



COVID-19 RESPONSE

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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](#).



Understanding the experiences of returning migrants affected by the

COVID-19 pandemic in Myanmar

Assessment Information

Organization	International Organization for Migration (IOM) and partners.
Assessment type	Rapid Assessment of impacts on returning migrants.
Demographics	2,311 returning migrants and 453 community leaders from across 10 States and Regions.
Time period	June and July 2020

Summary

This rapid assessment of the impacts of COVID-19 on returning migrants and communities of origin was conducted in June-July 2020 in 10 states and regions (Ayeyarwady, Magway, Mandalay and Tanintharyi regions, and Chin, Kachin, Kayah, Kayin, Mon and Shan states). The assessment consisted of two questionnaires, one for returnees and one for community leaders. The questionnaire for returnees included questions for both internal and international migrants and covered topics including reasons for returning, economic situation and future plans. The questionnaire for community leaders focused on opinions and experiences of the communities to where migrant workers are returning.

Key Findings

Reasons for migrating

- Among the respondents, the top three reasons for having migrated were: lack of employment at home (42%), anticipated

- opportunities at the destination (28%) and food insecurity at home (20%).
- The majority of internal returnees (66%) reported that they migrated themselves and found work, compared to only 23% among international migrants. 31% of international migrants reported having used a broker/intermediary when migrating.
- The majority of returning migrants (72%) reported that they had returned from regular status at the destination.

Return migration

- Overall, 43% of female and 47% of male returnees indicated that they had lost their jobs at the destination prior to returning.
 - 33% men and 27% of women reported that job loss was the main reason they returned home. Job loss was particularly highly reported among returnees from China (around 50%). 22% reported having returned because they were scared of COVID-19.
 - The reason for return differs significant across sectors. While 42% of returnees working in restaurants reported job loss as the main reason for return, the corresponding figures for migrants engaged in casual work, factory work, and construction was 35%, 31%, and 27% respectively.
 - The proportion of returnees reporting wage theft was 14%, exploitation (3%) discrimination/stigma (3%), being cheated (2%), or violence and abuse (2%) in the destination country.
 - Migrants returning from China were particularly likely to report vulnerabilities and to have lost their job (49%, compared to 38% of returnees from Thailand).
- Since returning home, 24% of returnees reported increased psychological stress (25% women, 23% men), 15% said they had experienced discrimination/stigma (17% women and 14% men).
 - 64% of community leaders said that their communities need outside assistance to handle the return of migrants and that they are not getting enough.
 - The most pressing immediate need reported both by returnees and community leaders was livelihoods support.

Economic Situation

- Remittances have been significantly affected by the return of migrants. Among the international and internal returnees, 52% and 57% respectively reported that remittances had been the main/only source of income for their households, and that this income stream had now stopped.
- Only around 10% of respondents said their households are receiving the same amount of remittances as before the pandemic.
- Households in the Southeast and Ayeyarwady region had the highest proportion of respondents (around 70%) reporting that they were no longer receiving remittances, which had previously been their only/main source of income.
- 83% of returned internal migrants and 67% of returned international migrants reported that they do not have any savings.

Plans for the future

- 55% of the returnees said that they plan to remigrate, with men slightly more likely to be certain of their plans than women.
- Around two-thirds of those planning to re-migrate intend to do so as soon as

possible or as soon as restrictions are lifted.

Support needs

- The support considered most useful by returnees was business start-up support (20%), skills training (17%), and employment support (13%).

Learn more

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Current Situation and Implications for Household Welfare

Assessment Information

Organization	The World Bank
Assessment type	Insights based on data from the first three rounds of high frequency surveys of May, June and August 2020 and the community assessment of July 2020.
Demographics	Three rounds of household and firm level surveys.
Time period	May – August 2020

Summary

Summary of insights from the first three rounds of high frequency surveys of COVID-19 impacts on households and firms conducted by the World Bank in May, June and August 2020. It also covers the World Bank's community assessment conducted in July 2020.

Key Findings

Employment and incomes

- In May 2020, about 54% of households' main workers reported not working and about 16% of firms had temporarily closed.
- The easing of restrictions between May and August contributed to a partial rebound of the economy. However, in August, 7% of firms were still temporarily closed and about 15% of households' main workers still unable to secure employment. Over one third of those working reported lower incomes than in the period before the crisis.

