



REPORT LAUNCH

**LIVELIHOODS, COPING, AND
SUPPORT DURING COVID-19**

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**BRAC
INSTITUTE OF
GOVERNANCE &
DEVELOPMENT**

Why the Study

Export slowdown, supply chain disruptions, demand contraction, standstill in formal and informal activities during COVID-19 caused widespread economic distress

Social groups and economic lobbies in Bangladesh voicing their demand from the beginning

But there was a need for systematic evidence on depth and spread of the poverty impact of COVID-19 to bring attention to this cause

Team Members

BIGD

- Dr. Narayan C Das, Senior Research Fellow
- Dr. Imran Matin, Executive Director
- Shakil Ahmed, Senior Research Associate
- Atiya Rahman, Senior Research Associate
- Tahsina Naz Khan, Research Associate
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- Dr. Hossain Zillur Rahman, Executive Chairman
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- Umama Zillur, Research Associate
- Sabrina Miti Gain, Research Associate
- Fatema Mohammad, Research Associate
- Field Research Team

The Study

Sample: 12,000 HHs

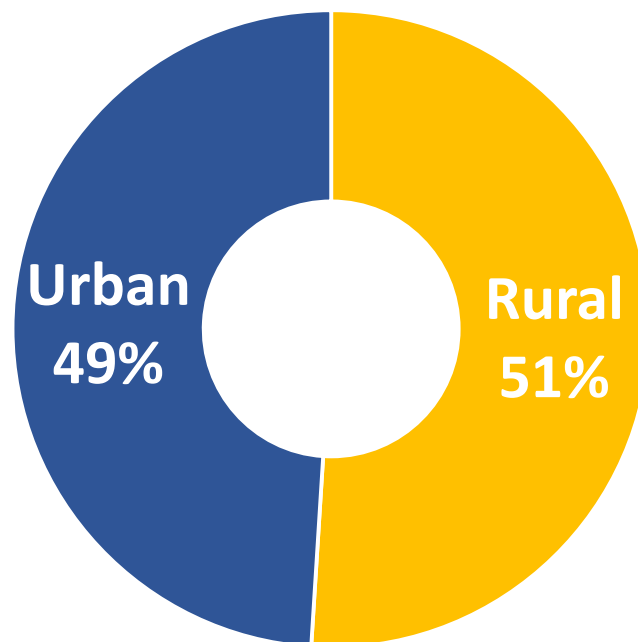


Success: 5,471 HHs

Study Period

4 April ↔ 12 April

Respondent Profile



Average HH size

4.85

Female-headed HHs

12%

Sample Source:

Urban: from a census in 2016-2017 of 24,283 slum HHs in 35 slums across 9 districts in Dhaka, Chattogram, Khulna, Barisal and Rangpur

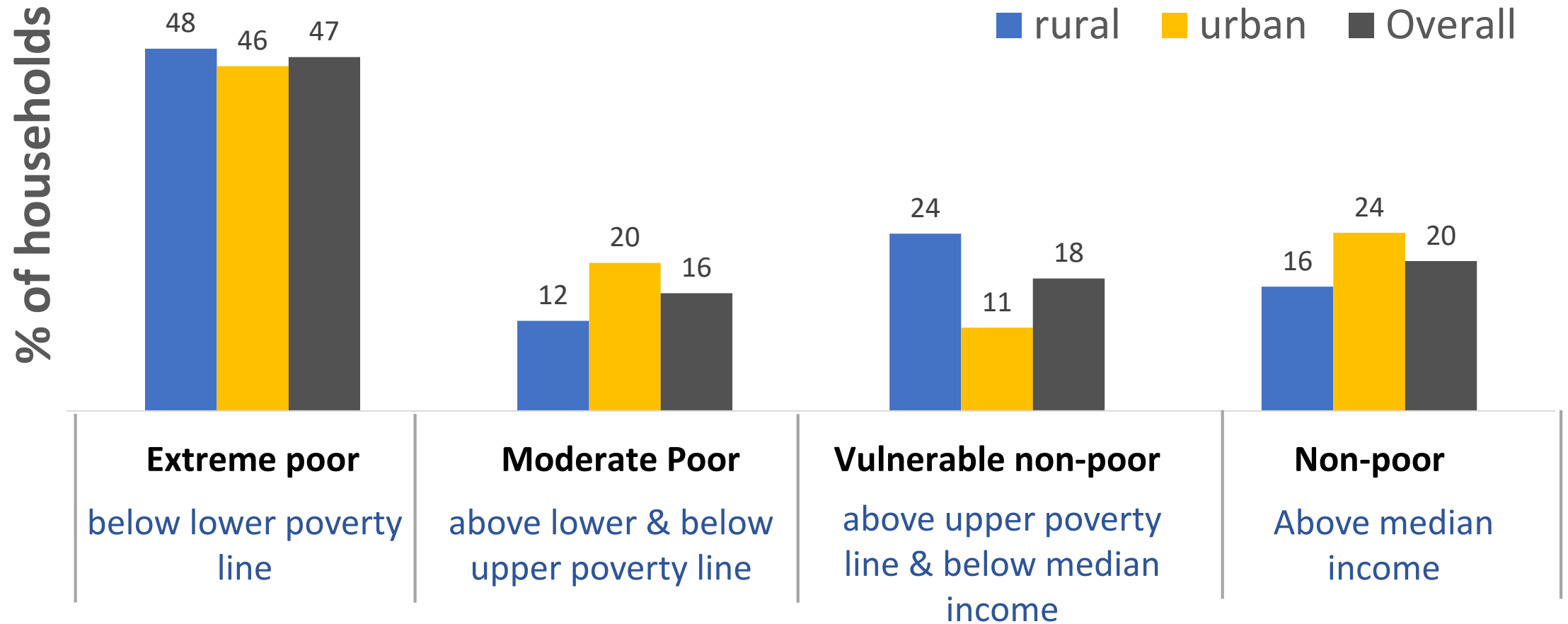
Rural: from a nationally representative (divisional level) survey of 26,925 HHs across 64 districts

