

11 September 2020



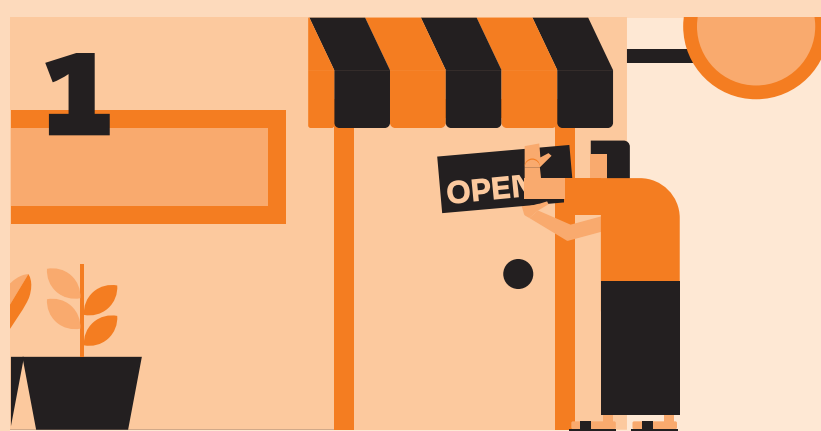
Rapid information *from* household high-frequency monitoring

Summary of Results from Round 2
8 - 26 JUNE 2020



Key Messages

This brief presents the main findings from the second 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 between 8 and 26 June 2020.



Employment has improved greatly but has not yet reached the same levels as in March 2020. Not all households' main workers who worked in March are working in June: 35 percent of those who were working in March ceased working in May and had not resumed any employment in June.



Incomes for most breadwinners remain lower than before March 2020.



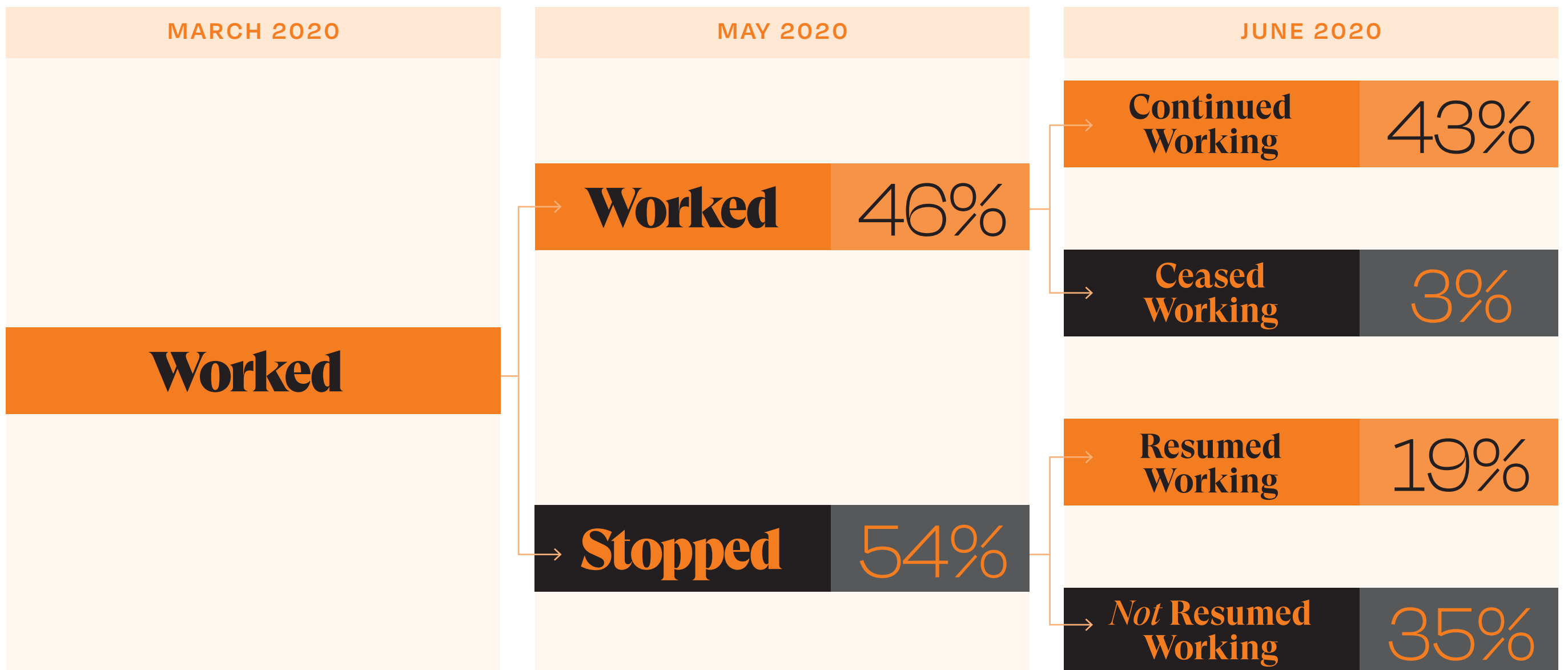
Food security is an increasing concern: 18 percent of households reported at least one issue related to securing an adequate diet in the last 30 days. More than 40 percent of the poorest households are reducing food consumption. One out of five of the poorest households receives food assistance from the government.