Impacts across sectors

- For households engaged in the retail trade who were adversely affected by the first lockdown recovery has been slow. In August 48% still reported lower earnings. With the second wave, many retail businesses are closed again.
- Workers dependent on tourism incomes (relatively few and generally better-off)—will continue to work and earn less as the second wave is delaying the opening for tourism.
- Workers in manufacturing have received some limited financial support to weather the second lock-down in September. In addition, formal workers are eligible to receive social protection payments, however in practice, many do not.
- Garment industry workers are eligible to receive EU-funded cash transfers. The cash-transfer program has paid some 30,000 beneficiaries in August and has been extended to November.

Informal sector

- While the high levels of informality and casual employment likely provided flexibility for the labor market to recover rapidly between May and August, the

large cohort of informal and casual workers will likely be adversely impacted again as they continue to be the most vulnerable to shocks with limited cash-savings and coping mechanisms, in conjunction with an absence of labor and social security or formal contractual protections.

Returning Migrants and Remittances

- The return of migrants has increased the supply of underutilized labor and intensifying competition for limited jobs, putting downward pressure on wages.
- The return of migrants could worsen households' welfare due to the reduction of sources of income and an increase in the number of dependents to provide for.
- In May, 12% of households reported that they had received remittances in the last 12 months, however remittances in May were lower for 73% of households who still received them.
- Remittance flows seem to have improved in August, likely driven by domestic migrants' return to economic centers in the period preceding the second wave.

Agriculture

- Workers employed in agriculture has been more affected by job loss and income reduction compared to workers in other sectors. Hence, agricultural work did not act as a sufficient buffer to impacts on household welfare as it did in the other countries in the East Asia and Pacific region.
- In May 2020, 45% of farmers were unable to perform their normal activities. With the second wave of the outbreak, travel restrictions could again prevent farmers to reach markets to sell produce, both domestically and internationally. For

example, border trade disruptions, reported in late September and October at the borders with China and Thailand, have resulted in delays or the inability to trade goods.

Food Security

- As of June, households had not reported major concerns about accessing main food items (rice, ngapi, or chicken), however nearly 1 out of 5 households reported having eaten less in the preceding week in May and June because of COVID-19 coping and expense reduction mechanisms.
- While food shortages do not appear to be a major worry thus far, a shortage of money to buy food is seen as a major worry more frequently in conflict-affected communities and remote communities.

Health

- 95% of households in August were familiar with COVID-19 prevention measures, these were mostly limited to handwashing and use of masks and gloves. Few households reported adopting adequate distancing, with only 41% avoiding gathering and 11% maintaining distance during conversing. The risk of exposure is higher among poorer households because of their living conditions and types of employment.

Education

- By October, schools have been closed for seven months, with little prospects of reopening in the short term. In a context of high drop-out rates, especially among the lower wealth quintiles, it is highly likely that reduced household incomes will act as a push factor for more households to keep children out of school. Where available, online learning is also likely to

increase inequalities, as it may not be available to poorer children.

Government Assistance

- The Government rapidly stepped up efforts to protect the most vulnerable. Assistance measures have included food distributions, electricity subsidies, and top-up to existing cash transfers, including maternal and child cash transfer and social pensions.
- The cash assistance program has reached about 5.7 million affected households by August. However, it did not primarily reach the poorest households as 17% of both households in the bottom quintiles and top quintile received such support from government.
- Channeling support towards those most in need has also been a challenge with regards to other schemes. While food assistance was more likely to reach the bottom consumption quintile, the electricity subsidy was overwhelmingly benefiting richer households.

Learn more

Link: [Myanmar Covid-19 Monitoring Platform](#)
[Link to summary brief](#)

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Featured Studies by other Organizations

- [Snapshot of farmers' perspectives: Paddy and Winter Crops](#) by Mercy Corps. Newly released a report highlighting key rice production challenges in Rakhine State based on interviews with farmers across Rakhine.
- [Community perceptions of the social and economic impacts of COVID-19 in Myanmar: Insights from round 3 of the National COVID-19 Community Survey](#) by IFPRI. Covering topics including COVID-19 prevention

measures, poverty and food insecurity, access to social safety nets or other forms of assistance, migration, prevalence and disruption to health services, and exposure to different kinds of shocks, and agriculture sector impacts.

- [WorldFish survey of fish supply chain actors](#) by WorldFish. Multi-country survey of fish supply chain actors to understand the evolving impacts of the COVID-19 pandemic on the availability and price of aquatic foods and production inputs across the entire supply chain.

This product is developed by the Office of the Resident Coordinators in Myanmar. You can find all Monthly Digests on our [website](#).

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