Income Categories

- **Extreme poor:** per capita income below national lower poverty line
- **Moderate poor:** per capita income above lower poverty line & and below upper poverty line
- **Non-poor:** above upper poverty line, further divided into
 - **Vulnerable non-poor:** above upper poverty line but below median national income
 - **Non-poor:** above median national income

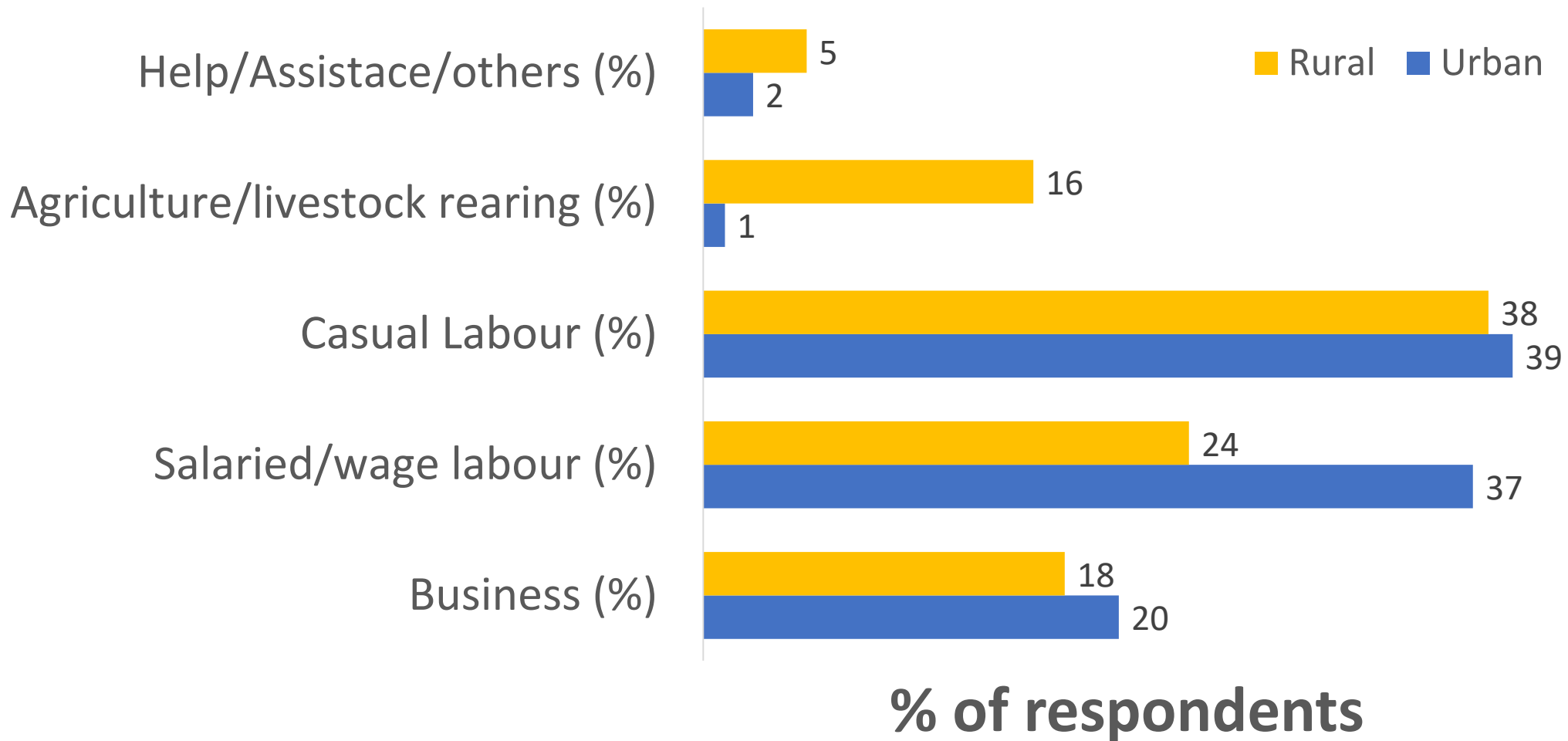
Respondent HHs' Economic Profile

(pre-COVID)



Households' Main Source of Income

(pre-COVID)