The first round of survey results reported in the Myanmar COVID-19 Monitoring Platform revealed that impacts on employment between March and May 2020 were significant: more than half of households' main workers had involuntarily ceased working, while more than half of those still working had earned lower incomes. Households had become less able to diversify their income sources and, in some cases, struggled to access food. Assistance from the government had reached about 15 percent of households.

Because Myanmar reported about 293 cases and 6 deaths since March 2020 and lockdown measures were partly lifted, data from June 2020 were collected to update earlier findings. The Myanmar Central Statistical Organization (CSO) and the World Bank partnered for a second survey round, which reached those same respondents again. One out of four of the original respondents interviewed could not be surveyed and were replaced by other respondents. This new survey round enables the continued monitoring of the impacts of the ongoing economic crisis on employment trends, food security, and coping mechanisms.

Some encouraging signs are visible in the labor market. Fewer households' main workers (24 percent) have ceased working in June 2020, compared to May (54 percent). With regard to households surveyed in May and June (panel households), 19 percent of their main workers had stopped working between March and May but have resumed work in June. Those engaged in agriculture in March had been the most successful in resuming work mostly in the same sector (95 percent). Thirteen percent of households' main workers were engaged in the retail sector with more than two-thirds having resumed work in the same sector.

Work status for households in May and June 2020 (as a share of panel households working before March 2020)



Despite an uplift in employment, income losses remain widespread. Household incomes have not yet returned to pre-COVID-19 levels of March 2020. A third of households’ main workers reports decreased incomes in June 2020 compared to the period of reference,¹ a lower share than those who reported decreased incomes in May. However, these findings are discouraging as they are indicative of continuing income declines: for panel households, most main workers had already experienced decreased income between March and May. In June, nearly half of the panel households who had experienced a decrease in income between March and May 2020 maintain the same income levels they had in May. Across all sectors, between 50 and 68 percent of workers have seen a reduction in their earnings between March and June 2020. Only workers employed in “other services”, which include public administration, continue to prove more resilient to income declines.

