http://www.fao.org/in-action/voices-of-the-hungry/using-fies/en>
 4 The authors acknowledge that these numbers on cash transfers are lower than numbers reported from administrative sources: the Government cash distribution set to reach 5.4 million households with two cash payments in July and August, and 5.6 million households in September. Future survey rounds will include a module on social protection to collect more comprehensive data to monitor impacts of the Government's social assistance measures.