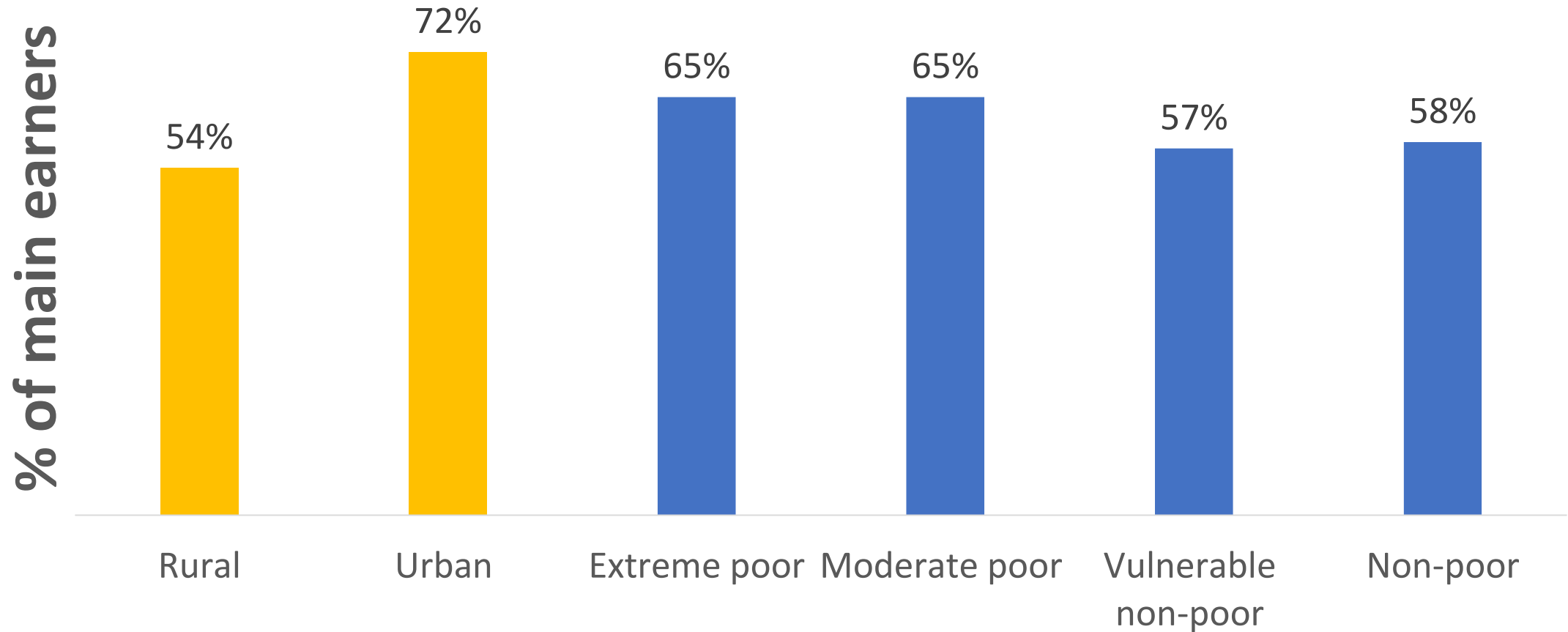
Impact on Income and Employment

Urban to Rural Movement at the Onset of Lockdown

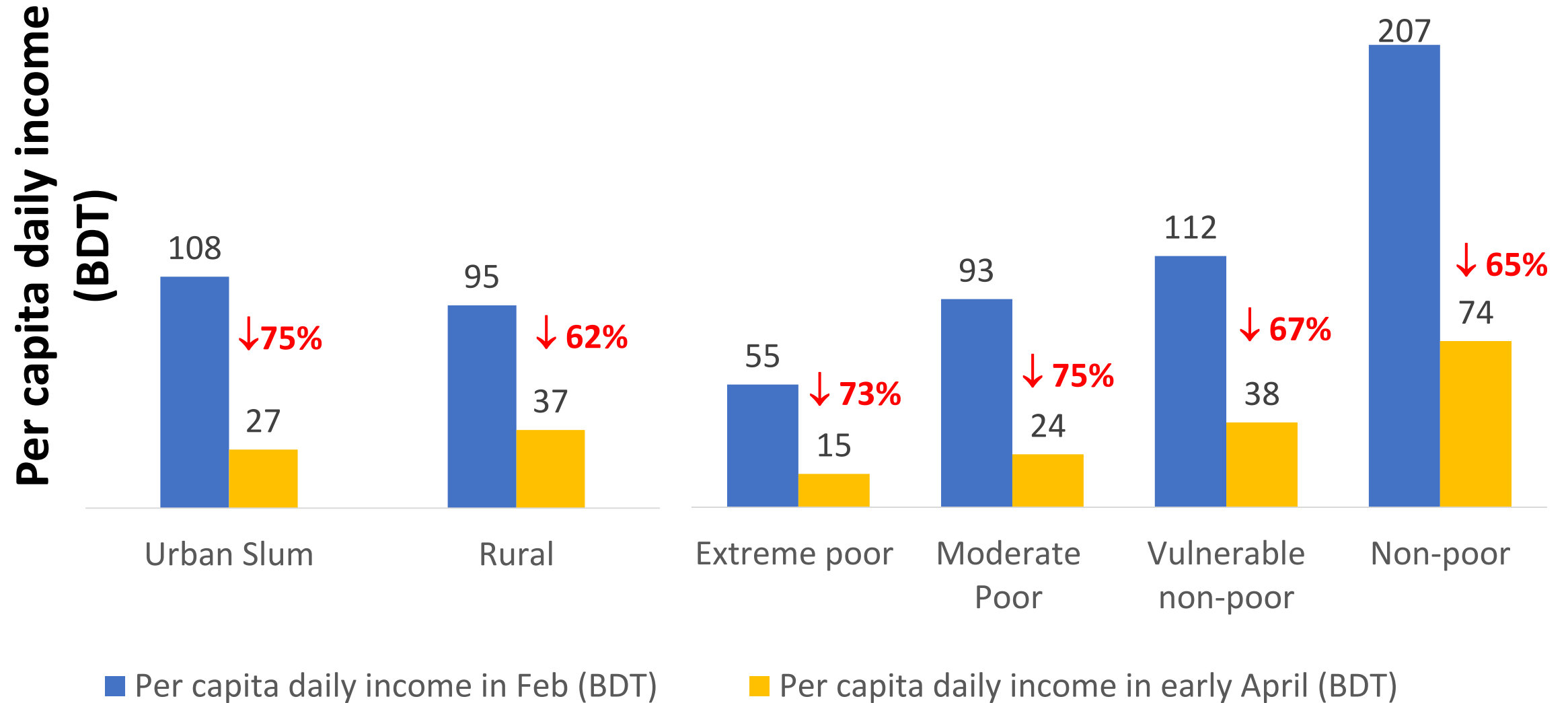
- ❑ Only 6% urban HHs moved to their rural homes because of COVID-19 during or before survey period
 - ❑ Slightly more non-poor urban HHs moved to their rural homes
 - ❑ No significant difference across occupations

Economic Inactivity among Main Income Earners

(in early April)



