

The impact of COVID-19 on the extreme poor: Results from a survey conducted in July 2020 in the working area of NETZ Partnership for Development and Justice in Bangladesh and India



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Deutsche Zusammenfassung

Die Folgen der COVID-19 Pandemie treffen Menschen, die in extremer Armut leben und unter Marginalisierung leiden, besonders hart. Eine von der Organisation NETZ im Juli 2020 durchgeführte Umfrage unter den Teilnehmer*innen ihres Programms zur Überwindung extremer Armut in Nord-Bangladesch und in Westbengalen in Indien zeigt, dass die Folgen der COVID-19 Pandemie zum Wegfall von dringend benötigten Arbeitsmöglichkeiten und massiven Verdienstaussfällen für sehr vulnerable Gruppen führten. Bei über 90% der Befragten führt diese Situation u.a. dazu, dass sie weniger und nährstoffärmere Nahrung zu sich nehmen, als vor der Pandemie. Zum Kauf von Lebensmitteln mussten über die Hälfte der Befragten Kredite aufnehmen; einige haben damit begonnen ihr Hab und Gut oder ihre Arbeitskraft im Voraus (zu niedrigen Preisen) zu verkaufen. Während alle Befragten in Indien während der Pandemie Lebensmittelhilfen von der Regierung erhielten, hatten in Bangladesch nur gut ein Drittel der Programm-Teilnehmer*innen Zugang zu staatlichen Hilfen. Auch der Umfang der Hilfe unterschied sich zwischen Indien und Bangladesch deutlich. Rund 80% der Teilnehmer*innen in Indien erhielten zwischen 30 bis über 90 kg Reis als Teil der Lebensmittelunterstützung von staatlicher Seite, während in Bangladesch 75% der Befragten nur unter 10 kg Reis erhielten. Die staatliche Lebensmittelhilfen in Bangladesch reichten einem überwiegenden Großteil der Befragten (73%) nur für bis zu 10 Tagen, während in Indien über 80% der Befragten angaben, dass die staatliche Lebensmittelhilfen für zwischen 26 bis 60 Tagen ausreichen würden. Alle Teilnehmer*innen im Programm zur Überwindung extremer Armut erhielten während der Pandemie Unterstützung von NETZ und seinen Partnern in Form von Lebensmittelpaketen, die für den Großteil der Empfänger zwischen 21 und 60 Tagen reichten.

Die Folgen der COVID-19 Pandemie gefährden die bisherigen Erfolge bei der Überwindung von ökonomischer und sozialer Benachteiligung sowie Marginalisierung in Bangladesch und Indien und treiben viele Menschen zurück in die (extreme) Armut. Regierungen und NGOs müssen daher einen Fokus auf die Bedürfnisse besonders vulnerabler Gruppen legen und spezifische Programme zur Unterstützung dieser Gruppen weiter voranbringen. Hier ist auch dringend ein Engagement der internationalen Gemeinschaft gefragt.

Introduction

In July 2020, NETZ Partnership for Development and Justice in cooperation with its partner organisations DASCOH, Ashrai, Polli Sree, MJSKS, TRSD and DRCSC conducted a study in 4 districts of Rangpur and Rajshahi Divisions of Bangladesh and in West Bengal, India. This study provides an important grassroots perspective on the impact of the global Corona crisis.

According to a World Food Programme projection, up to 265 million people in low- and middle-income countries will face acute food insecurity by the end of 2020 as a result of the economic impacts of Covid-19, unless immediate action is taken. These figures, in fact, are nearly double compared to the numbers in 2019. Many of them will also be in the working area of NETZ in northwest Bangladesh and in West Bengal in India, where people are extremely vulnerable to this scenario, as they are already the victims of multiple hazards, such as climate change and structural deprivation.

In March 2020, the government of Bangladesh imposed a countrywide lockdown to reduce the spread of coronavirus infection. Similar measures were introduced in India. This has had an unprecedentedly huge impact on the lives of the poor and extreme poor. Both the rural agricultural workers and the urban informal sector labourers have experienced a similar loss of income in their respective employment fields during the pandemic. NETZ conducted a study among families participating in their Sustainable Livelihoods Programme (n = 742). All families had lifted themselves out of the extreme poverty they lived in at the onset of the programme. The study reveals the struggle of many families in the northwest of Bangladesh as well as in West Bengal, India during the COVID-19 pandemic.