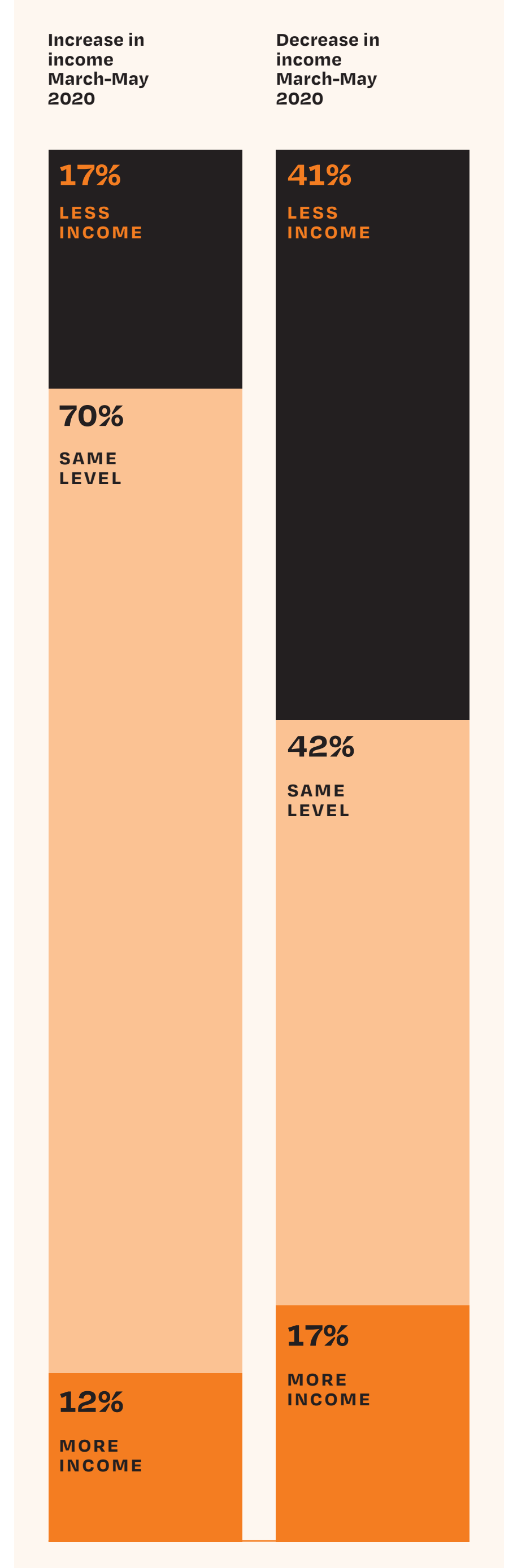
Household businesses continue to suffer from reduced earnings: 40 percent of household businesses² have less or no earnings in June compared to the period of reference. Overall, more than 85 percent of businesses that lost earnings between March and May 2020 are not faring better in June, reporting the same level of earnings as in May (40 percent of businesses) or even reduced earnings (40 percent of businesses). Household businesses in the retail trade sector have faced a particularly dire situation: eight out of ten have generated less or no earnings between March and May 2020 and have displayed no sign of recovery between May and June. The same is true for personal service businesses and agricultural businesses but these signs of recovery overall affect a smaller proportion of businesses.

In this context, food security remains a concern with households reducing their food consumption to cope with income losses and/or otherwise facing difficulties

in securing an adequate diet. While most households maintain an ability to buy rice and protein (chicken/seafood paste) even after March 2020, 13 percent of households have at least one adult member who ate less than usual in the last 30 days, compared to 11 percent in May. Forty-two percent of panel households who had at least one adult reducing their food consumption in May still report the same in June. Government intervention programs provided food assistance,³ which has been received by 23 percent of them since March 2020.

Part of Governmental assistance has reached some of Myanmar’s poorest who typically rely more on coping strategies with potentially negative long-term impacts. Since the beginning of the crisis, the Government has implemented two main initiatives to assist households: providing food assistance and a full subsidization of electricity costs for the first 150 units consumed from April to June. One-off cash payments and increased payments of existing programs to women and the elderly had also been implemented. Poorer households have been more likely to receive government food assistance: 19 percent of households in the bottom quintile⁴ have received support, compared to 14 percent of households in the top quintile. Government assistance, however, has not been pro-poor overall. About 31 percent of households in the top quintile report receiving free electricity since March 2020, compared to only 17 percent of households in the bottom quintile, reflecting access and consumption patterns where the poor are disadvantaged. Overall, a larger share of households in the bottom quintile is coping with COVID-19 shocks by reducing food consumption, using savings, or borrowing from family and friends. The adoption of these coping mechanisms risks affecting investments in nutrition, education and other areas with implications for human capital development in the long run.

Changes in income in June 2020 after experiencing...



¹ Unless specified otherwise, for households interviewed in May and June (panel households), the period of reference for comparison is May; for households who started the survey in June (replacement households), the period of reference for comparison is March. This enables better capturing of economic changes related to COVID-19.

² As per our definition, household businesses exclude farming households (cultivating plots, growing crops, raising livestock, or practicing aquaculture).

³ Note that the survey design did not distinguish the different food assistance programs that were implemented by the Myanmar Government.

⁴ 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.