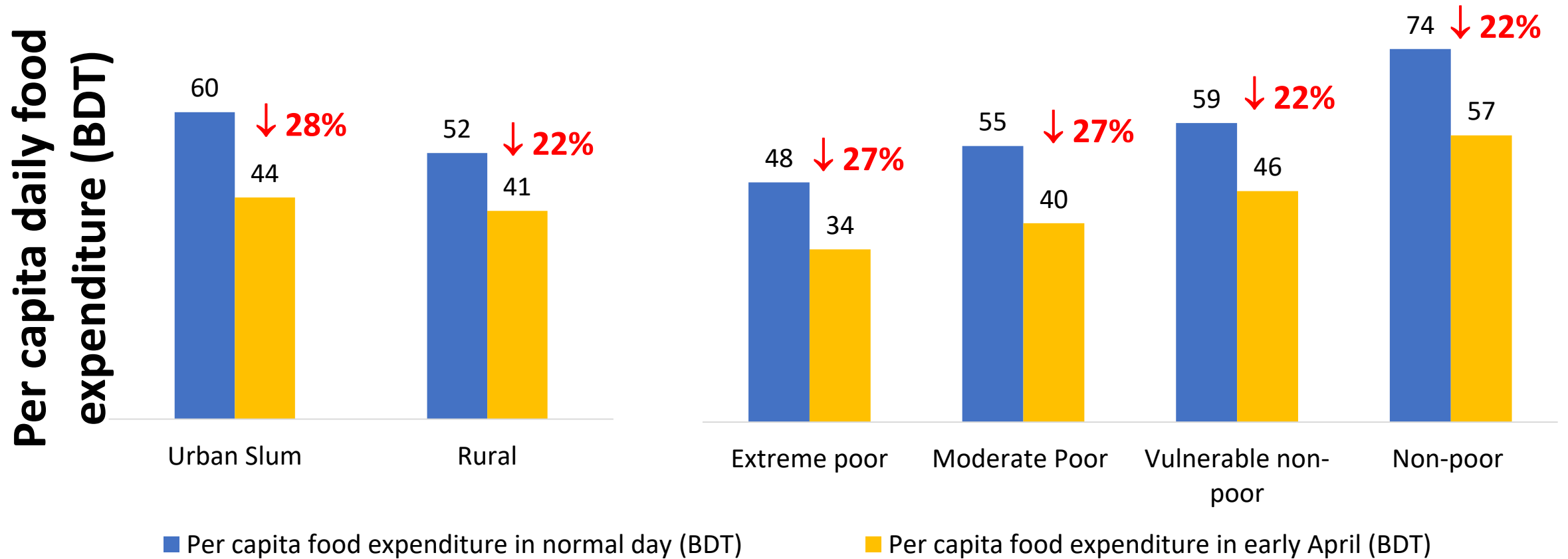
Drastic Reduction in Household Income



A high-angle, top-down photograph of a person with dark hair, wearing an orange and yellow patterned sari, cooking in a rustic kitchen. The person is positioned in the lower-left quadrant, leaning over a large, round, earthenware cooking pot. The kitchen floor is made of dirt and is cluttered with various cooking items: several metal pots and pans, some containing food, and a few plastic containers. To the right, there is a wooden structure made of vertical slats, possibly a partition or a wall. The overall scene is dimly lit, with a dark, semi-transparent overlay across the entire image. The text "Food Insecurity" is written in a large, white, sans-serif font across the center of the image, with a thin white vertical line to its left.

Food Insecurity

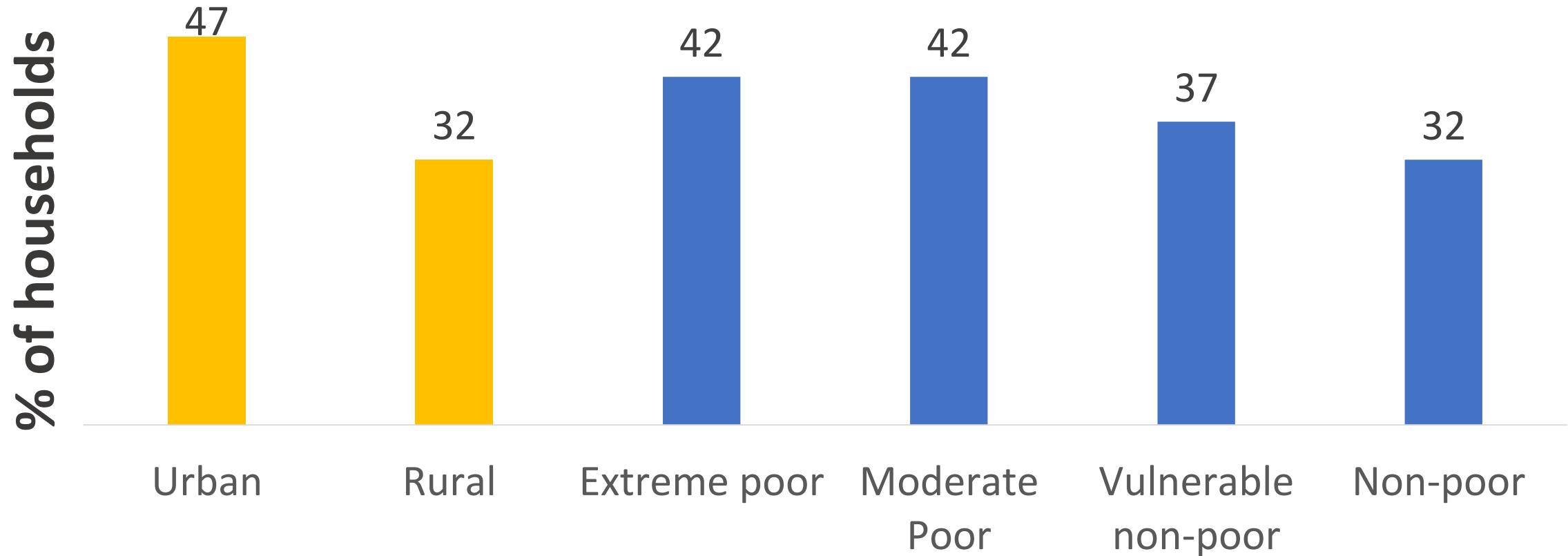
Drop in Per Capita Food Expenditure



Nutritional Impact: Households Having 3 Meals

	Urban-rural		Income categories			
	Urban	Rural	Extreme poor	Moderate poor	Vulnerable non-poor	Non-poor
% of HHs with 3 meals in February	97	99	98	97	98	98
% of HHs with 3 meals in early April	73	85	73	78	87	89
% HHs decreasing 3 meals	24	14	25	20	12	9