Impact on employment and income

As the spread of the coronavirus continues, many economic activities have slowed down or are even at a standstill, and the low-income earners of Bangladesh have faced the most severe consequences as a result. Particularly because of travel restrictions, the mobile agricultural labour force lost their chance to work in other districts during the important paddy harvesting season. Many of the agricultural daily wage labourers from the north and northwest of Bangladesh temporarily migrate to the other parts of the country for work. Before the pandemic, they could work and save up enough for the coming two to three months, until the next crop season. The survey shows that about a quarter of all respondents who regularly migrated within Bangladesh for work, were unable to return to their work outside their home region, due to (employers') fears and travel restrictions in connection with COVID-19. A further 30% of respondents, who are usually working as migrant workers, were unable to find work either inside or outside their home region as a consequence of the pandemic.

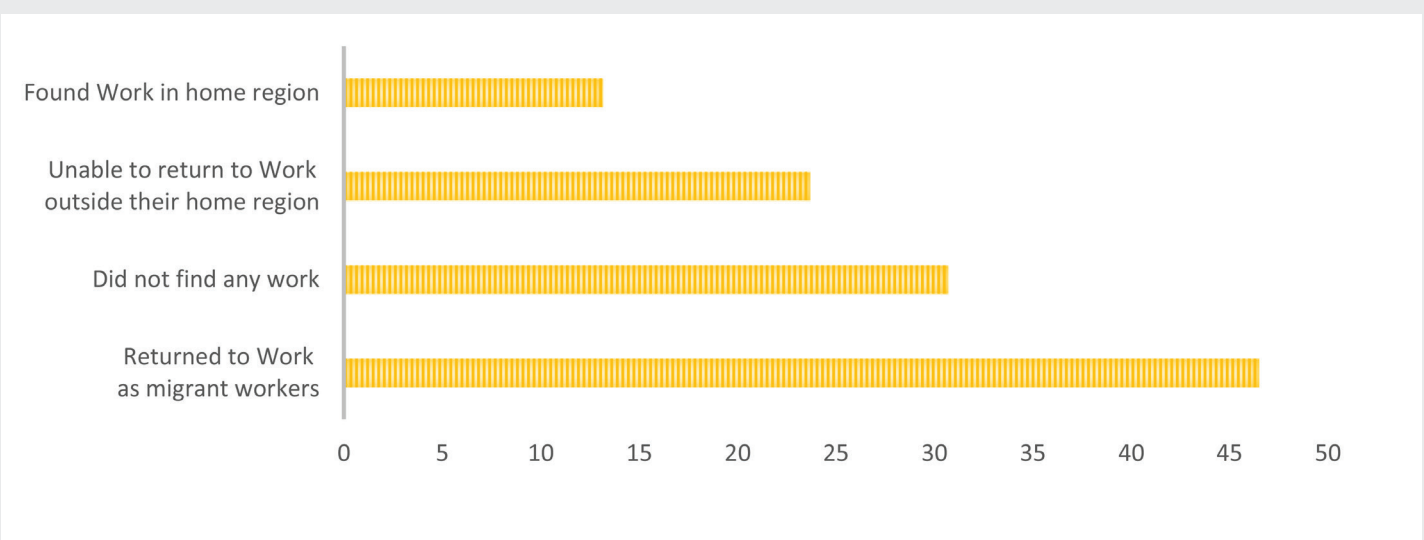
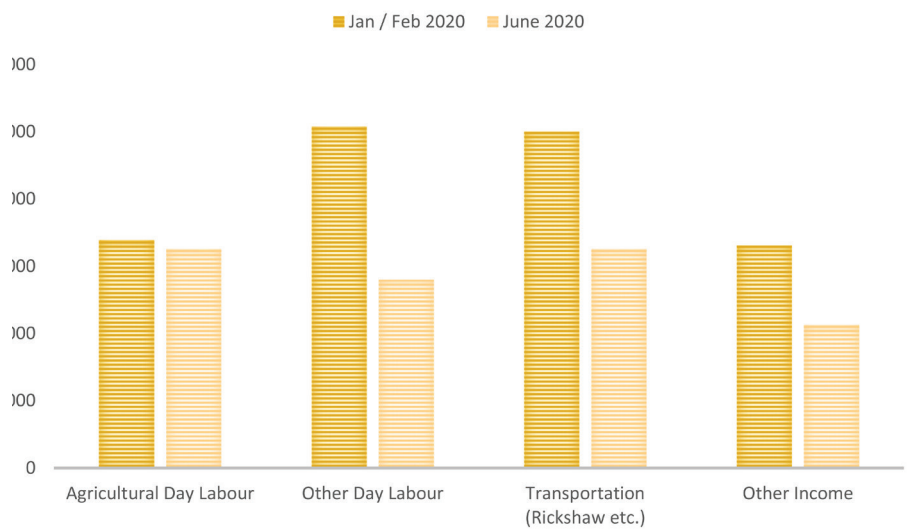


