

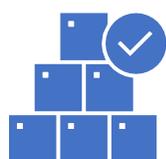


**COVID-19
RESPONSE**

UN in Myanmar: Monthly Digest No. 2, August 2020

Socio-Economic Impact of COVID-19 in Myanmar

Understanding the socio-economic impacts of COVID-19 across sectors, population groups, gender, and geographic areas is essential for designing effective policies and measures to mitigate the impact of the pandemic and recover better. To contribute to an increased evidence-base and inform policymaking, the UN Organizations in Myanmar are currently undertaking a multitude of socio-economic impact assessments. These range from forecasts of trends and scenarios and assessments of policy needs and responses, to deep dives into sectoral impacts and the impacts of specific population groups. This monthly digest aims to summarize the key findings of these assessments as the pandemic unfolds and more and more analysis becomes available. The assessments presented are part of the UN's COVID-19 response as outlined in the [UN's Framework for the Socio-Economic Response to COVID-19 in Myanmar](#).



COVID-19 Impact on Myanmar's Export Sectors

Assessment Information

Organization	International Trade Center (ITC)
Assessment type	Survey of businesses, forecasting analysis of global value chains, and meta-analysis.
Survey	266 businesses operating in the priority sectors identified in the National Export Strategy.
Demographics	
Time period	May 2020

Summary

The impact assessment presents an overview of the current challenges faced by exporters, an analysis of the pandemic's impact on each of priority export sectors up to June 2020, and industry-specific recommendations for recovery. It was carried out jointly by the International Trade

Center (ITC) in the framework of Myanmar Trade and Investment project (TIP), funded by the Government of the United Kingdom of Great Britain and Northern Ireland and Myanmar's trade promotion organization MyanTrade. The assessment is based on a survey of 266 companies operating across the priority sectors identified in the Myanmar National Export Strategy 2020-2025. The survey findings are complemented with results from a forecasting analysis of global manufacturing value chains, meta-analysis and a series of public-private consultations with leading export industries.

The assessment finds that while Myanmar might be slightly better positioned than other emerging economies, most export sectors will be affected by the COVID-19 during the crisis and throughout the recovery period. The impact is hardest felt among tourism companies and companies operating in the textile and garment industry. The food processing industry is faring relatively better than other sectors. Despite the challenges, the report concludes that the situation brings new opportunities for Myanmar exporters to innovate

and potentially gain critical shares in destination markets.

Key Findings

Overall impact

- The majority of respondents assessed their companies to have been “moderately affected” by COVID-19.¹ However, responses varied greatly across sectors.
- 87% of tourism companies and 68% of garment and textile companies claimed to have been “strongly affected”.
- Companies in the food processing and forest industries reported less impact compared to other sectors.
- Assuming a two-month shutdown in all partner countries due to COVID-19, forecasting-analysis of global manufacturing value-chains projects that Myanmar’s export will be reduced by USD137.6 million, with the textile and garment industry accounting for the largest share (20%) of the reduction, followed by natural latex and rubber (13.5%).
- The analysis finds that 47% of the overall reduction in exports is due to trade disruptions with China and that 57% of the fall in textile and garment is due to trade disruption with the EU including UK.

Impact on demand

- 50% of all companies had faced reduction in demand from their top five customers.
- 18% reported having had their orders cancelled or returned.
- 50% of all companies expected orders to continue to decrease in the three months following the survey (June-August).

Access to inputs

- 34% of all companies reported difficulties in sourcing inputs for their products. Both companies sourcing from abroad and those sourcing locally reported challenges.

¹ Three options were given: “slightly affected”, “moderately affected”, and “strongly affected”.

Ease of cross-border trade

- More than 50% of companies reported increased delays due to enhanced border checks/closures.
- 22% reported additional sanitary regulations and procedures at the border.
- 20% reported difficulties in logistics arrangements, including shipping.