Nutritional Impact: Coping through Reduction in Food Consumption

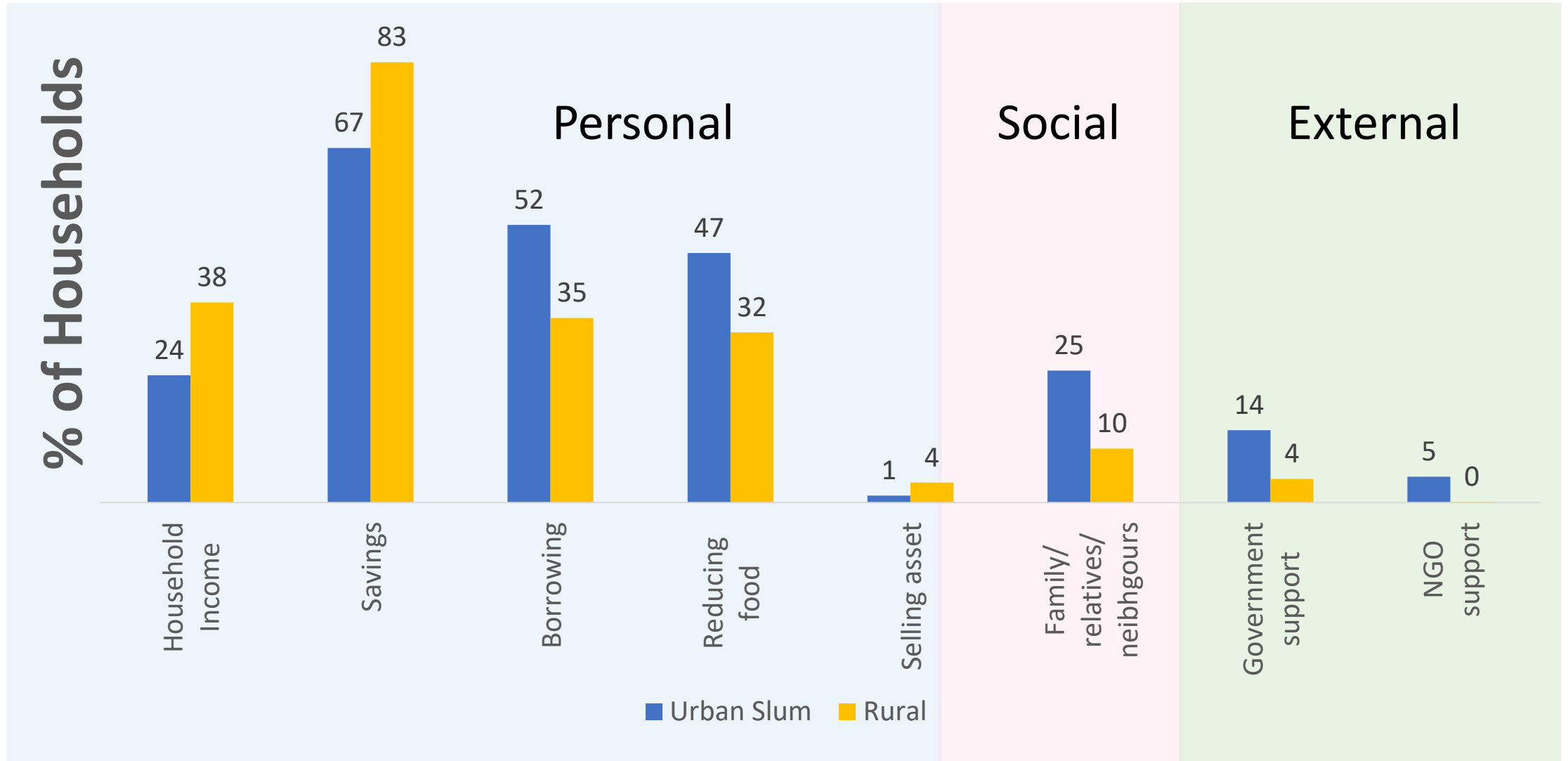




Coping

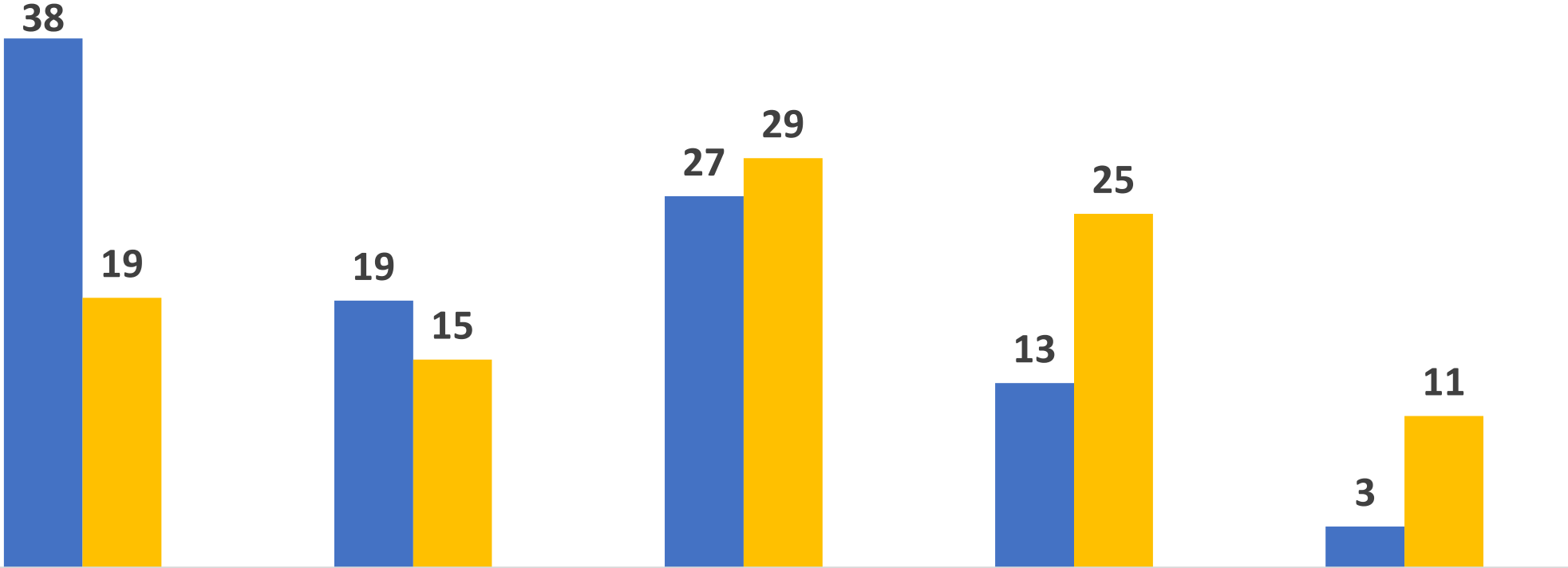
How are Respondents Meeting Their Food Need?

(% of HHs, as of 12 April)



Self-assessed Staying Capacity: How Long Can They Feed Their Families w/o External Support

% of households can live with existing resources



0-3 days

4-6 days

7-14 days

15-30 days

31 days and above

8 April

< 8 May

Urban Slum Rural

Priority Concerns during the Crisis

(Multiple responses)

	Top three concerns	Extreme poor	Moderate Poor	Vulnerable non-poor	Non-poor
INCOME AND LIVELIHOODS	Maintaining family	78	71	68	59
	Decrease in income	66	67	73	66
	Losing Job	34	32	27	25