Table 1 - Impact of COVID-19 on migrant labourers in Bangladesh

The survey also shows an alarming trend when comparing the average monthly incomes of respondents across several sectors before the consequences of the COVID-19 pandemic hit the Bangladeshi economy (January / February 2020) and afterwards (June 2020). Due to the close timely proximity of the survey to the peak harvesting time, income from agricultural day labour in June 2020 has not decreased compared to January and February of the same year. But the fact that it remains at the level of a low-income-season for agricultural labourers indicates the gravity of loss here as well. Income from all other sectors was reduced between 35% to 45%.

Table 2 - Impact on income in Bangladesh for different sectors (income in BDT)



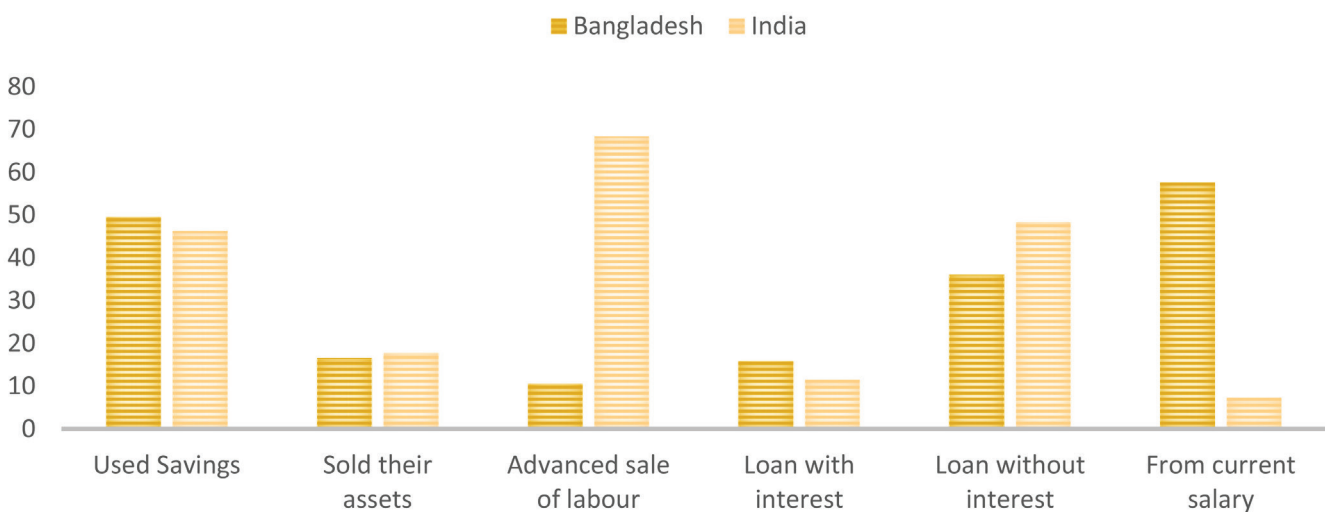
This reduction in income affects groups like the respondents the hardest, as they already have to survive on irregular and low-income jobs. At the time of the survey (July 2020) almost half of the respondents in Bangladesh and almost 60% in India stated that their remaining resources for survival would be sufficient for less than 15 days.