Views on Government response measures

- According to the surveyed companies, the most preferred measures to help cope with the crisis was ‘tax waivers or temporary tax breaks’ (26 %), followed by ‘financial programmes’ (24 %) and ‘rent subsidies or waiver / postponement of utility bills’ (18 %).

Government response to support export sectors

- The upcoming National Export Strategy 2020-2025 provides a comprehensive roadmap support to export industries, and identifies priority activities on addressing needs of exporters facing the impact of the COVID-19 pandemic, that is fully aligned to the Comprehensive Economic Relief Plan (CERP).

Learn more

Access the study [here](#).

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CARE Rapid Gender Analysis of COVID-19 in Myanmar

Assessment Information

Organization	CARE International and UN Women.
Assessment type	Secondary data review and interviews with 82 people.
Survey	62 females and 20 males, aged between 16 and 53 years old, of diverse
Demographics	

backgrounds and living across six state and regions.

Time period Data collected in May, 2020.

Summary

The study concludes that Myanmar's persistent gender inequalities has shaped and intensified the impacts of the pandemic on women, leaving them disproportionately affected and faced with greater risks to their livelihoods, health and safety. Migrant workers, informal sector workers including sex workers, and garment sector workers are particularly exposed to the economic downturn arising from the pandemic.

The traditional under-representation of women in Myanmar in public decision-making processes is continuing in structures established to respond to COVID-19. This is increasing the risk that even though women are disproportionately affected by the crisis, they will have less say in how their communities and country respond to it, leading to a response that does not adequately address the needs and priorities of the most vulnerable women and girls.

Key Findings

Women's livelihood

- 50% of the 700,000 mainly women workers in the garment sector are at risk of either being suspended without pay or losing their jobs permanently.
- 90.7% of women who work are in the informal economy. They do not have access to social protections, and are highly exposed to the economic downturn.
- Both urban men and women expressed loss of livelihoods and food security as a key issue resulting from movement restrictions.

Sexual and reproductive health

- The medical supply chain has been affected in some parts of the country, with reports of contraception stock outages.
- There are reports that fear of contracting COVID-19 is preventing expectant mothers from accessing services, which could increase

the already high maternal and infant mortality rate.

Sex workers, trafficking, and gender-based violence

- With the closure of restaurants and karaoke bars, female sex workers are being forced onto the street, where they are more exposed to physical and sexual violence.
- The economic and social disruption of COVID-19 could provide a fertile recruiting ground for trafficking, and economic hardship may lead to a spike in child marriage.
- The court system is becoming overwhelmed, with major delays for GBV cases already in process.

Key Recommendations

- Ensure availability of sex and age disaggregated data.
- Prioritize mitigations strategies that focus on the most vulnerable, including providing emergency cash grants to vulnerable households, particularly women-headed households.
- Invest in organizations for female sex workers, implement risk mitigation measures to prevent gender-based violence in quarantine facilities and throughout other services.
- Ensure continuation of sexual and reproductive health services, and services to prevent and respond to gender-based violence.
- Engage women as decision-makers in the planning and implementation of response measures.

Learn more

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COVID-19 Impact on Employment and Labour Market in Myanmar

Assessment Information

Organization	International Labour Organization (ILO) in collaboration with the Ministry of Labour, Immigration and Population.
Assessment type	Secondary data study.
Survey	Review of existing evidence
Demographics	including macroeconomic and other indicators, other studies, and media reports.
Time period	July 2020.

Summary

This rapid assessment of the employment and labour market impact of COVID-19 aims to guide response efforts to support affected businesses and vulnerable workers. The study finds that the manufacturing industry will be hardest hit by COVID-19 and that 6.9 to 7.3 million jobs (about 37% of pre-crisis employment) across sectors are at risk of being disrupted. The study concludes that it is critical to ensure that the policy measures to drive the social and economic recovery are designed and implemented through tripartite engagement (Government, employers and workers' representatives), and the most vulnerable workers in the labour market are protected.