	Indebtedness	26	28	22	20
FOOD SECURITY	Increase in food price	42	46	41	38
	Reduction in food supply in the market	4	4	8	5
HEALTH	Mental Stress	23	20	22	26
	COVID-19 infection	51	55	61	60
	Lack of health care services	6	5	6	7
EDUCATION	Education of the children	5	5	5	7



Gender Impact

Female-headed Households

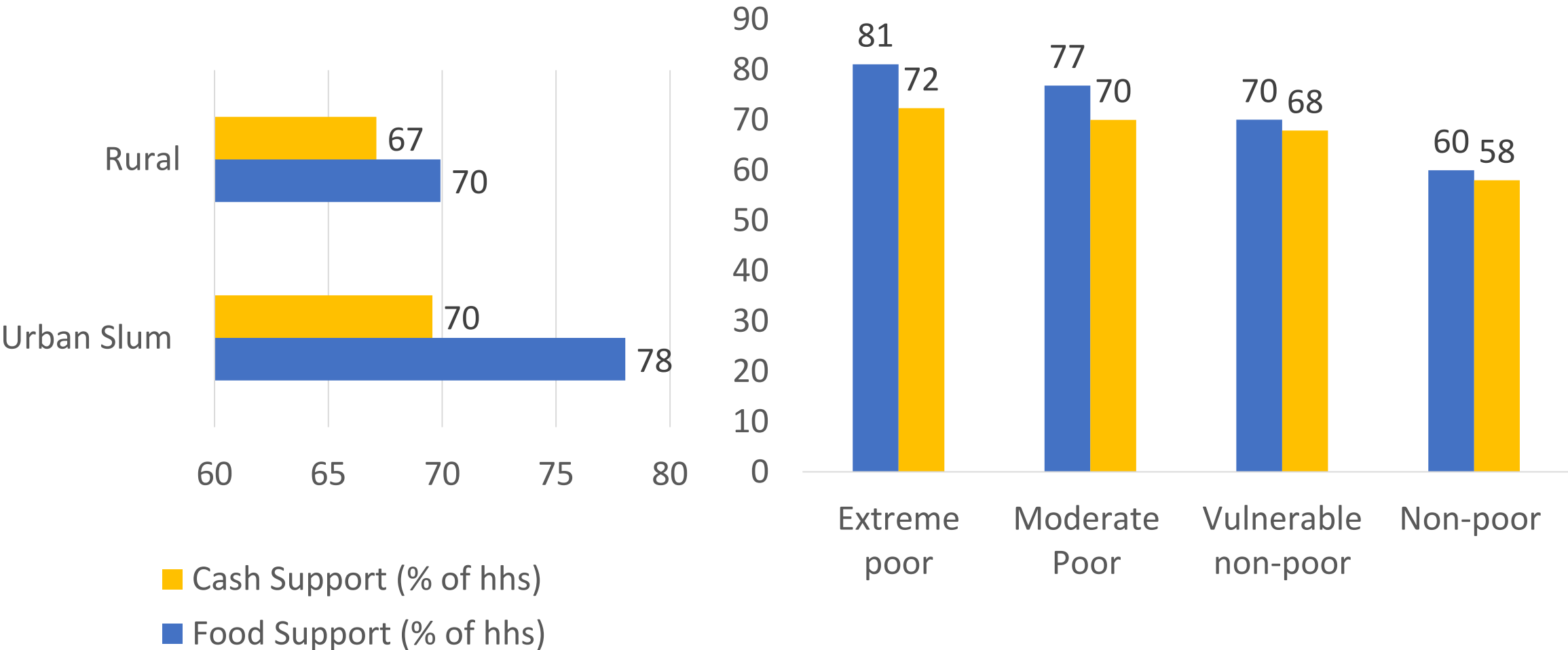
- ❑ In urban slums, among female-headed households, greater reduction in both food expenditure (**31% vs 27%**) and number of meals (**34% vs 22%**) compared to male counterpart.
- ❑ In rural areas, only in case of the number of meals (**19% vs 14%**) But, significantly more female-headed households reported getting support from:
 - Government
 - Neighbours, friends, relatives
 - NGOS