Impact on food consumption and coping strategies

An earlier quick survey conducted in Rajshahi and Rangpur divisions in Bangladesh by NETZ in June 2020 came up with the findings that 73 percent of the extreme poor and poor families in the northwest of Bangladesh are facing severe food-related distress as a result of inadequate income during the coronavirus pandemic. The more extensive survey conducted in July 2020 in the working area of NETZ showed that around 90% of the respondents consumed less food and less nutritious meals during the pandemic compared to before the spread of COVID-19. In 35% of those cases in Bangladesh, women consumed less food than the male members of the household.

Survey results show that about half of the respondents in India and Bangladesh used their savings to buy urgently needed food items and more than 15% started to sell off whatever small assets they had left in the family in order to buy food. Some of the respondents (11% in Bangladesh and 68% in India) are also taking money as advance wages from potential future employers, which in turn will cause them to lose income during the peak employment time. 52 % of the families in Bangladesh and 60% of families in India are trying to maintain their living standards by borrowing money from multiple sources such as relatives, neighbours and microfinance agencies. The income situation in West Bengal was even more dire than in Bangladesh, as only seven percent of the respondents could buy food from their own income.

Table 3 - Sources of funds to purchase food during the pandemic (multiple answers possible)



Support during the pandemic

Social protection schemes and governmental emergency relief programmes offer a wide range of instruments that can be used to support households that are particularly vulnerable to the economic impacts of the COVID-19 pandemic. However, the survey revealed huge differences between the countries. While in India all respondents had received governmental support in the form of food aid during the pandemic, in Bangladesh only about one third of the respondents had access to governmental aid.

Around 80% of respondents in India received between 30 to over 90 kg of rice as part of government food support, while in Bangladesh 75% of participants received less than 10 kg of rice during the pandemic.

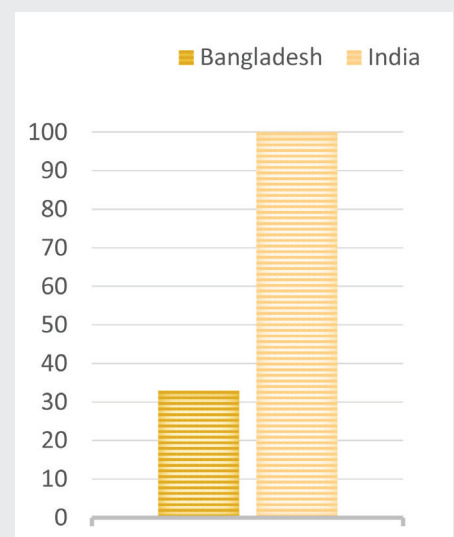
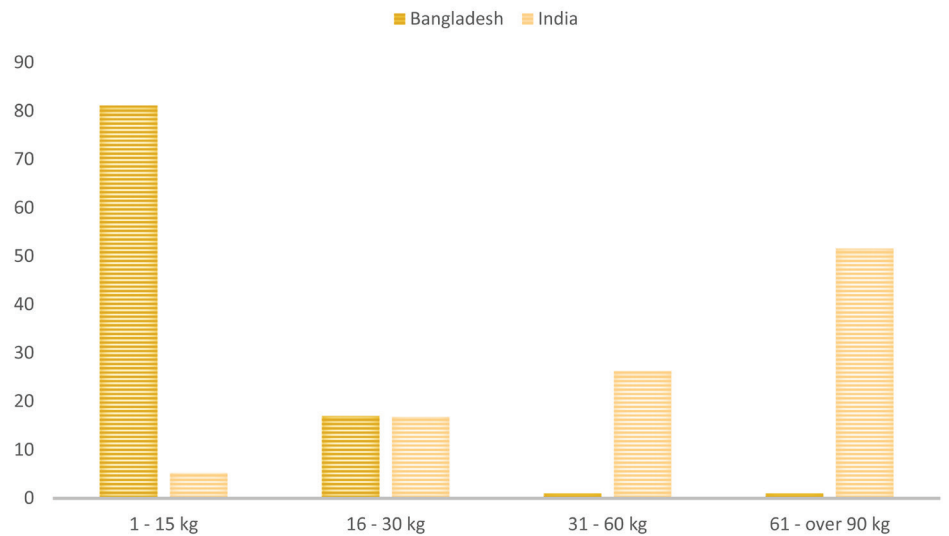