Key Findings

Sectoral risks

- The **manufacturing sector** (employing 2.4 million workers before the onset of the pandemic) is assessed to be hardest hit by COVID-19.
- *Accommodation and food services, wholesale and retail trade, agriculture, construction,*

recreation services, and transport are all expected to be at medium risk of disruption.

- At the onset of the crisis about **19.9 million** women and men worked in industries assessed to be at medium to high risk of economic disruption.

Impact on employment

- **6.9 million to 7.3 million** (nearly 37 per cent of total pre-crisis baseline employment) jobs could be disrupted during 2020 as a result of the pandemic and related containment measures.
- The disruptions vary from unpaid leave to reduced earnings and working hours to complete job and income losses.
- By industry, the disruption in jobs could amount to nearly 3.5 million in agriculture, 1.5 million in wholesale and retail trade, 1.2 million in manufacturing, and around 400,000 in construction and transport.

Impact on vulnerable workers

- Women are disproportionately vulnerable to job disruption. As their employment share is higher in manufacturing and other medium to high-risk sectors relative to other sectors.
- Young people (15-24) account for about 1 in 6 of the workers in at risk sectors.
- Two thirds of workers in at risk sectors are self-employed (many informally), leaving them particularly vulnerable to disruptions as they lack protection.

Impact on garment and textile manufacturing

- **600,000 to 790,000 jobs could be disrupted** as a result of supply chain issues in China, border closures and a collapse in external demand from Europe.
- Continued support for the garment and textile industry is critical given its important contribution to export revenues and job creation (1.2 million workers), especially for women (86% of workers).

Impact on tourism and hospitality

- Tourism workers in Myanmar are concentrated in three subsectors: road passenger transport, accommodation for visitors and food and beverage services.

Working in these three subsectors is generally characterized as low earnings varied from one subsector to the other, with minimal protections and widespread informality, leaving them particularly vulnerable to disruptions in term of entitlement to health care benefit, leave and severance pay.

Learn more

Access the study [here](#).

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Perception and Knowledge of COVID-19 among educators and youth

Assessment Information

Organization	UNESCO
Assessment type	Two surveys of perceptions and knowledge of COVID-19. One targeting students and educators and one targeting youth.
Survey Demographics	602 students and educators at 25 Education Colleges across the country; 401 respondents aged between 15-35 from UNESCO Youth network.
Time period	Data collected in April 2020.

Summary

To better understand how educational messages can be used in the response to the pandemic, UNESCO surveyed students and educators at Myanmar’s 25 Education Colleges (henceforth called EC respondents) and Youth on their knowledge and perceptions of COVID-19. Overall, the surveys found that both groups have a good understanding of COVID-19 in terms of general knowledge, precautionary measures, and skills on verifying information sources. However, the surveys also highlighted a few important

information gaps including myths and misunderstandings.

Key Findings

General knowledge

- While 72% of EC respondents and 75% of Youth respondents knew that COVID-19 is caused by a strain of Coronavirus and the vast majority in both groups could identify the correct symptoms, some uncertainty with regards to definition, origin, symptoms and modes of transmission was evident.
- A high number of respondents in both groups demonstrated low understanding of the modes of transmission
- Some EC respondents raised concerns about the level of information that reaches parts of the population in remote and rural areas.

Protection measures

- Almost all respondents in both groups identified the protection measures widely promoted (hand washing, using hand sanitizer, and avoiding touch mouth, eyes and ears) as effective.
- Some respondents (between 20-30%) in both groups thought participating in gatherings and shaking hands were appropriate for social distancing.

Verifying information

- While about 50% of respondents in both groups claimed to always cross-check information they shared, a significant number also responded that they never cross-checked information they shared.

COVID-19 related concerns

- The most common COVID-19 related concern among EC respondents was the socio-economic impact of the virus.
- Youth respondents were more concerned about people worsening the situation by not following rules as well as about education, employment and life prospects of the most vulnerable segments of the population.

Learn more

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