Support

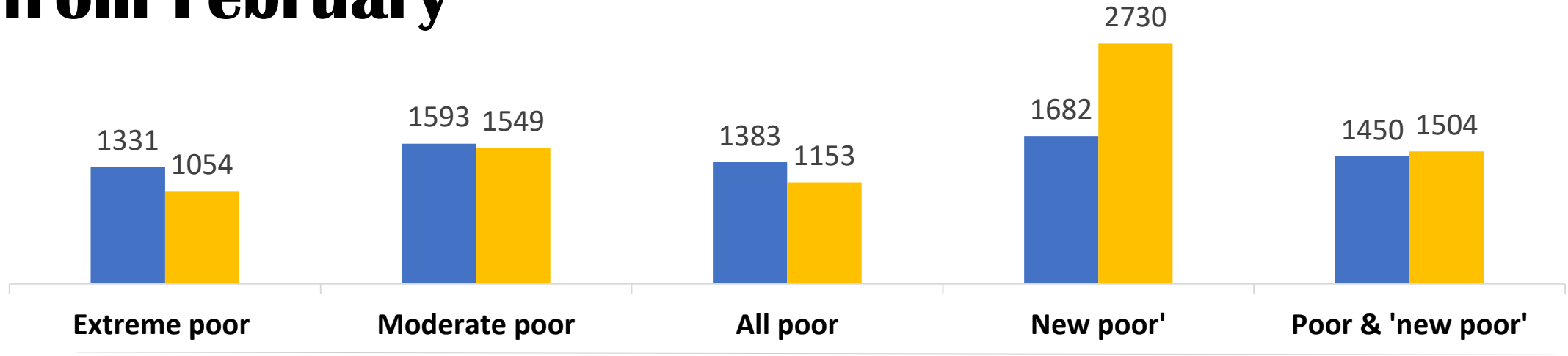
Need Assessment: Support Wanted

(Early April)

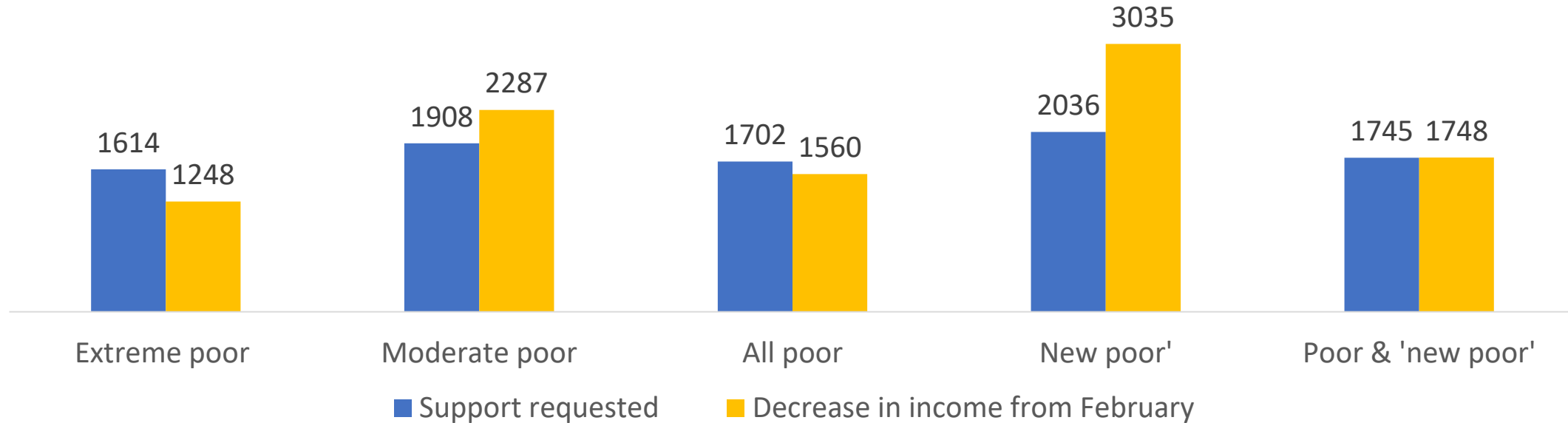


Per Capita Support Requested vs Income Loss from February

RURAL (BDT)



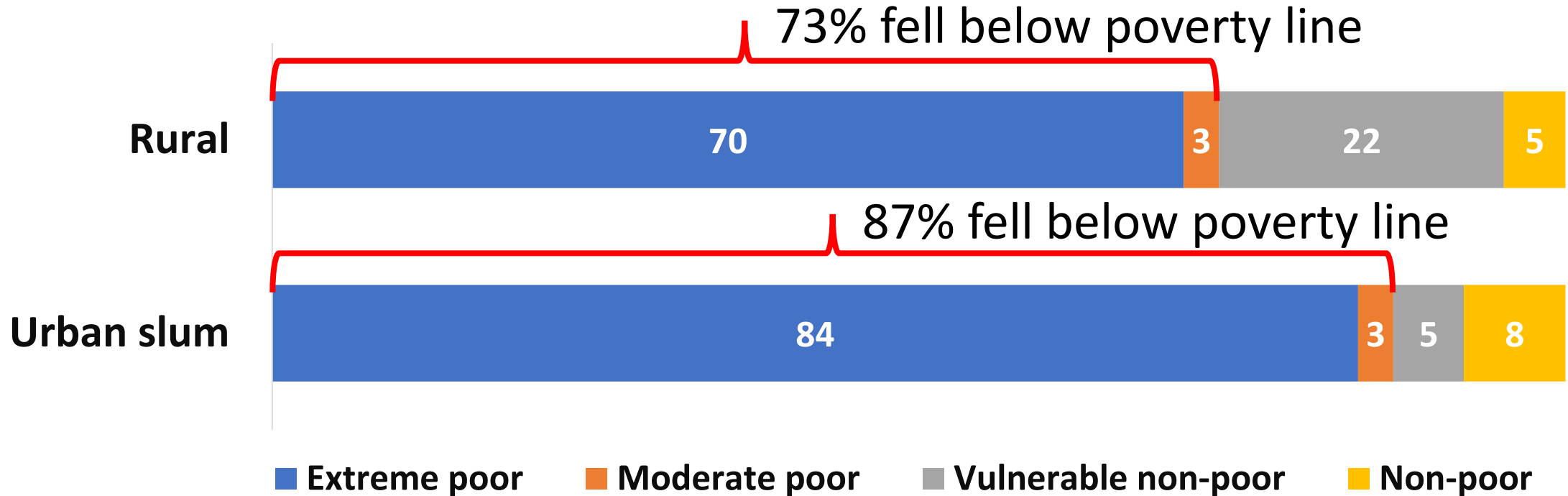
URBAN (BDT)