Table 4 – Access to governmental aid during the pandemic

Table 5 - Amount of rice (in kg) received through governmental support in Bangladesh and India



Given the differences in the amounts they received, it is not surprising that almost 75% of the third of respondents in Bangladesh, who had access to governmental support, stated that the received food aid would last them only up to 10 days. In contrast, in India over 80% of respondents said that governmental food aid would be sufficient for between 26 and 60 days.

Case Study: Anjuara Begum

My name is Anjuara Begum. I live in the Kurigram district in Bangladesh with my husband and two sons. My husband is a day labourer. Our home is exposed to floods, which occur every year. After a devastating flood in 2017, I was able to join NETZ's Sustainable Livelihoods Programme. Through the programme, I received several trainings as well as productive assets. With the daily income of my husband and income from these productive assets, we were managing our family expenses quite well. Because of the spread of coronavirus and the imposed lockdown, our daily income came to a halt. Our food reserves were quickly depleted. We had to skip one or two meals per day. I had to sell some of my productive assets: eight chickens and one cow, which I only owned in part. I just received 2,400 BDT (approx. 27 US\$). We spent this money within a few days. When my other cow got sick and I needed money for the treatment, I started to take a loan of 9,000 BDT (approx. 105 US\$) from my relatives and neighbours – just to ensure our survival. I don't know when and how I will be able to repay the loan.

NETZ's Sustainable Livelihoods Programme provided a large food package that will last us for another one and a half months during these difficult times. But recently we were also hit by a second crisis: heavy



monsoon floods, which also caused the loss of urgently needed seasonal work opportunities, like paddy planting. I hope that this situation will soon pass. I still dream that my sons can get the education they need and that we will be able to change our lives.

Urgent action needed

Already now, the pandemic has pushed a large number of low-income people living above the poverty line below it, and has caused many moderate poor households to drop lower down the poverty line. The overarching successes of Bangladesh and India in relation to poverty reduction are threatened.

This trend can only be reversed by a comprehensive approach to social protection, assuring the right to food and significant initiatives for bringing vulnerable people back into economic activities. The north and the northwest of Bangladesh, an area where most of the extreme poor of the country live, need significant and immediate attention in this regard. There must be a substantial improvement in terms of governance, transparency and efficiency in the implementation of government initiatives. This situation calls for international efforts to support governmental and non-governmental programmes that focus on the extreme poor.

About NETZ

NETZ Partnership for Development and Justice is an NGO registered in Bangladesh and Germany. Together with local partner organisations, NETZ has been striving for sustainable livelihoods, quality primary education and human rights for the most disadvantaged and marginalised sections of the population in Bangladesh and India for more than 30 years.

In NETZ's Sustainable Livelihood Programmes, the women of families, who live in extreme poverty strengthen their self-help abilities to create sustainable income opportunities, increase their resilience, claim their rights and hold governmental service providers and political decision makers accountable.

All respondents of the study, together with all other participants of NETZ's Sustainable Livelihoods Programme, received food aid from NETZ and its partners during the pandemic (among other things between 20 to 50 kg of rice, 5 to 10 kg of potatoes, edible oil, pulse, salt and sugar together with protective masks and hygiene articles), which lasted for most of the recipients between 21 to 60 days.

Find out more about NETZ, its partners and how you can support the most marginalised and disadvantaged families in NETZ's working area to further strengthen their self-help abilities during this time of crisis:

www.bangladesch.org