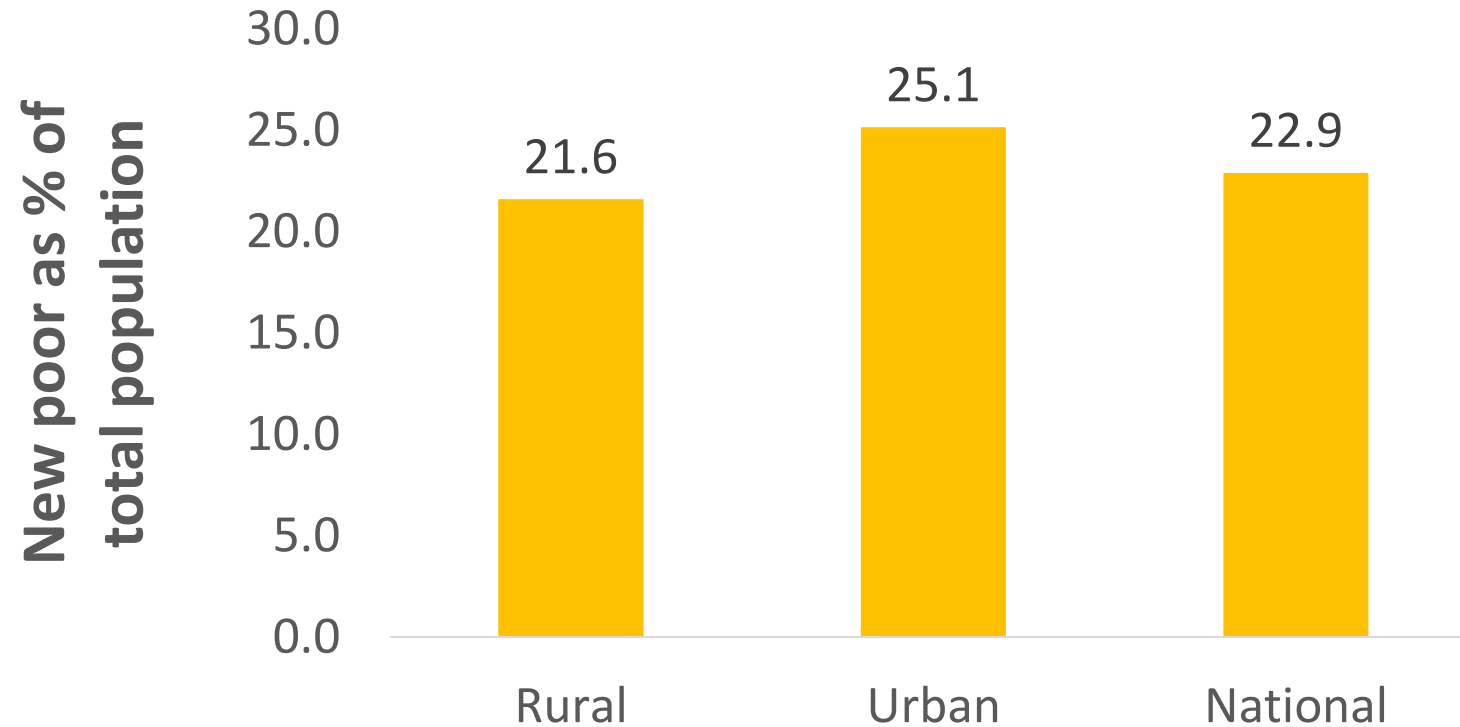


Analytical Takeaways

Vulnerable Non-Poor HHs (in Feb) Sliding Down the Poverty Ladder



The 'New Poor': Rethinking Poverty Dynamics



New poor are those that were vulnerable non-poor before COVID-19 but became poor after COVID-19

How Much is Needed to Support the Poor & ‘New Poor’

Poor (Extreme poor and Moderate poor) and the ‘New Poor’ constitute 43% of the population of Bangladesh

	<i>Rural</i>	<i>Urban</i>
<i>Per capita per month support (average amount requested by the poor and ‘new poor’)</i>	1,450	1,745
<i>Total poor and ‘new poor’ in Bangladesh</i>	42,994,127	27,028,719
<i>Total amount of support (Crore BDT per month)</i>	6,232	4,716

BDT 10,949 crore per month required to support the poor and 'new poor'



Policy Implications

Policy Implications

- ❑ Deep and system-wide poverty impact
- ❑ Initially more severe for the urban poor
- ❑ Emergence of “new poor” class needs rethinking of approaches to poverty

Need for both food and cash support in nearly equal measure.

Large-scale social protection support critical to avert widespread food insecurity

Last mile delivery challenges

Real-time tracking of the health and livelihood impact of Covid-19 and how well personal and external support are mitigating such impact is crucial for more effective policy response